

Notice of Meeting

CABINET

Tuesday, 17 October 2023 - 7:00 pm
Council Chamber, Town Hall, Barking

Members: Cllr Darren Rodwell (Chair); Cllr Saima Ashraf (Deputy Chair) and Cllr Dominic Twomey (Deputy Chair); Cllr Sade Bright, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Kashif Haroon, Cllr Jane Jones, Cllr Elizabeth Kangethe and Cllr Maureen Worby

Invited: Cllr John Dulwich (non-voting)

Date of publication: 9 October 2023

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Chief Executive

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Please note that this meeting will be webcast via the Council's website. Members of the public wishing to attend the meeting in person can sit in the public gallery on the second floor of the Town Hall, which is not covered by the webcast cameras. To view the webcast online, 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 19 September 2023 (Pages 3 - 11)

4. Revenue Budget Monitoring 2023/24 (Period 5, August 2023) (Pages 13 - 66)

5. Council Tax Support Scheme 2024/25 - Options and Consultation (Pages 67 - 189)

6. **Gascoigne East Phase 3A (Block J) - Approval of Disposals, Head Lease and Loan Facility Agreement (Pages 191 - 197)**
7. **Parking Proposals - Amendment to Controlled Parking Zone (CPZ) Policy (Pages 199 - 225)**
8. **Adult Social Care - CQC Assurance and Improvement Update (Pages 227 - 273)**
9. **Process and Governance of Allocation and Spend of Developer Contributions (Pages 275 - 282)**
10. **Sale of Front Garden Land at 10 Calverley Crescent, Dagenham (Pages 283 - 289)**

Appendix 2 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)).

11. **Urgent Action - Participation in a Business Rates Retention Pool with Thurrock and Havering Councils (Pages 291 - 306)**
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 10 above includes an appendix which is exempt from publication, as described. ***There are no other such 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

- Residents are supported during the current Cost-of-Living Crisis;
- Residents are safe, protected, and supported at their most vulnerable;
- Residents live healthier, happier, independent lives for longer;
- Residents prosper from good education, skills development, and secure employment;
- Residents benefit from inclusive growth and regeneration;
- Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods;
- Residents live in good housing and avoid becoming homeless.

To support the delivery of these priorities, the Council will:

- Work in partnership;
- Engage and facilitate co-production;
- Be evidence-led and data driven;
- Focus on prevention and early intervention;
- Provide value for money;
- Be strengths-based;
- Strengthen risk management and compliance;
- Adopt a “Health in all policies” approach.

The Council has also established the following three objectives that will underpin its approach to equality, diversity, equity and inclusion:

- Addressing structural inequality: activity aimed at addressing inequalities related to the wider determinants of health and wellbeing, including unemployment, debt, and safety;
- Providing leadership in the community: activity related to community leadership, including faith, cohesion and integration; building awareness within the community throughout programme of equalities events;
- Fair and transparent services: activity aimed at addressing workforce issues related to leadership, recruitment, retention, and staff experience; organisational policies and processes including use of Equality Impact Assessments, commissioning practices and approach to social value.

MINUTES OF CABINET

Tuesday, 19 September 2023
(7:00 - 8:32 pm)

Present: Cllr Saima Ashraf (Deputy Chair in the Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Sade Bright, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Kashif Haroon, Cllr Jane Jones and Cllr Elizabeth Kangethe; Cllr John Dulwich

Also Present: Cllr Mukhtar Yusuf

Apologies: Cllr Darren Rodwell and Cllr Maureen Worby

31. Declaration of Members' Interests

There were no declarations of interest.

32. Minutes (18 July 2023)

The minutes of the meeting held on 18 July 2023 were confirmed as correct.

33. Revenue Budget Monitoring 2023/24 (Period 4, July 2023) and Q1 Capital Programme Update

The Cabinet Member for Finance, Growth and Core Services introduced the Council's revenue budget monitoring report for the 2023/24 financial year as at 31 July 2023 (period 4) and the quarter 1 Capital Programme update.

The Council's General Fund revenue budget for 2023/24 was £199.002m and the forecast outturn position at the end of July projected a net overspend of £14.579m once a planned drawdown from reserves of £5.818m had been taken into account. The Cabinet Member referred to the key factors behind last year's General Fund overspend, the vast majority of which were entirely outside the Council's control and were continuing to be experienced in the current financial year. He commented that the significant drawdown from reserves in the last financial year meant that the current level of projected overspend was not sustainable and, in response to that, he, the Chief Executive and the interim Strategic Director, Finance and Investment, had held a series of 'Star Chamber' meetings with portfolio holders and Directors over recent weeks to look in detail at ways to bring down expenditure levels. That exercise had proved productive and a range of steps were being implemented as well as new ways of delivering services, although the Cabinet Member added that several other potential future pressures had also been uncovered during the process.

The Housing Revenue Account (HRA) was also experiencing a projected overspend of £7.5m and the Cabinet Member referred to the key factors behind that position.

With regard to the Capital Programme for 2023/24, the Cabinet Member was pleased to report that the revised programme was on track to spend against budget once revised proposals, as set out in the report, were taken into account.

Those changes would result in revised budgets of £353.256m for 2023/24, £155.863m for 2024/25 and £95.384m for 2025/26

The Cabinet Member also alluded to issues relating to the handover and letting of properties within the Council's Investment and Acquisition Strategy (IAS), the position relating to agreed savings proposals and proposed virements from the central budget provision to meet inflation costs within the Children's Care and Support and other services.

Cabinet **resolved** to:

- (i) Note the projected £14.579m revenue overspend forecast for the General Fund for the 2023/24 financial year, as set out in sections 2 and 3 and Appendix A of the report;
- (ii) Note the projected £7.5m revenue overspend forecast for the Housing Revenue Account, as set out in section 4 and Appendix A of the report;
- (iii) Approve the changes to the Capital Programme as detailed in paragraph 5.2 of the report, resulting in revised budgets of £353.256m for 2023/24, £155.863m for 2024/25 and £95.384m for 2025/26;
- (iv) Note the forecast outturn for the 2023/24 Capital Programme, as set out in paragraph 5.3 of the report;
- (v) Note the issues set out in paragraphs 5.4 to 5.6 of the report regarding the handover and letting of new properties, particularly concerning private rental schemes, and the steps being taken to remedy the issues; and
- (vi) Approve virements from the central budget provision totalling £2.718m, as detailed in section 6 of the report.

34. Gascoigne East Phase 3b Development - Revised Proposal

Further to Minute 43 (18 October 2022), the Cabinet Member for Regeneration and Economic Development presented a report on revised proposals relating to the Gascoigne East Phase 3b development project.

The Cabinet Member explained that since the decision was taken to award the development contract to Wates in the sum of circa £142m, a number of external factors had significantly impacted on the ability to deliver the scheme at the originally approved target price, not least the level of inflation within the construction industry which had risen from approximately 3% to 23%. In order for the project to meet the established metrics under the Council's Investment and Acquisitions Strategy (IAS), including producing a positive cumulative cashflow in year 1, officers from the Council, Be First and Reside had reviewed all aspects of the project and developed a package of achievable, albeit challenging, measures that would enable the project to proceed. The key measures were:

- Switching the original 167 Market Rent (MR) properties to Affordable Rent (AR) to enable £36m of Right to Buy (RTB) receipts to be allocated;
- Applying a service charge to the London Affordable Rent (LAR) properties of

circa £33 a week, noting that tenants would be made fully aware of the service charge in advance and that it was expected that the additional cost would be covered by an increased Housing Benefit allowance;

- The Council funding £5.7m of public realm works, to be met from Section 106 or other identified alternative funding;
- Applying 40% RTB receipts for the 3 and 4-bed LAR properties;
- Increasing the rental inflation position on AR tenures from 2% to 2.5%;
- Reducing the long-term interest rates on LAR properties from 3.5% to 3% and on AR properties from 4% to 3.5%;
- Reducing Reside operating costs to 20% above benchmark rates from 2028;
- Assuming that AR properties were let within one month from handover.

The Cabinet Member advised that consideration had also been given to revising the development scheme, delaying its implementation and/or abandoning the project. However, apart from the significant contribution that the project would have in terms of providing affordable, sub-market rentable properties to the local community, there were several other key reasons for committing to the development. Those included the level of costs that had already been incurred on the project to date and the projected additional costs of retendering the development contract in a couple of years' time. Furthermore, it was noted that the proposed package of measures would enable the project to proceed in line with the existing planning consent and building control position, avoiding the need for costly redesign of the scheme and the inevitable delays associated with applying for a new planning consent to meet updated planning regulations.

Arising from the discussions, the Cabinet Member confirmed that the proposed use of significant RTB receipts for the Phase 3b project, along with similar proposals relating to the Beam Park development also on the evening's agenda, would substantially deplete the availability of RTB receipts to support future schemes in the pipeline.

The Cabinet Member provided reassurance to the Cabinet Member for Finance, Growth and Core Services that the additional sources of funding required would be available and he confirmed that the package of measures would be kept under constant review. It was further noted that officers would continue to lobby the Greater London Authority and other potential sources of external funding to further improve the viability of projects.

Cabinet **resolved** to:

- (i) Approve the recommendation to proceed with the Gascoigne East Phase 3b development project at the new contract sum agreed with Wates of £147,996,637;
- (ii) Approve the revised total development cost of £174,657,138 including forecast capitalised interest (£169,256,073 excl. interest);
- (iii) Approve the implementation of steps 1 to 4E, as set out in paragraph 2.17 of the report, as the most viable proposal that meets the IAS metrics and the steps required to achieve this position;
- (iv) Approve the handover loan to Reside at £96,080,179, comprising

£75,170,844 for Affordable Rental homes and £20,913,031 for the London Affordable Rent homes;

- (v) Approve in principle the use of Council funding of up to £5,987,703 for the public realm works, to be funded from the future disposal of commercial asset(s) or Section 106 monies;
- (vi) Approve the revised use of Right to Buy Receipts of up to £52m to support the viability of the Affordable Rent homes and 3-4 bed London Affordable Rent homes;
- (vii) Approve the revised use of GLA Affordable Housing Grant of £6m and GLA Right to Buy ringfenced monies of £9,754,813;
- (viii) Approve the allocation, subject to the endorsement of the Assets and Capital Board, of £1,771,784 of S106 contributions to support the viability of the LAR homes or the delivery of public realm; and
- (ix) Note that Scenario 4E meets the IAS return metrics producing a Net Present Value of +£40m and a positive cumulative cashflow in year 1.

35. Development of Land at Beam Park, Dagenham - Revised Proposals

Further to Minute 34 (20 October 2020), the Cabinet Member for Regeneration and Economic Development presented a report on revised proposals relating to the Beam Park development project.

The decision taken in October 2020 related to the purchase of up to 936 homes over three phases (then known as phases 3, 4 and 5 - now known as phases 6, 7 and 8) on the western side of Beam Park (adjacent to Dagenham Green) for a mixed tenure scheme. The subsequent Development Agreement entered into with Countryside Properties (CPUK) was based on a fixed price for the properties but with indexation added for construction inflation. The Cabinet Member advised, however, that as was the case with the Gascoigne East Phase 3b project earlier on the evening's agenda, it had been necessary to review the Council's position in the development project due to increased costs.

A similar package of achievable measures had been drawn up that would enable the project to proceed in accordance with the metrics within the Council's IAS, which included:

- Acquiring 520 units within Phase 6 of the Beam Park development (excluding commercial units) from CPUK on a turnkey basis, made up of 265 AR, 134 Shared Ownership (SO), 59 LLR and 62 LAR properties;
- Applying a service charge to the LAR properties;
- Allocating £36.4m of Right to Buy (RTB) receipts, as a result of the switch from MR properties to AR properties;
- Increasing the rental inflation position on AR tenures from 2% to 2.5%;
- Reducing Reside operating costs to 20% above benchmark rates from 2028;
- Applying an interest rate of 4% for LAR, LLR and SO tenures and 5% for AR properties.

The Council had also originally intended to purchase properties with Phase 7 of the Beam Park project. The Cabinet Member advised, however, that the near-exhaustion of RTB receipts to support the Gascoigne Phase 3b and Beam Park Phase 6 projects meant that even by applying remedial measures, Phase 7 would not achieve a cashflow positive position, especially as construction inflation indexation would continue to apply under the terms of the original Development Agreement.

The Cabinet Member confirmed that, across the two projects, approximately 150 properties would be made available to families on the Council's housing waiting list and he also responded to points raised by the Cabinet Member for Finance, Growth and Core Services in relation to the alternative options that had been considered.

Cabinet **resolved** to:

- (i) Agree the viability improvement measures set out in the report to enable the acquisition of 520 units within Phase 6 of the Beam Park development (excluding commercial units) from CPUK on a turnkey basis for an estimated total price of £166.4m and total scheme cost (including interest) of £183.5m;
- (ii) Allocate up to £36.4m of Right to Buy receipts to ensure positive cashflows for Phase 6 of the Beam Park development;
- (iii) Approve a handover loan to Reside of £114,356,401 to develop, own, let, sell, manage and maintain the Phase 6 properties in accordance with the funding terms set out in the report;
- (iv) Note that the revised proposals for Phase 6 of the Beam Park development meet the IAS return metrics, producing a Net Present value of £38,943,950;
- (v) Agree to confirm to CPUK that as the Council was unable to meet the Funding Condition within the Development Agreement in respect of Phase 7 of the Beam Park development, the Council was not able to proceed with the acquisition of properties within that phase; and
- (vi) Note that should additional grant or loan funding be secured which provided a positive cashflow for Phase 7 of the Beam Park development, a further report would be submitted to Cabinet.

36. Re-Procurement of Leisure Services Contract

The Cabinet Member for Community Leadership and Engagement introduced a report in respect of the procurement of a new provider to operate the Council's Leisure Services contract which covered the management of Abbey Leisure Centre, Becontree Heath Leisure Centre and the Jim Peters Stadium.

The Cabinet Member advised that the Council's existing operator had invoked a break clause in the current concession contract procured in 2017 and would be exiting the contract with effect from 14 September 2024. Therefore, it was necessary to procure a new provider and the Cabinet Member outlined the key

outcomes and deliverables under the new, maximum 15-year contract.

Cabinet Members spoke on the underlying reasons behind the existing provider's decision to terminate the contract and the loss of income to the Council as a result. It was recognised, however, that the retendering of the contract would provide opportunities to expand use of the facilities, especially those at the Jim Peters Stadium, by all sectors of the local community.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a Leisure Services Contract in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Cabinet Member for Community Leadership and Engagement, the Strategic Director, Finance and Investment and the Head of Legal Services, to conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements to fully implement and effect the proposals.

37. Sale of Land at the Former Bull Public House, Rainham Road South, Dagenham

The Cabinet Member for Regeneration and Economic Development presented a report on the proposed disposal of a small area of Council-owned land adjacent to the former Bull Inn on Rainham Road South, to facilitate a residential development by Hollybrook of approximately 72 properties at the location.

The area of Council land measured approximately 150 sq.m. and the Cabinet Member referred to the proposed terms of the sale, which were set out in an appendix to the report, and other issues which supported the proposal.

Cabinet **resolved** to:

- (i) Agree that the Council disposes of the area of land, as shown edged red in the plan at Appendix 1 to the report, to Rainham Road South Limited (a subsidiary of Hollybrook) on the terms set out in Appendix 2 to the report;
- (ii) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Head of Legal Services and the Cabinet Member for Regeneration and Economic Development, to agree the final terms and contract documentation to fully implement the sale of the site; and
- (iii) Authorise the Head of Legal Services, or an authorised delegate on their behalf, to execute all the legal agreements, contracts, and other documents on behalf of the Council.

38. Annual Youth Justice Plan 2023/24

The Cabinet Member for Children's Social Care and Disabilities presented the Barking and Dagenham Youth Justice Plan for 2023/24, which set out the work and achievements of the service over the last 12 months and how it had impacted

first time entrants into the criminal justice service, re-offending of children and young people and reduced the numbers of children in custody.

The Cabinet Member was pleased to report that, overall, the service had positively impacted all three areas, with all three performance indicators decreasing over the last five years. Whilst Barking and Dagenham remained higher than London and National averages with regard to use of custody and first-time entrants, the Cabinet Member clarified that the Borough had the highest proportion of 0-16 year olds in the country as well as high levels of deprivation.

The Cabinet Member highlighted other achievements within the service and confirmed that the Plan had been agreed by the local multi-agency youth justice management board and submitted to the Youth Justice Board in line with the conditions of grant and national expectations.

Cabinet Members spoke in support of the Plan and the prevention work being undertaken by the service despite the lack of funding from Central Government and were encouraged to contact the Portfolio holder with any suggestions they had to enhance the service.

Cabinet **resolved** to:

- (i) Note the Barking and Dagenham Youth Justice Plan 2023/24 and the work of the youth justice service in addressing youth crime in the borough and the priorities for 2023/24, as set out in Appendix 1 to the report; and
- (ii) **Recommend the Assembly** to adopt the Barking and Dagenham Youth Justice Plan 2023/24.

39. Appointee and Deputyship Service Policy

The Chair presented a report on behalf of the Cabinet Member for Adult Social Care and Health Integration in respect of an updated Appointee and Deputyship Service policy.

The Chair explained that, in accordance with the Mental Capacity Act 2005 and the Care Act 2014, the Council offered a service to those who, through lack of capacity and support, were unable to manage their personal assets and finances due to mental incapacity. Since 2017, the Council had charged a nominal fee for providing the Appointee service and, in 2021, introduced a Deputyship service for those who similarly lacked mental capacity and support but who fell outside the purview of the Appointee service due to their level of income. In response to the growing demand for Appointee and Deputyship services, a review of the Council's policies and charging arrangements was conducted in line with the Court of Protection Rules 2017 (COP) and other statutory guidance.

Cabinet Members welcomed the updated policy as a further commitment to the Council's vision of "No one left behind".

Cabinet **resolved** to:

- (i) Agree the Appointee and Deputyship Policy as set out at Appendix 1 to the

report, to be effective from 1 April 2024; and

- (ii) Agree to the commencement of public consultation in respect of the proposed charges associated with the Appointee and Deputyship Policy.

40. Contract for School Data and Applications Solution Software

The Cabinet Member for Educational Attainment and School Improvement introduced a report on proposals to enter into a maximum seven-year contract with Access Solutions for the provision of support, maintenance and additional modules relating to the Synergy system.

The Cabinet Member explained that Synergy was the main IT system that supported the Council's education and school admissions service. As well as providing ongoing maintenance and support for those aspects, the new contract would incorporate additional modules covering aspects such as special educational needs and disabilities (SEND) services and greater integration between systems.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a contract with Access Solutions for the proposed Synergy database merge and the purchase of additional software modules to support the single view of the child and safeguarding via the YPO software applications and data framework 1095, in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Commissioning Director, Education, in consultation with the Head of Legal Services, to award and enter into the contract and any extension periods with Access Solutions to fully implement and effect the proposals.

41. Contract for the Provision of Security Doors and Screens for Council and Other Properties

The Cabinet Member for Finance, Growth and Core Services presented a report on proposals to procure, via an open tender process, a new contract for the provision for security screens and doors to secure properties when they are decanted, vandalised or there had been a forced entry by the Police or other emergency services.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of the provision for security screens and doors on a maximum five-year term in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director, My Place, in consultation with the Head of Legal Services, to conduct the procurement and enter into the contract and all other necessary or ancillary agreements, including contract extensions, with the successful bidder.

42. Debt Management Performance 2023/24 (Quarter 1)

The Cabinet Member for Finance, Growth and Core Services presented the latest debt management performance report covering the first quarter of the 2023/24 financial year.

The Cabinet Member stressed the need for the Council to maximise the collection of monies owed in order to fund core services, although he acknowledged that many residents and business were struggling during the current cost-of-living crisis. The Collection Service was implementing a number of new initiatives aimed at increasing collection and debt recovery rates as well as additional measures to support those in difficulty and the Cabinet Member confirmed that further information on those initiatives would come forward in future quarterly reports. Further consideration was also being given to target collection rates and levels of arrears in certain areas.

Cabinet **resolved** to note the performance of the debt management function carried out by the Council's Collection service, including the improvements in collection in some areas and the challenges in others.

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CABINET

17 October 2023

Title: Revenue Budget Monitoring 2023/24 (Period 5, August 2023)	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report	For Decision
Wards Affected: None	Key Decision: Yes
Report Author: Katherine Heffernan and Philippa Farrell, Heads of Service Finance	Contact Details: E-mail: Katherine.heffernan@lbbd.gov.uk Philippa.farrell@lbbd.gov.uk
Accountable Director: Nish Popat, Interim Deputy Section 151 Officer	
Accountable Executive Team Director: Jo Moore, Interim Strategic Director, Finance & Investment	
Summary	
<p>This report sets out the Councils revenue budget monitoring position for 2023/24 as at the end of August 2023, highlighting key risks and opportunities and the forecast position. This is the second budget monitoring report to Cabinet of this financial year.</p> <p>At the end of the last financial year, the Council was overspent across a range of service areas. Some of this was one-off in nature but there was an underlying permanent overspend of £8m, which continues to impact the current financial year. The factors contributing to this, especially increasing demand and costs of social care services, have continued and worsened into this financial year resulting in a further overspend forecast position.</p> <p>The Council's General Fund budget for 2023/24 is £199.002m. Based on the information available at the end of July (Period 4) overall expenditure was forecast to be £219.4m with a planned drawdown from reserves of £5.818m making a forecast overspend of £14.579m. As this was a very significant overspend the Council responded by identifying and implementing measures to try to contain expenditure within the budget envelope approved by Assembly in March 2023. Measures include finding alternative sources of funding such as grant income, holding staff vacancies and delaying or reducing costs wherever possible.</p> <p>At the end of August (Period 5) forecast expenditure after transfers to and from reserves is now £210.040m resulting in a forecast overspend of £11.037m. This represents a reduction of £3.542m from Period 4. This is an improved position but would still be a large draw down on the Council's reserves so work to reduce spending will need to continue further. This will be reported regularly throughout the year.</p> <p>There is also the inherent risk that demand costs increase and other unforeseen costs materialise which result in additional expenditure or shortfalls of income not currently include within the P5 forecast.</p>	

There is also an overspend of £6.899m on the HRA which is also an improved position since P4. This level of overspend is not sustainable and work is currently underway to reduce this level of overspend going forward.

Currently corporate funding is expected to be in line with the budget but this year's dividend from Be First (estimated at c£10.4m) will in part be drawn down from reserves. Last year an exceptional return was made from the Muller deal and it was agreed this could be spread over two years via a reserve.

There are a number of identified risks and opportunities which could have a beneficial or detrimental impact on the current forecast position. These need to be managed along with mitigating actions to sustainably reduce overspends in the remainder of the year.

If the forecast level of overspend continues, this could result in the requirement to draw funds down from the General Fund balance c£17m. The Council's current Reserves Policy has set the balance for the General Fund to be maintained at £12m.

Any amounts drawn down from the General Fund or earmarked reserves could significantly impact on the Council's financial sustainability. The position will continue to be closely monitored and risks and opportunities recognised as soon as certain.

Recommendation(s)

Cabinet is recommended to:

- (i) Note the projected £11.037m revenue overspend forecast at Period 5 for the General Fund for the 2023/24 financial year, as set out in sections 2 and 3 and Appendix A of the report;
- (ii) Note the projected £6.899m revenue overspend forecast for the Housing Revenue Account, as set out in section 4 and Appendix A of the report; and
- (iii) Note the projected returns for the Investment and Acquisition Strategy as set out in section 5 and Appendix A 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 and support the objective of achieving Value for Money as part of the 'Well Run Organisation'.

Chapter 2 of Part 4 of the Council's Constitution requires regular reporting to Cabinet on the overall financial position of each service and the current projected year-end outturn together with corrective actions as necessary.

1. Introduction and Background

- 1.1 This is the second revenue budget monitoring report to Cabinet for the 2023/24 financial year and the forecast position reflects forecast to end of year as at end of Period 5 (August 2023).

1.2 This financial year continues to see the high level of financial risk realised in 2022/23 outturn. The risk of inflation, and rising interest rates can not only drive increases in demand but directly impact the costs paid by the Council. These risks are compounding the long-standing pressures that impact across the Local Government sector. These risk factors are beyond the Council's control and are being felt across all local authorities. However, they are at risk of impacting LBBD more significantly as a result of the high levels of deprivation and disadvantage that already exist amongst residents of the Borough.

1.3 The pressure identified in this report are significant and will be factored into the Council's MTFs Planning process to identify long term financial implications on the Council. It is important that the Council begins to significantly reduce the forecast overspend in order to ensure the Council remains financially sustainable over the coming years.

2. Overall Financial Position - General Fund

2.1 The 2023/24 budget was approved by the Assembly in March 2023 and is £199.002m – a net increase of £16m from last year. Growth funding was supplied to most services to meet known demand and cost pressures and a central provision was made for the expected Local Government pay award. In addition, there were £7.049m of savings included in the budget.

2.2 As **Appendix A** shows, the expenditure forecast is £210.040m after planned transfers to and from reserves resulting in a net overspend of £11.037m. Approved transfers to and from reserves are not normally considered to be overspends since they are planned and agreed spending for which funding sources has been identified – often grant income brought forward from previous years. The table below summarises the overall financial forecast for the Council followed by a narrative highlighting the key drivers behind the forecasts. More detail is given in Appendix A.

	This Years Budget		Actuals/Forecast		Reserves	Variances Inc Reserves		
	Outturn 2022/23	Revised	YTD Actuals	Current Forecast	Net Movement in Reserves	Variance	Last Period Variance	Movement from Last Period
GENERAL FUND I&E	210,758,420	199,002,253	79,355,312	215,652,183	(5,612,534)	11,037,395	14,578,549	(3,541,154)
PEOPLE & RESILIENCE	117,190,113	116,957,652	43,102,001	127,978,450	0	11,020,797	10,341,694	679,103
CORPORATE MANAGEMENT	52,696,852	44,965,743	10,246,878	47,368,216	(161,574)	2,240,899	2,688,060	(447,161)
LAW AND GOVERNANCE	(5,174,523)	(4,081,919)	791,864	(6,275,694)	1,248,000	(945,775)	(553,276)	(392,499)
STRATEGY	3,546,790	9,755,640	4,063,153	9,355,726	(413,662)	(813,576)	(652,261)	(161,315)
INCLUSIVE GROWTH	2,229,661	1,695,078	1,160,816	3,806,138	(1,836,212)	274,848	470,240	(195,392)
COMMUNITY SOLUTIONS	25,021,966	14,335,070	3,943,012	17,352,491	(4,449,086)	(1,431,665)	927,886	(2,359,551)
MY PLACE	15,247,563	15,374,989	16,047,588	16,066,856	0	691,867	1,356,206	(664,339)

Note: There has been a management change with Customer Services moving between Community Solutions and Strategy (the lines highlighted in yellow above.)

3 Service Variances

3.1 People & Resilience – forecast overspend £11.021m

3.1.1 Since last month there has been an adjustment to the grant income in this area – an accounting error of a double count of £2.1m of corporate grant funding has been

corrected which has had the impact of increasing the PIR overspend by this amount.

3.1.2 However, some other grants and health income have been applied to reduce the overspend. The overspend in this area relates to payments for care. There is a forecast variance of just under £5m across Adults and Adults with Disabilities – mostly driven by cost increases in care contracts. To meet its duties of market sustainability and the Council's commitment to the London Living wage there has been a standard uplift of 16% to in borough providers which was only partly funded in the budget. There are also significant overspends in Childrens (£4.5m) relating to care placements for looked after children (£5.4m) offset by underspends in salaries and use of grant income and in Children With Disabilities (£2.6m) which largely reflects the high costs of care for children with complex needs and an overspend on Home to School transport for Children with special educational needs (£0.98m).

3.2 Corporate Management – forecast overspend £2.24m

3.2.1 This overspend is largely driven by the expected local government pay award (forecast to be 6.5%.) In addition, there is an overspend in the HR department of HRA. This is offset by underspends in IT mostly relating to delays in activity or unfilled posts due to difficulties recruiting specialist skilled staff. Both HR and IT are taking management action to reduce spend.

3.3 Law & Governance – forecast underspend £0.945m

3.3.1 There is additional income being forecast for Off Street Parking (ie Car Parks) and Traffic Management Orders. These are not ringfenced and can be used to offset other council pressures. On Street Parking income surpluses will be taken to the reserves.

3.4 Strategy – forecast underspend £0.813m

3.4.1 This month there has been a management change and Customer Insight has now been moved to Strategy (from Community Solutions.) The Customer Services team is underspending through holding vacancies as is the Strategy team and there is an overachievement of advertising income.

3.5 Inclusive Growth – forecast overspend £0.275m

3.5.1 This overspend is mainly the result of non-achievement of income especially in Parks Commissioning (£0.5m) and Heritage. This is being offset by holding vacancies and other management action. The overspend has reduced since last month as the Culture and Heritage and Employment and Skills services have both been successful in gaining grant income to offset some of their pressures.

3.6 Community Solutions – forecast underspend of £1.432m

3.6.1 Within this forecast there is a financial pressure of £3.4m – mostly relating to services no longer being charged to the HRA. This is being managed in-year with a mitigation plan including holding vacancies and drawing heavily on reserves. The

service has also been successful in increasing its income including grant income from the GLA, Health income and HRA recharges.

3.7 My Place – forecast overspend of £0.692m

3.7.1 This is made up of an overspend in Homes and Assets of £1.4m offset by a £0.751m underspend in Public Realm. The Homes and Assets pressure results from a reduced ability to charge to the HRA and a shortfall on Commercial Property income while the Public Realm underspend relates to over achievement of income (from the HRA and external charging), staffing vacancies and growth funding not yet being used.

3.8 Risks and Opportunities

3.8.1 Several risks and opportunities are identified that are currently not included within the forecast overspend. Risks of circa £2.4m are identified however it should be noted that there are also several unquantified risks which are very likely to materialise if robust management action is not taken, the impact being an increase to the figure of £2.388m. Potential opportunities of circa £ 3.5m are identified. sustainability and resilience and restrict investment for services and transformation.

3.9 Savings

3.9.1 There is a new savings target of £7.049m for 2023/24. At P5:

- £1.377m (20%) are rated red, not being achieved; (HR £0.577m, Parks income £0.5m, My Place £0.15m, Valence library £0.13m)
- £0.492m (16%) are rated amber / green, forecast as uncertain and may only be part achieved
- £5.18m (64%) are rated green, fully achieved (either now or by year end) or expected to be achieved in year.

3.9.2 Red savings are reflected in the service overspends. Unachieved savings in the current financial year increases the risk to the medium-term financial strategy moving forward and will increase the budget gap unless viable alternative savings can be found.

4 Housing Revenue Account

4.1 The HRA is forecasting to overspend by £6.899m. The primary cause of the overspend is the significant increase in the BDMS contract for Housing Repairs and Maintenance which has increased from £15.670m to £25m, an agreed increase after budget setting. This has driven an overspend of £2.6m against supervision & management and £6.8m against repairs and maintenance.

4.2 These costs are being partly mitigated by a slowdown in the capital programme leaving residual pressures of £6.899m. HRA reserves stand at £18m and may reduce by a further £1m once the HRA for 2022/23 is finalised. Drawing a further £7m from reserves will significantly deplete HRA reserves. It should also be noted that reducing capital spending may result in increased later costs.

5. Investment and Acquisition Strategy and Treasury Management

- 5.1 The Council has an Investment and Acquisition Strategy to achieve a financial return while supporting the regeneration of the borough. This is reported on in detail at regular intervals but a short summary of the current in-year forecast is provided in Appendix A.
- 5.2 Overall there is a shortfall of £3.7m on returns with only £3.2m being forecast to be achieved against a target of £6.9m. However, this is offset by a £4.5m net over achievement of income on borrowing and investment income creating a net surplus of £0.863m.
- 5.3 There is also a small surplus forecast of £0.943m on general treasury management activity. This has not been incorporated into the main budget forecast as the economic situation is volatile but it does represent an opportunity to decrease the overspend if returns remain favourable.

6. Financial Implications

Implications completed by: Katherine Heffernan, Head of Service Finance

- 6.1 This report is one of a series of regular updates to Cabinet about the Council's financial position and the main body of the report provides key financial implications.

7 Legal Implications

Implications completed by: Dr Paul Feild, Senior Standards & Governance Lawyer

- 7.1 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.
- 7.2 In spite of inflationary pressures such as the Post covid and war in Eastern Europe shocks, the fiduciary duty to Council taxpayers and the Government for proper stewardship of funds entrusted to the Council together with ensuring value for money plus the legal duties to achieve best value still apply. Furthermore, there remains an obligation to ensure statutory services and care standards for the vulnerable are maintained.
- 7.3 We must continue careful tracking of all costs and itemise and document the reasoning for procurement choices to ensure expenditure is in line with the Local Government Act 1999 duty to secure continuous improvement in the way in which the Council's functions are exercised, having regard to a combination of economy, efficiency, and effectiveness. If there should be need to make changes in services provision, then there is a duty to carry out proper consultation and have due regard to any impact on human rights and the Council's Public Sector Equality Duty under the Equality Act 2010 before finalising any decision.

8. Other Implications

- 8.1 **Risk Management** – Regular monitoring and reporting of the Council’s budget position is a key management action to reduce the financial risks of the organisation.
- 8.2 **Corporate Policy and Equality Impact** – regular monitoring is part of the Council’s Well Run Organisation strategy and is a key contributor to the achievement of Value for Money.

Public Background Papers used in preparation of this report:

- The Council’s MTFS and budget setting report, Assembly 1 March 2023
[Budget Framework 2023-24 Report \(lbbd.gov.uk\)](https://www.lbbd.gov.uk/Budget-Framework-2023-24-Report)

List of appendices:

- **Appendix A:** Revenue Budget Monitoring Pack 2023/24 (Period 5)

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Finance Budget Monitoring – General Fund APPENDIX A

2023/24

P5 (August 2023)

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Period 5: Overspend of £11.04m a favourable movement of c£3.5m

	This Years Budget		Actuals/Forecast		Reserves	Variances Inc Reserves		
	Outturn 2022/23	Revised	YTD Actuals	Current Forecast	Net Movement in Reserves	Variance	Last Period Variance	Movement from Last Period
GENERAL FUND I&E	210,758,420	199,002,253	79,355,312	215,652,183	(5,612,534)	11,037,395	14,578,549	(3,541,154)
PEOPLE & RESILIENCE	117,190,113	116,957,652	43,102,001	127,978,450	0	11,020,797	10,341,694	679,103
CORPORATE MANAGEMENT	52,696,852	44,965,743	10,246,878	47,368,216	(161,574)	2,240,899	2,688,060	(447,161)
LAW AND GOVERNANCE	(5,174,523)	(4,081,919)	791,864	(6,275,694)	1,248,000	(945,775)	(553,276)	(392,499)
STRATEGY	3,546,790	9,755,640	4,063,153	9,355,726	(413,662)	(813,576)	(652,261)	(161,315)
INCLUSIVE GROWTH	2,229,661	1,695,078	1,160,816	3,806,138	(1,836,212)	274,848	470,240	(195,392)
COMMUNITY SOLUTIONS	25,021,966	14,335,070	3,943,012	17,352,491	(4,449,086)	(1,431,665)	927,886	(2,359,551)
MY PLACE	15,247,563	15,374,989	16,047,588	16,066,856	0	691,867	1,356,206	(664,339)

Key Drivers for the movement:

The biggest movements have occurred in Community Solutions and MyPlace, with the only negative movement occurring in People and Resilience which has arisen as the result of the incorrect accounting treatment of a central government grant, not within the control of the PIR Directorate.

Community Solutions: £2.4m decrease in forecast

NB: Last period's variance does not match the P4 due to a service structural movement with the Customer Contact Services moving from Community Solutions to Strategy (as highlighted in yellow above). The table above has been updated to reflect what last month's variance would have been under the new structure. Customer contact centre forecast underspend of c£0.7m. The £2.4m positive movement comprises: additional funding from the GLA of £515k relating to improvements to council tax collection; ICB funding confirmation for 2023/24 of £188k; Play and Comm recharge confirmed £160k; correction of the cleaning forecast, which was not removed in P4 despite a budget virement of £100k; and HRA additional charge of £1.3m relating to housing advice.

My Place : £0.7m decrease forecast

The main driver of the favourable movement is the recognition of income from Reside LTD of £0.64m. Discussions are currently in progress and this could result in an increase in bad debt provision for the next period.

People and Resilience: Movement of £0.7m increase in spend.

There has been a decrease in the forecast for Adults BCF with the release of the Winter Pressures Fund, Discharge Fund (£0.386m), Adults with Disabilities Discharge Fund (£0.186m). This carries a significant amount of risk, if demand increases dramatically over this period there will now be no funding to cover that pressure unless more funding becomes available. Commissioning Public Health Grant (£0.458m) and Children's Public Health Grant (£0.389m), which have reduced the overspend. This has been offset by the correction of the Market Sustainability Improvement Fund £2.138m incorrect accounting treatment.

Strategy: (as Community Solutions above) Last month variance has been updated to incorporate the underspend within the customer contact centre of c£0.7m (mainly vacancies) which has now moved into this Directorate. This has slightly increased in this period but the movement in this area is now only £0.16m. The key driver of this movement of £861k reduction in spending is the Customer contact centre, which has moved into this area.

Key assumptions

- Forecasts are provided by budget holders and service managers with Finance advice and support
- Staff are costed within services at 22/23 pay rates within services. An estimate of the additional costs of a 6.5% pay increase has been included in Central Expenses resulting in a £3.7m overspend (budget provision £6.3m)
- There is an inflation provision held centrally of £5.5m for energy and contract costs. £2.7m has been distributed to services and a further £0.7m is shown as an underspend against declared service pressures leaving c£2m to be allocated
- Care and Support figures are based on known clients and care packages held on ContrOcc . Any increases in clients or shifts in types of placement above this assumption will create variances. Since individual clients can require very expensive packages these budgets can be very volatile

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Quarter one debt monitoring did not support an increase in bad debt provision so there is currently no forecast for this being required. Bad debt is revisited Quarterly and will be updated in P6

- It is assumed that the Be First company dividends total of £10m will not be received from the company and will be met partly from a draw down from reserves using the Muller Profit in part.
- Parking Income has been forecast to include the current trend. Currently forecasting additional income of £1.2m of which £0.2m relates to on-street and will be transferred to the ring-fenced reserve and c£1m relates to off-street parking and TMO income and is therefore able to be included in the outturn position. There are schemes to come online in year that may increase the achieved income. We have been prudent in the income forecast.
- There is no variance reported on borrowing and interest costs and income or the MRP budget – in previous years this has been managed by use of reserves.
- There was a deficit of £4.567m on the 22/23 Collection Fund that will be brought into this year's General Fund (in accordance with regulations.) This will be covered by a drawdown from the budget smoothing reserve.

Key risks

- The Ethical Collection Service is forecasting income of £600k. The service is working towards a higher income collection. However, it is currently unable to cover its costs. Finance believe the income will range between £400k - £600k and this may increase the outturn variance.
- Temporary Accommodation rental properties available - We are currently at capacity within our own hostels and have received several hand backs requests for PSL's which may lead to an overspill into B&B's and Hotels. Modelling is being carried out against various assumptions which will enable a more robust forecast. This is a national issue. This will also impact support for Social Care clients with the immigration status of No Recourse to Public Funds (NRPF)
- Social Care budgets are highly dependent on demand for services which cannot be controlled at the point of need. As costs of care are very high even small changes in numbers of people needing support can cause large swings in the overall forecast. The Adult's service was holding some health funding in reserve to offset against potential winter pressures, but this has now been released, which carries significant risk.

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My Place is the managing agent for Reside properties. It therefore attracts expenditure which in turn must be passed to the relevant reside company. The risk if there is insufficient breakdown of the expenditure then My Place will not be able to secure invoices from the relevant company and will be left with an overspend.

- Commercial Services – Leisure Income: SLM has given notice that they will be terminating the Leisure contract from September 2024. It is assumed that SLM will continue to pay the concession fee up to the termination date. The assumed income is £665k in 2023/24.
- Contaminated Land by Eastbrookend Park. Although a provision was made for this issue at the end of 21/22 until the matter is settled then there remains a risk.
- HB subsidy and overpayments recovery, the forecasts are based on the current returns and are subject to change throughout the year. There are new players in the market that are claiming the Supported Exempt Status, this means they are exempt from Universal Credit and can claim HB. DWP will only pay the amount in rent to the LA that is advised by the rent officer. Where there are new entrants to the market there is no comparator for rent and therefore there are risks that the LA will be picking up the cost of the gap between the rent officer rate and the provider rate.

2023-24 Savings Progress Overview

There were several savings targets identified as part of the MTFS process. The table opposite shows the performance in relation to those savings by area.

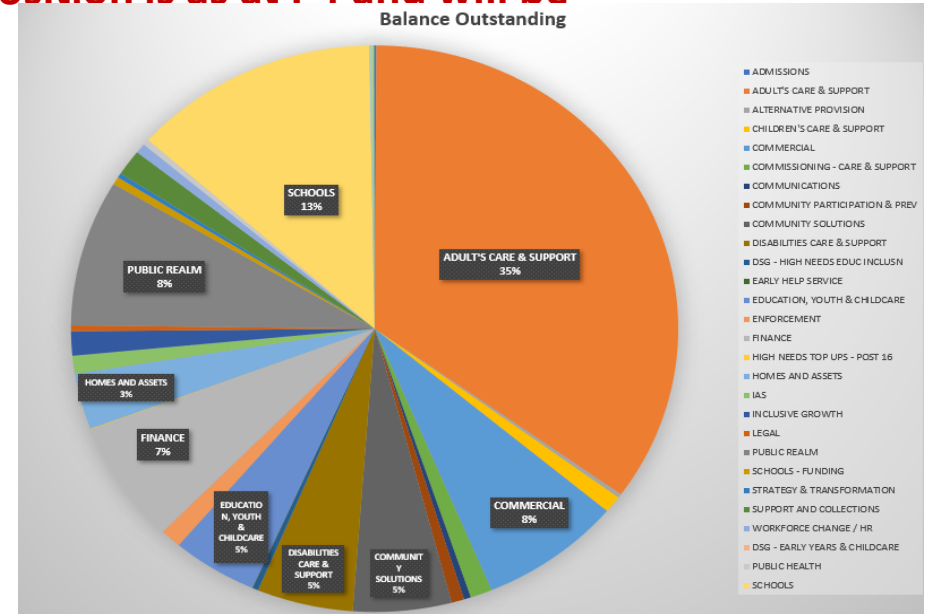
It is crucial that savings proposals are met, or alternatives found although there is currently no permanent alternatives proposed

More detail on the specific savings can be found in the appendices.

	Savings Rated Green £ 000s	Savings Rated Amber £ 000s	Savings Rated Green £ 000s
Care and Support		237	500
Community Solutions	130	220	1,122
My Place	155		153
Inclusive Growth	500		370
Finance & IT			735
Law & Governance			2,300
HR	577		
Education	15		
EYCC		35	
Total	1,377	492	5,180

Bad Debt – This is Updated Quarterly. The current position is as at P4 and will be

DIRECTORATE	Overdue 0-12 months	Overdue 12-24 months	Overdue 24-36 months	Overdue 36 months +	TOTAL Balance Outstanding
ADMISSIONS	6,019	30,174	-	1,106	37,299
ADULT'S CARE & SUPPORT	1,612,670	4,117,839	3,107,538	4,718,303	13,556,350
ALTERNATIVE PROVISION	-	50,110	6,763	29,524	86,396
CHILDREN'S CARE & SUPPORT	3,220	86,951	6,020	281,346	377,537
COMMERCIAL	2,941,916	-	230	5,643	2,947,789
COMMISSIONING - CARE & SUPPORT	2,956	202,444	154,831	92,430	452,660
COMMUNICATIONS	18,050	56,004	37,875	31,218	143,147
COMMUNITY PARTICIPATION & PREV	61,369	43,473	52,829	104,635	262,306
COMMUNITY SOLUTIONS	836,325	1,197,090	4,210	1,485	2,039,110
DISABILITIES CARE & SUPPORT	307,476	619,541	394,580	672,852	1,994,449
DSG - HIGH NEEDS EDUC INCLUSN	21,120	87,734	1,616	7,980	118,450
EARLY HELP SERVICE	-	12,893	-	-	12,893
EDUCATION, YOUTH & CHILDCARE	866,803	123,381	352,188	427,180	1,769,551
ENFORCEMENT	46,381	17,309	312,229	60,431	436,349
FINANCE	435,834	527,643	1,077,663	659,196	2,700,337
HIGH NEEDS TOP UPS - POST 16	-	14,896	-	-	14,896
HOMES AND ASSETS	585,172	243,895	199,386	212,802	1,241,254
IAS	103,716	71,959	139,946	81,000	396,621
INCLUSIVE GROWTH	27,254	173,970	298,126	37,747	537,098
LEGAL	73,839	24,863	10,729	20,632	130,062
PUBLIC REALM	545,700	903,231	1,410,981	386,731	3,246,643
SCHOOLS - FUNDING	18,683	150,000	-	-	168,683
STRATEGY & TRANSFORMATION	65,261	5,250	27,554	3,646	101,710
SUPPORT AND COLLECTIONS	-	380,468	150,590	42,956	574,015
WORKFORCE CHANGE / HR	17,174	184,093	3,540	11,131	215,938
DSG - EARLY YEARS & CHILDCARE	-	-	25	75	100
PUBLIC HEALTH	-	80,000	49,700	-	129,700
SCHOOLS	4,898,914	197,169	3,430	8,299	5,107,812
SCHOOLS - ACADEMIES	1,883	18,420	-	8,806	29,110
HR	7,447	40,776	18,321	5,804	72,350
OPERATIONAL EXPENSES	307	159	-	7,648	8,115
Grand Total	13,505,490	9,661,735	7,820,899	7,920,607	38,908,731



The above data comes from the 'All Invoices' report run from E5 and has been split out by Directorate based on the cost centre linked to the invoice.

The data shows total invoices outstanding as at 31st July 2023 and has been sorted into aging buckets.

Total Bad Debt above includes LBBB schools and companies which would normally be excluded when calculating the bad debt provision.

At quarter one the total level of debt had decreased since year end – however it is thought this be in part a seasonal effect. We will not include a reduction in bad debt in the forecast until the trend is clearly established.

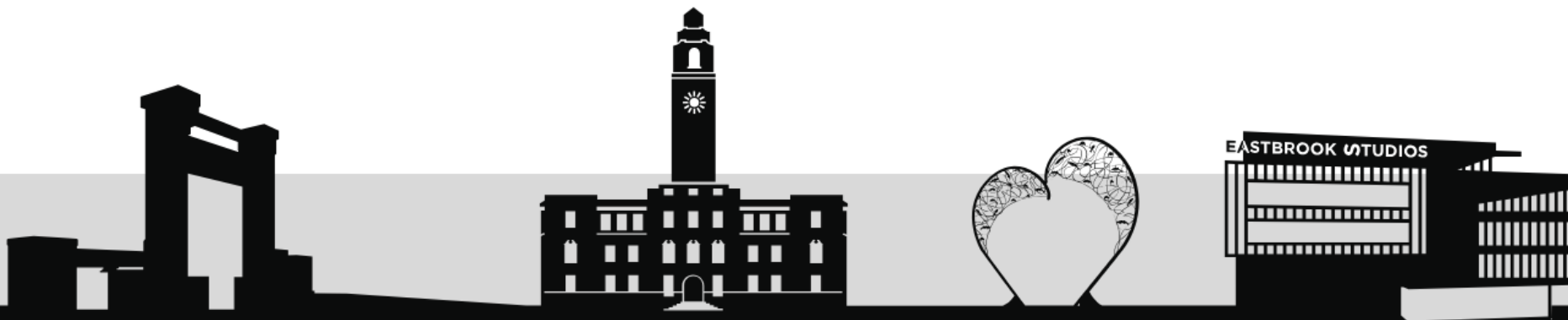
Finance Budget Monitoring – Housing Revenue Account (HRA),
Dedicated Schools Grant (DSG) and Investment and Acquisition
Strategy (IAS)

P4

2023/24

P5 (August 2023)

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HRA: Period 5

Executive Summary

The HRA is reporting a **£6.899m** overspend projection at Period 5. The voluntary budget allocation to support the Capital Programme of £6.680m has **already** been released in part mitigation. The primary cause of the overspend is the significant increase of the BDMS Contract for Housing Repairs and Maintenance, which has gone from a budget of £15.670m to £26.472m. **The contract was agreed after the budget was set.** After taking account of changes, the net pressure caused is £10.089m.

(£582,000) positive movement in Period 5 HRA Forecast. **(£1.1m)** improvement on rental income due to materially lower RTB sales and slippage in planned Estate Renewal timelines. Offset partly by £594,000 increase with Leasehold Premium Building Insurance after a 3 year procurement contract was agreed.

P4		2023/24 FORECAST OUTTURN				
VARIANCE	REPORT LEVEL	BUDGET	FORECAST	VARIANCE	CHANGE	
		£'000	£'000	£'000	£'000	
£2,676	SUPERVISION & MANAGEMENT	48,394	50,997	£2,603	(£73)	
£6,824	REPAIRS & MAINTENANCE	24,473	31,232	£6,759	(£65)	
£674	RENTS, RATES ETC	1,587	2,855	£1,268	£594	
£0	INTEREST PAYABLE	11,300	11,300	£0	£0	
£0	DISREPAIR PROVISION	0	0	£0	£0	
£0	BAD DEBT PROVISION (BDP)	3,309	3,309	£0	£0	
(£249)	CDC RECHARGE	1,102	844	(£257)	(£9)	
£9,926	TOTAL EXPENDITURE	90,164	100,536	£10,372	£446	
£1,045	DWELLING RENTS	(£90,432)	(90,491)	(£59)	(£1,104)	
£0	NON-DWELLING RENTS	(£765)	(754)	£11	£11	
£1,642	CHARGES FOR SERVICES & FACILITIES	(£26,158)	(24,466)	£1,691	£49	
£0	INTEREST & INVESTMENT INCOME	(£400)	(400)	£0	£0	
£2,687	TOTAL INCOME	(£117,755)	(£116,111)	£1,644	(£1,044)	
£12,613	NET TOTAL BEFORE CAPITAL	(£27,591)	(£15,575)	£12,016	(£597)	
£1,555	DEPRECIATION	19,210	20,765	£1,555	£0	
(£6,680)	TRANSFER TO MAJOR REPAIR RESERVE (MRR)	6,680	0	(£6,680)	£0	
(£5,126)	CAPITAL PROGRAMME FUNDING	£25,891	£20,765	(£5,126)	£0	
£7,487	NET TOTAL AFTER CAPITAL	(£1,700)	£5,190	£6,890	(£597)	
(£7)	TRANSFER TO HRA LEASEHOLDER RESERVE	£1,700	1,708	£8	£16	
£7,480	TRANSFER FROM/(TO) HRA RESERVE	(£0)	£6,899	£6,899	(£582)	

Forecast Position: £6.899m Overspend

Key Drivers of the Position (Summary):

- Supervision & Management: £2.603m overspend**
BDMS Contract £3.565m relating to Management of We Fix and Agency offset by **(£962,000)** mostly relating to the removal of reside related costs from the HRA position in 2023/24.

Repairs and Maintenance: £6.759m overspend

We Fix activity is the driving cause, **BDMS Contract £7.238m** relating to service costs (materials, subcontractors, contact centre etc) and Fleet costs **£500,000** are slightly offset by **Direct Labour Organisation (DLO) (£720,000)** underspend.

(£259,000) is predominantly related to Compliance activity which is still at £4.7m forecast outturn. The cancelling of current night wake contract is reason for positive movement this month.

- Other Expenditure Lines: £1.010m overspend**
Rents, Rates: £1.268m Insurance Premiums reflects higher 2022/23 Outturns on Building and Employer and Public Liability together with a recognition that the HRA will likely have to pay **Council Tax** for its void properties. This is offset in part by a reduction in the projected **CDC recharge (£257,000)**.
- Income: £1.644m under recovery**
Services & Facilities £1.691m is reflecting the removal of Reside income from the HRA position in 2023/24.
- Capital Programme & Financing: (£5,126m) underspend**
This essentially finances the HRA element of the Capital Programme alongside the Transfer to MRR (Major Repairs Reserve). **Depreciation** is expected to increase by **£1.555m** compared to budget and is mandatory. The **MRR** budget allocation has been released **(£6.680m)** to offer partial mitigation to the in-year overspend but capital borrowing costs could rise in future years for the HRA.

The HRA Capital Programme has been reduced to 18.5m this year given the constraints linked to the BDMS Contract and Government Cap on Rents (7%).

As the HRA in year position must balance at Outturn, should mitigation not be identified, then this would require funding from the HRA Reserve **(£18.4m)**.

HRA: Period 5 Quantifiable Risks & Opportunities

Forecast Position: **£6.899m overspend**

Despite the seriousness of the HRA Outturn Projection, there are still a considerable number of risks that are NOT reflected in that position.

The quantified value is **£1.9m plus a long list of unquantified risks (next slide).**

However, there are some **Opportunities** identified totalling **(£1.750m)**. These relate to a potential underspend on the Bad Debt Provision (**£1.5m**) and possible reduction in Overtime on DLO (**£250,000**).

ID	Service Area	Risk Description	Likelihood	Impact	Overall	Value '000	RAG	Mitigating Action	Portfolio	Prior Month Mov £'000
QUANTIFIABLE										
R1	Service Charge Actualisation 22/23 - Housing Ops	Service Charges are raised based on an estimate, then actualised six months after the financial year. For 4 years, the process has concluded actualisation as lower than the estimate. This is down to issues in budget estimates but also being unable to identify costs at block level in certain areas (e.g. R&M).	4	1	4	£ 100		A creditor based on the last 3 years of actualisation average has been raised. This will minimise impact to estimated £100k.	Community, Leadership and Engagement	£0
R2	Security Costs - Landlord Services	Due to the Estate Renewal Blocks being partially empty and attracting ASB/Crime we have had to increase the security patrols around these blocks. 2023/24 budget is £550k but 2022/23 Outturn was £876k.	3	3	9	£ 350		Forecast within the outturn. We have put a plan in place to empty key blocks which would then reduce the need for security	Community, Leadership and Engagement	£250
R3	BDMS Fleet - BDMS Contract	Fleet Costs are not within the 2023/24 BDMS Contract Price, compared to 2022/23. The HRA is likely to have to fund Fleet costs from either BDMS or Public Realm Fleet Management or a mixture of the two.	4	4	16	£ 1,440		My Place, BDMS and Finance need to visit this area and agree an approach for 2023/24.	Community, Leadership and Engagement	£440
R4		Night Wake contract has ceased. Alarm system online imminently.			0					(£300)
						£ 1,890				£390

ID	Service Area	Opportunity Description	Likelihood	Impact	Overall	Value '000	RAG	Action	Portfolio	Prior Month Mov £'000
QUANTIFIABLE										
O1	BDP	The Bad Debt Provision Budget is set at £3.309m and has historically not been fully required at year end. The opportunity value allows for some growth in the overall BDP but should be seen as an maximum figure.	3	4	12	(£1,500)		Monitor - Qtr 1 requirement £643k, extrapolation full year £2.5m budget requirement.	Community, Leadership and Engagement	£0
O2	DLO Overtime	Due to the BDMS Contract, it maybe viable to recharge or offset the costs of DLO Overtime as this is potentially covered under the contract arrangement for 2023/24.	2	2	4	(£250)		Monitor	Community, Leadership and Engagement	£0
						(£1,750)				£0

HRA: Period 5 Non-Quantifiable Risks

ID	Service Area	Risk Description	Likelihood	Impact	Overall	Value '000	RAG	Mitigating Action	Portfolio
NON-QUANTIFIABLE									
RA	Energy	There is uncertainty over energy budgets due to the world market but also the timing delays in receiving charges. Price uplift is further expected in November 2023. Additional resources are required in the Energy team.	2	2	4			Monitor and await new Laser prices due mid-November. Energy Team being created in Commercial (Inclusive Growth).	Community, Leadership and Engagement
RB	BDMS Repairs & Maintenance	Insufficient backing information from BDMS leaves Leasehold Services unable to apply the true cost of R&M to Leaseholders, reducing cost recovery to the HRA.	4	3	12			Monitor, service and BDMS to improve validation process.	Community, Leadership and Engagement
RC	Historic Water Re-selling	Contracts between the water company and Council predating 2016 have been challenged through various legal routes (e.g. Southwark). It wasn't specific that the rate difference between what the Council was charged and the tenant charged covered administration duties by the Council. Could impact over 15,000 tenants.	1	4	4			Monitor. Business is considering options to refund tenants impacted although statute of limitations now applies.	Community, Leadership and Engagement
RD	Landlord Services Legal	Aside from Disrepair activity, there are other legal issues which are backlogging, causing lost rental income but will also likely cost above the budget legal costs to rectify.	4	2	8			Monitor, Landlord Services and Legal to manage	Community, Leadership and Engagement
RE	Capital Works - Blocks - Leasehold	When capital works are carried out on blocks, Leaseholder's within the block should be charged appropriate apportionment for eligible works. The actual cost should be charged within a certain timeframe. Delays from Be First providing final accounts of works causes loss of income to HRA.	3	4	12			Monitor, project group to be setup by Tony.	Community, Leadership and Engagement
RF	Disrepair Claims	Costs of payout for damages and related legal fees for delays in rectifying repair works. A Disrepair Provision exists in the HRA to fund this activity. However, no budget exists in 2023/24 for any further increase in the provision. 2022/23 had a £1m increase.	3	4	12			Monitor. BDMS contract extension and improved performance should limit this risk.	Community, Leadership and Engagement
RG	Housing System - SIB	The project for the future system procurement for Housing Management is underway therefore a plan of costs for 2023/24 and beyond should be identified as the current budget maybe insufficient.	2	2	4			Budget Manager to liaise with project lead.	Community, Leadership and Engagement
RH	Electrical Remedials - Compliance	The high level estimates for the cost of remedial works that stem from the electrical testing maybe insufficient. This would cause a pressure on the available Compliance Budget which is fully committed.	3	3	9			Budget Manager to monitor contractor activity and costs.	Community, Leadership and Engagement
RI	Electrical Testing - Compliance	The timeline that matches the current budget for testing of all Housing electricals within the HRA Blocks might be sped up due to Regulator pressure. This would cause an increased spend in 2023/24 but in theory would reduce spend in 2024/25.	3	4	12			My Place to continue liaising with Regulator and agree what approach to take.	Community, Leadership and Engagement
RJ	Borrowing Costs - Interest	If the Council agrees to a Capital Programme 2023/24 which is still higher than bare essentials, then the cost of this will likely be funded by borrowing. This will incur interest charges in future years.	2	2	4			Monitor and consider revised Capital Programme once completed in the Summer.	Community, Leadership and Engagement
RK	Long Term Debt - HRA	The HRA carries long term debt from the 2012 change in Policy which it will be expected to pay back. It has not begun paying back this debt despite being 11 years on. There is still time to do this but the longer this takes, the more material the funding requirement will be in future budgets.	2	2	4			My Place and Finance to monitor.	Community, Leadership and Engagement

Dedicated Schools Grant (DSG)

Estimated DSG forecast for 23/24 is an overspend of **£3.5m**, this is mainly due to pressures within High Needs Block. The main drivers are combination of the following factors:

- Out of borough non-maintained **fees & top-up payments**
- **Revised HN funding allocation** announced in July by DfE reduced our HN funding by **£1.1m** from £50.9m to £49.8m due to import & export adjustments and recoupment for academies.
- **One-off exceptional payments** to schools to help alleviate the financial pressures schools are facing due to the ongoing demand and complex cases of children with SEND
- **The overspend will be funded from DSG reserves.**
- **There's no impact on the councils General Fund.**

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Dedicated Schools Grant {DSG} Forecast	2023-24 Budget	2023-24 Projected Outturn	Surplus / (Deficit) Outturn March 2024
	£'000	£'000	£'000
Schools Block – ISB	188,955	188,955	0
Central Block	2,162	2,162	0
High Needs Block	49,837	53,337	(3,500)
Early Years Block	23,174	23,174	0
Total	264,128	267,628	(3,500)
DSG Surplus B/F			10,073
Revised DSG Reserve			6,573
add EY refund			264
23/24 DSG Reserve			6,837
Of which:			
SFFD retained		963	
Growth & Falling Fund B/F		309	
Net DSG Reserve			5,565

General Fund Treasury Strategy as at 31 August 2023 (P5)

Type of Income / Expense	P4 Holdings	Rate	P4 Forecast	P4 Budget	P4 Variance	P5 Holdings	Rate	P5 Forecast	P5 Budget	P5 Variance	Comments
General Fund Borrowing											
GF - Market	16,733	3.76%	631			16,733	3.76%	631			Borrowing for Street lights and original LOBO
GF - ST Borrowing	52,017	3.85%	1,868			81,887	4.35%	2,000			ST borrowing allocated to variable loans but there is some pressure
Total GF Borrowing	68,749	3.64%	2,500	9,501	-7,001	98,620	2.67%	2,631	10,139	-7,507	Budget adjusted for the £4.542m capitalised interest and TA interest virement of £638k
General Fund Investments											
Company WC Loan	-10,382	9.78%	-968			-10,046	9.78%	-984			Working Capital loan interest (Be First and BDTP)- revised dates
Energy Company Loan	-7,259	5.98%	-431			-7,259	5.98%	-436			Loans to the Energy Company
LEUK Loan	-26,476	8.06%	-2,140			-26,476	8.06%	-2,140			Loan to BDTP for LEUK. Purchased for £22m, valued at £30m, BDTP sold £8m of land but used to fund operational cost. Company valued at £21.7m now and cannot pay interest
Other Loans	-6,659	7.32%	-477			-6,650	7.32%	-487			Small loans, generally fixed rate
Total GF Investments	-50,776	7.91%	-4,016	-6,503	2,487	-50,431	8.02%	-4,046	-6,503	2,457	
LEUK Loan Writeoff			2,140		2,140			2,140		2,140	Likely write-off of interest from LEUK
Interest Pressure Provision			1,000		1,000			1,000		1,000	
Be First and BDTP Interest			968	0	968			984	0	968	Possible loss of interest from loan to Be First and BDTP
Net General Fund	17,973		2,591	2,998	-407	48,189		2,709	3,636	-943	Small Surplus against net budget cost of £3m

Key issues:

- Investment strategy income and expenditure removed but budget remains. Forecast is for a small surplus of £1.9m after a number of provisions.
- Forecast under pressure from interest rate increases on short-term borrowing but this may decrease between now and year end – provision included but may not be needed.
- Interest payable budget adjusted for £4.5m virement for capitalised interest and £638k Temporary Accommodation virement.
- ST borrowing allocated to variable rate loans to reduce risk but variable rate loans include working capital loans and LEUK loans are under pressure.
- ST borrowing also used to replace internal borrowing, with remaining ST borrowing used to fund IAS commercial.
- Provision for LEUK, Be First and BDTP interest as will struggle to pay and capitalising interest not preferred option due to operational difficulties at each.
- ST borrowing costs have increased significantly with rates over 5% and average rate at 4.35%.
- Borrowing relates to the non-IAS capital spend, which includes Temporary Accommodation, and is profiled to the asset life.
- There is the potential that the energy company capital loan and LEUK loan will transfer across to the IAS if formally agreed.

Investment and Acquisition Strategy Funding as at 31 August 2023 (P5)

Type of Income / Expense	P4 Holdings	Rate	P4 Forecast	P4 Budget	P4 Variance	P5 Holdings	Rate	P5 Forecast	P5 Budget	P5 Variance	Comments
IAS Borrowing											
IAS - Market	71,563	2.21%	1,584		1,584	71,563	2.21%	1,584		1,584	Initial EIB loan to fund initial developments - on-lending rate is 3% = 0.8% margin
IAS - PWLB	608,914	1.91%	11,669		11,669	606,383	1.91%	11,644		11,669	Forecast based on completions, new schemes, rate at 2.6% = 0.8% margin
IAS - ST Borrowing	143,483	3.85%	5,154		5,154	142,113	4.35%	3,471		3,471	Includes £50m additional borrowing
IAS - Interest Recharge			-5,143		-5,143			-5,143		-5,143	Based on commercial portfolio (no new schemes) - average rate is 3.62% = loss of 0.18%
Capitalised Interest			-10,231		-10,231			-10,231		-10,231	Based on AUC - currently WACC is 2.4%, budgeted 2.5% - when complete moves to 2.6% Reside loan
Interest Pressure Provision			1,000		1,000			1,000		1,000	
Muller Equity	26,111		0		0	26,111		0		0	Currently ST borrowing but also same as return from MMF so net nil
Total IAS Borrowing	850,072	2.13%	4,032	0	4,032	846,171	2.13%	2,324	0	2,350	Small(ish) overspend from commercial and delays in handing over properties
Reside Loans	-190,418	2.61%	-5,568	0	-5,568	-190,418	2.61%	-5,568	0	-5,568	Interest from Reside - average 2.61% compared to average borrowing of 1.87%- 0.74% margin
Treasury Investments	-46,450	4.00%	-1,279		-1,279	-46,450	4.00%	-1,279		-1,279	Returns on cash held. In my opinion this can be part of IAS as used to cover ST borrowing costs
Reside Leases	-105,659				0	-105,659				0	Leases for Private Rents and Shared Ownership - forecast is currently nil due to delays in lettings and sales
Total IAS Returns	-342,527	2.00%	-6,848	0	-6,848	-342,527	2.00%	-6,848	0	-6,848	Surplus return
Net IAS Treasury Return	507,545		-2,815	0	-2,815	503,644		-4,523	0	-4,523	IAS return on Treasury part of developments

Key issues:

- Investment strategy income and expenditure separated from General Fund and HRA and now has no budget allocated as needs to cover costs with no Council funding.
- Interest payable shows is netted off against capitalised interest and interest from internal lending for commercial schemes.
- Lease income is currently forecast as a net nil position due to significant delays in letting PRS properties and slow sales for shared ownership schemes. As more certainty over the lettings and sales is confirmed then it may produce a net income for 2023/24.
- ST borrowing allocated to commercial schemes but this has put pressure on the net return from commercial that gets allocated to Be First and a provision has been included.
- A significant number of schemes became operational in 2022/23 and the on-lending interest rate of 2.65% is higher than the average capitalised interest rate of 2.40% (which was 2% in 2022/23). This has provided an additional return to the strategy, although this has been reduced by the poor lettings of private rental schemes.
- The net surplus from treasury management for the IAS is £4.5m, which will be used to support underperformance in the surplus returns for the IAS, which is covered in the next slide.
- Total IAS borrowing is £846m at an average cost of 2.13%. Residential average on-lending rate is 2.65% and commercial is 3.62%, with a blended rate of 3.21%



Investment and Acquisition Strategy Returns as at 31 August 2023 (P5)

Type of Income / Expense	P4 Holdings	Rate	P4 Forecast	P4 Budget	P4 Variance	P5 Holdings	Rate	P5 Forecast	P5 Budget	P5 Variance	Comments
IAS Return											
IAS Commercial Income			-7,828	-1,252	-6,576			-7,828	-1,252	-6,576	Gross Rent from Commercial holdings
Borrowing Costs - Commercial			4,443	0	4,443			4,443	0	4,443	Borrowing costs for ST borrowing on commercial portfolio
Costs			1,838	0	1,838			1,838	0	1,838	Mainly Industria - reduces return to Be First
Abbey Road MRP			-600	-600	0			-600	-600	0	This was initially a saving (was not paying MRP on a development) - this is now part of the IAS return
IAS Residential Income			-1,706	-2,810	1,104			-1,706	-2,810	1,104	Forecast net surplus from Reside
MRP			1,024	-1,024	2,048			1,024	-1,024	2,048	Charged as assets have no firm plan for redevelopment
CR27 Lease and Leasback			-862	-862	0			-862	-862	0	Travelodge and CR27 Hotel deals - lease surplus
Leases and Reserves			-314	-314	0			-314	-314	0	Travelodge and CR27 Hotel deals - lease surplus
CR27 Hotel Inflation			413		413			413		413	
Travelodge Hotel Inflation			390		390			390		390	
Net IAS Position			-3,201	-6,861	3,660			-3,201	-6,861	3,660	
GF Net IAS & Interest Cost			-6,017	-6,861	845			-7,725	-6,861	-863	IAS and Treasury Forecast is £567k surplus, with an additional £803k transferred to reserves for hotel inflation

Key issues:

- Overall there is a shortfall of £3.7m from the IAS, with a return of £3.2m forecast against a target of £6.9m. With the IAS treasury return the net surplus of £863k
- The strategy includes the two-hotel lease and lease back deals (CR27 and Travelodge). Both hotels have reserves that include an inflation link, with inflation currently at high levels. The reserves are inflated by CPIH and this has had an unintended pressure on the IAS as it is used to fund the inflation. The result of this is that the hotel reserves are forecast to be £12.9m.
- Returns from Reside are currently rough estimates as the pressures from operational costs make forecasting difficult. Further work is required with Reside to firm up the net contribution.
- Commercial income is currently forecasting no return as the net return is a loss, which will be picked up Be First as part of their return.
- Debt repayment (MRP) is allocated to the commercial portfolio and is a cost of £1.02m but this will reduce the cost of the commercial assets.
- A total of £1.8m will be transferred to reserves based on current forecasts but pressures within the IAS commercial may require this due to increased costs with a number of new completed commercial developments.

Investment and Acquisition Reserves forecast 2023/24 – P5

	Reserves	2022/23	2023/24
BR0014	CAPITAL INVESTMENT RESERVE	3,779	3,779
BR0029	INVESTMENT RESERVE	15,067	15,930
BR0029	CR27 Hotel Inflation	720	1,133
BR0029	Travelodge Hotel Interest	381	771
F00000.351100.0000.BR0033	CR27 Reserve	5,500	5,500
F00000.351100.0000.BR0044	Travelodge Reserve	5,500	5,500
	Total Reserves	30,947	32,614

Key issues:

- The value of the reserves is forecast to increase from £30.95m to £32.61m.
- The IAS reserve is used to protect the IAS from significant market fluctuations, including interest rates and losses.
- Each individual scheme within the IAS has a number of assumptions that include some contingency and it is only as a last resort that this reserve will be required.
- However, there are pressure from losses incurred at handover, with significant delays from Private Rental lets.
- Pressures on the strategy is also from interest rate increases, with short-term borrowing increasing from near zero in 2021 to 5.5% currently. This has reduced the surplus return from commercial.
- Interest rate increases and build costs have put pressure on the pipeline of schemes, with many schemes now unviable based on the current assumptions used to calculate the viability of schemes.

Appendices:

**Directorate Detail
Budget Monitoring**

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2023/24

**Barking &
Dagenham**

one borough; one community; no one left behind

People and Resilience: Period 5

People and Resilience									
Income/Expenditure	Prior Year	Current Year			Reserves		Variances inc Reserves		
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Movement
Adult's Disabilities	20,056,478	19,878,126	10,234,680	22,731,690	0	0	2,853,564	2,478,808	374,756
Adult's Care and Support	22,025,777	23,535,403	3,817,173	25,672,412	0	0	2,137,009	399,009	1,738,000
Commissioning Care and Support	9,849,999	14,602,173	6,303,662	13,934,551	0	0	(667,622)	(220,117)	(447,505)
Public Health	(339,189)	(318,250)	(8,743,346)	(318,249)	0	0	1	1	0
Children's Care and Support	45,863,019	41,486,049	20,106,026	45,958,299	0	0	4,472,249	4,773,740	(301,490)
Education, Youth and Childcare	4,102,925	3,754,781	6,104,831	3,754,781	0	0	(0)	(0)	(0)
Early Help Service	2,876,729	3,391,965	(254,585)	2,959,589	0	0	(432,376)	(300,061)	(132,315)
Children's and Young People Disabilities	13,913,317	10,627,405	5,251,514	13,285,377	0	0	2,657,972	3,210,314	(552,343)
Grand Total	118,349,054	116,957,652	42,819,954	127,978,449	0	0	11,020,797	10,341,694	679,103

Overall Summary

Overall, there is an overspend of £11.021m across the whole of People and Resilience. This is an adverse movement of £0.679mm since last month

This is largely due to Market Sustainability Improvement Fund £2.138m being moved from the service to a grant that is recognised centrally. However, this has partially been mitigated by the utilisation of grant funding.

- Adults BCF, Winter & Demand Fund, Discharge Fund (£0.386m), Adults with Disabilities Discharge Fund (£0.186m) had been held in opportunities to offset emerging pressures over the winter period but these have been released into the forecast. This does create a risk. Commissioning Public Health Grant (£0.458m) was outlined in Star Chamber and Children's Public Health Grant (£0.389m) has been the result of additional review of staff that can be funded from Public Health Grant in the Start for Life program. These conversations were started post Star Chamber as reviews continued to take place to look to minimise the pressure on the General Fund and maximise the use of Public Health Grant.
- Whilst these provide a headline for the movements, it should be noted that there are several variables in each service and the following slides provide the reasons behind the variances and movements in more detail.

Key assumption

Placement forecasts within Children's and Adults Services are based on actual client's full year costs as shown in the social care placements database (controcc).

People and Resilience: Period 5 – Adults with Disabilities

Adult's Disabilities										
Income/Expenditure	Prior Year	Current Year			Reserves		Variances inc Reserves			Notes
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Movement	£250k deminimus
Income	(3,445,678)	(3,337,300)	(1,112,259)	(4,382,324)	0	0	(1,045,024)	(1,188,434)	143,410	1
Staffing	1,913,592	2,998,618	862,668	2,408,028	0	0	(590,590)	(542,979)	(47,611)	2
Agency	468,468	0	153,078	399,437	0	0	399,437	621,128	(221,691)	
Premises	73,874	31,600	7,907	120,117	0	0	88,517	88,517	0	
Transport	5,781	22,600	8,111	7,301	0	0	(15,299)	(15,299)	0	
Supplies & Services	116,672	328,800	13,077	208,148	0	0	(120,652)	(166,462)	45,810	
Third Party Payments	20,923,769	19,833,808	10,302,099	23,970,983	0	0	4,137,175	3,682,337	454,838	3
Grand Total	20,056,478	19,878,126	10,234,680	22,731,690	0	0	2,853,564	2,478,808	374,756	

1. Income - Variance (£1.0m), Movement £0.1m

The underspend is largely due to the receipt of and £1.1m additional Market Sustainability and Improvement fund from central government to support the workforce and inflationary pressures incurred by providers. We were not previously notified of this additional funding until July. As it was not previously been included in Corporate Funding this has been passed to the service.

The adverse movement of £0.1m is because of a client previously being assessed as responsible for the cost of their care. This decision has now been reversed, by the Financial Assessment Team.

2. Staffing and Agency- Variance (£0.2m), Movement (£0.3m)

Whilst the variance is not material it should be noted that 7fte posts are currently being filled by agency staff, due to difficulties in recruitment.

3. Third Party Payments- Variance £4.1m, Movement £0.5m

This area is made up of three areas of material variance.

- This figure incorporates an uplift of £2.9m (16.17%) which was applied to all disability placements in 23-24. The Market Sustainability Grant, £1.1m was applied to mitigate this pressure.
- This left £1.2m in Supported Living and £0.751m in Residential and Nursing of uplift pressures un-mitigated.
- A further £1.7m is continuing prior year pressures on Supported Living and Residential & Nursing which were apparent in the last financial year.

Movements

- In Home Care the forecast increased by £0.300m, which is due to a back payment of £0.200m. However, this sum is being invested, with a further update on any movement to be reported in Period 6.
- A further £0.200m is as a result of minor increases across the services areas (£0.08m Residential & Nursing, £0.06m Day Care, £0.09m Direct Payments)

People and Resilience: Period 5 – Adults Care & Support

Adult's Care and Support										
Income/Expenditure	Prior Year	Current Year			Reserves		Variances inc Reserves			Notes
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Movement	£250k deminimus
Income	(45,031,421)	(41,589,500)	(19,740,705)	(44,218,666)	0	0	(2,629,166)	(4,224,051)	1,594,885	1
Staffing	8,665,541	10,467,442	3,467,838	8,592,433	0	0	(1,875,009)	(1,708,646)	(166,363)	2
Agency	696,896	0	443,415	1,581,118	0	0	1,581,118	1,774,738	(193,620)	
Premises	225,553	110,580	64,678	189,967	0	0	79,387	79,387	0	
Transport	48,628	36,100	21,445	46,404	0	0	10,304	10,304	0	
Supplies & Services	2,982,059	645,420	(276,897)	190,511	0	0	(454,909)	(454,909)	0	3
Third Party Payments	54,438,521	53,865,361	19,837,397	59,290,645	0	0	5,425,284	4,922,186	503,098	4
Grand Total	22,025,777	23,535,403	3,817,173	25,672,412	0	0	2,137,009	399,009	1,738,000	

1. Income - Variance (£2.6m), Movement £1.6m

The variance is due to receipt of additional Discharge Funding of £1.851m, £2.402m Market Sustainability Improvement and £0.414m Kallar Lodge uplift in income.

The movement is due to the recognition of £2.038m Market Sustainability Fund centrally as opposed to with the service. This is partially mitigated by £0.265m BCF uplift, £0.076m Discharge Fund and £0.042m Demand & Winter Capacity and a slight uplift in client contributions.

2. Staffing an Agency- Variance (Break Even), Movement (£0.4m)

The improvement is due to Mental Health AMHP incentive pay being fully funded (£0.125m), Gascoigne (£0.127m) staffing forecast being overstated in previous months and an underspend of £0.145m against the team that were funded to support the council readiness for CQC inspection.

3. Supplies and Service – Variance (£0.5m), Movement (£0m)

This variance is due to the allocation of £0.456m better Care Fund.

4. Third Party Payments- Variance £5.4m, Movement £0.5m Variance

This is largely attributable to the 16.17% uplift across all care types, which has caused an increased cost of £5.6m and the ongoing pressure of £2.9m in Mental Health, which overall has been part mitigated by the growth allocation of £3m.

Movement

Residential & Nursing has increased by £0.566m due to 13 new clients, 2 further prices due to changing client needs and 4 clients leaving care.

People and Resilience: Period 5 – Commissioning Care & Support

Commissioning Care and Support										
Income/Expenditure	Prior Year	Current Year			Reserves		Variances inc Reserves			Notes
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Period Movement	£250k deminimus
Income	(13,578,742)	(11,428,670)	(1,640,407)	(12,817,725)	0	0	(1,389,055)	166,514	(1,555,569)	1
Staffing	6,206,405	7,710,742	2,557,822	6,595,229	0	0	(1,115,513)	(652,181)	(463,333)	2
Agency	1,787,606	0	1,033,839	2,304,887	0	0	2,304,887	1,563,892	740,995	
Premises	2,678	0	4,681	0	0	0	0	0	0	
Transport	10,447	11,600	3,808	4,945	0	0	(6,655)	0	(6,655)	
Supplies & Services	198,750	1,864,367	(157,186)	1,531,909	0	0	(332,458)	(490,797)	158,339	3
Third Party Payments	15,222,854	16,444,134	4,501,104	16,315,306	0	0	(128,828)	(807,545)	678,717	4
Grand Total	9,849,999	14,602,173	6,303,662	13,934,551	0	0	(667,622)	(220,117)	(447,505)	

1. Income – Variance (£1.3m), Movement (£1.5m)

This is following the full recognition of the Start For Life Grant of (£1.5m). The grossing up exercise has been undertaken in conjunction with "third party payments."

2. Staffing and Agency – Variance £1.2m, Movement £0.3m

- This is due to service agency staff costs mainly for Early Help and Start for Life projects. The service has 23fte vacancies, filled by 14fte agency staff, due to delays in recruiting to vacant posts.
- The movement is due to reforecasting agency staff end dates to reflect a revised expected end dates due to the importance of the roles they are currently undertaking in completing key projects.

3. Supplies and Services – Variance (£0.3m), Movement £0.2m

- This variance is due largely to underspend meant to fund agency staff costs. This will be re-aligned into the staffing budget for Period 6.

4. Third Party Payments – Variance (£0.1m), Movement £0.7m

- The movement is largely due to the recognition £1.5 m of Start for Life Grant expenditure which wasn't done so in previous months. This has been part offset by (£0.3m) saving in the recently tendered Extra Care Contract and Public Health Grant reserve usage of (£0.5m) which is now recognised this month.

People and Resilience: Period 5 – Public Health Grant

Public Health										
Income/Expenditure	Prior Year	Current Year			Reserves		Variances inc Reserves			Notes
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Movement	£250k deminimus
Income	(19,381,114)	(17,787,080)	(9,183,066)	(18,367,243)	0	0	(580,163)	(580,163)	0	
Staffing	737,863	1,209,740	361,524	1,229,959	0	0	20,219	20,219	0	
Agency	425,327	0	197,433	337,760	0	0	337,760	337,760	0	
Premises	73	0	0	0	0	0	0	0	0	
Transport	216	0	407	0	0	0	0	0	0	
Supplies & Services	603,868	13,201,340	83,595	6,054,102	0	0	(7,147,238)	(7,147,238)	0	
Third Party Payments	4,001,161	2,994,750	(283,238)	2,756,750	0	0	(238,000)	(238,000)	0	
Recharges	13,273,418	63,000	80,000	7,670,423	0	0	7,607,423	7,607,423	0	
Grand Total	(339,189)	(318,250)	(8,743,346)	(318,249)	0	0	1	1	0	1

- Public Health (PH) is grant funded by Office for Health Improvement and Disparities (OHID), forecast includes reserve movement resulting in a net nil overall variance.
- Even though PH is reporting a breakeven, the Senior Procurement and Contracts Manager has identified a potential underspend of £0.550m and is looking at re-prioritising budgets towards services permitted within the terms of the grant.
- It should be noted that the service has £3.94m in reserves, which has been raised as a concern by OHID. A 3-year business plan has been developed and the expenditure against allocations is being closely monitored.
- The service will continue to review allocations for levels of spend, with the objective of re-prioritising where underspends are identified.

People and Resilience: Period 5 – Childrens Care & Support

Children's Care and Support										
Income/Expenditure	Prior Year	Current Year			Reserves		Variances inc Reserves			Notes
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Movement	£250k deminimus
Income	(6,625,992)	(5,258,300)	(489,734)	(6,004,872)	0	0	(746,572)	(325,450)	(421,122)	1
Staffing	16,535,939	19,995,516	6,778,291	15,952,984	0	0	(4,042,533)	(4,144,117)	101,585	2
Agency	4,199,453	522,000	1,811,841	4,231,326	0	0	3,709,326	3,141,247	568,079	
Premises	223,932	239,700	6,421	181,100	0	0	(58,600)	(58,600)	0	
Transport	274,443	286,900	110,512	210,300	0	0	(76,600)	(77,538)	938	
Supplies & Services	2,605,859	1,771,530	746,789	2,438,161	0	0	666,631	797,131	(130,500)	3
Third Party Payments	28,649,385	23,928,703	11,141,906	28,949,300	0	0	5,020,597	5,441,067	(420,470)	4
Grand Total	45,863,019	41,486,049	20,106,026	45,958,299	0	0	4,472,249	4,773,740	(301,490)	

1. Income – Variance (£0.7m), Movement (£0.4m)

This variance is due to additional income from Trading Standards, Youth Justice Board, Public Health, and HM Prisons and Probation

The movement is due to Public Health agreeing to provide funding for services/roles within Children's Care and Support. There is potential for further funding being agreed and conversations are ongoing at present.

2. Staffing and Agency – Variance (£0.3m), Movement £0.7m

This variance is due to the service carrying 68fte vacancies, currently covered by 57.6fte agency staff, along with an underspend on recruitment budget which had been used for overseas recruitment last year.

The movement is due to an increase in the number of agency staff overall, with some of them having been not fully recognised in prior months forecasting. Currently Public Health have agreed to provide funding of circa £0.4m to cover staffing costs for PAUSE and other roles within the service.

3. Supplies and Services – Variance £0.7m, Movement (£0.1m)

This variance is being driven by legal costs for cases being presented at court.

The movement reflects the reduced recharge for legal advocacy work over and above the standard corporate legal recharge.

• Third Party Payments – Variance £5.0m, Movement (£0.4m)

	Variance	Movement
LAC	4,392,221	(550,572)
Non LAC	186,581	53,236
Other	441,795	76,866
Total	5,020,597	(420,470)

- Looked After Children – Variance is driven by number of residential placements, currently 46 active clients, with 2 placements in excess of £10k per week.
- The movement of (£0.4m) was due to a drop in the number of clients (14) being reported in Internal Fostering, and a reduction in costs within Semi-independent, with one high-cost placement reducing in cost by £3k per week.
- However, we have noted that the movement in Internal Fostering is larger than normal levels. The service is currently in the process of verifying that this is accurate.
- Non-Looked After Children – Movement is due to a small increase in the Adoption forecast.
- Other – Variance is due to high-cost placements within the safeguarding service.

Special Note: A proposal is in draft to increase Foster Care Allowances by 10% and back date it to April 1st 2023. This is going to cost £0.4m. This proposal is unfunded and will create an increased overspend in the service.

People and Resilience: Period 5 – Early Help

Early Help Service										
Income/Expenditure	Prior Year	Current Year			Reserves		Variances inc Reserves			Notes
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Movement	£250k deminimus
Income	(1,909,529)	(1,462,330)	(1,793,333)	(1,462,333)	0	0	(3)	(125,003)	125,000	
Staffing	2,741,402	4,739,270	1,460,615	4,279,580	0	0	(459,690)	49,912	(509,602)	1
Agency	1,056,302	0	65,050	27,317	0	0	27,317	28,331	(1,014)	
Premises	0	0	0	0	0	0	0	0	0	
Transport	6,848	0	3,161	0	0	0	0	0	0	
Supplies & Services	965,301	0	9,922	0	0	0	0	(253,301)	253,301	2
Third Party Payments	16,405	115,025	0	115,025	0	0	0	0	0	
Grand Total	2,876,729	3,391,965	(254,585)	2,959,589	0	0	(432,376)	(300,061)	(132,315)	

Page 43 1. Staffing and Agency – Variance (£0.4m), Movement (£0.5m)

This is due to the services inability to fill all vacancies. The movement is due to review of start dates for vacant positions and postponing them to a later date.

2. Supplies and Services – Variance £0m, Movement £0.3m

The movement due to budget realignment into staffing.

People and Resilience: Period 5 – Children with Disabilities

Children's and Young People Disabilities										
Income/Expenditure	Prior Year	Current Year			Reserves		Variances inc Reserves			Notes
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Movement	£250k deminimus
Income	(902,139)	(757,600)	(308,068)	(920,268)	0	0	(162,668)	(162,668)	0	
Staffing	939,002	1,660,439	656,782	1,326,986	0	0	(333,453)	(251,490)	(81,964)	1
Agency	1,088,694	0	138,842	585,447	0	0	585,447	714,251	(128,804)	
Premises	12,307	50,000	13,016	32,308	0	0	(17,692)	(17,692)	0	
Transport	2,167,617	1,498,988	859,454	2,479,009	0	0	980,021	980,021	0	2
Supplies & Services	1,329,250	510,860	212,016	730,180	0	0	219,320	302,686	(83,366)	
Third Party Payments	9,278,586	7,664,718	3,679,472	9,051,715	0	0	1,386,997	1,645,206	(258,209)	3
Grand Total	13,913,317	10,627,405	5,251,514	13,285,377	0	0	2,657,972	3,210,314	(552,343)	

1. Staffing and Agency – Variance £0.3m, Movement (£0.2m)

Variance is due to the higher cost of agency staff covering vacancies and the inclusion of a forecast for an unfunded new team (short break review team).

The movement is due to a number of agency staff having ended in the last month.

2. Transport – Variance £1.0m, Movement £0m

The variance for this service is driven by the demand for transport services. New routes/travel plans have mostly been completed, but there are some outstanding requests being reviewed, though not all are expected to be approved. This risk is not considered significant.

3. Third Party Payments – Variance £1.4m, Movement (£0.3m)

The variance of £1.4m is pressure from residential placements, demand led service currently with 18 clients at an average cost of £0.281m per annum. The favourable movement of £0.3m is due to 2 clients turning 18 and moving out of children's services. Remainder of services within Third Party are close to budget.

Corporate Management: Period 5

Forecast Position: £47.4m (Overspend £2.24m)

	This Years Budget	Actuals/Forecast		Net Reserve Movements	Variances Inc Reserves	
	Budget	YTD Actuals	Current Forecast		Variance	Last Period Variance
CORPORATE MANAGEMENT	44,965,743	10,246,878	47,368,216	(161,574)	2,240,899	2,688,060
STRATEGIC LEADERSHIP	425,369	145,009	419,597	(99,360)	(105,132)	(105,132)
FINANCE	12,859,478	8,516,790	11,985,523	(62,214)	(936,169)	(633,324)
IAS	(4,101,840)	(1,461,651)	(4,152,843)	0	(51,003)	(50,640)
CENTRAL EXPENSES	47,104,849	14,677,711	49,496,862	0	2,392,013	2,350,450
WORKFORCE CHANGE / HR	1,917,111	1,745,668	2,809,802	0	892,691	1,078,207
LEADERS OFFICE	271,251	133,827	319,750	0	48,499	48,499
TECHNICAL - CORP MGMT	(13,510,475)	(13,510,475)	(13,510,475)	0	0	0

Key Drivers of the Position:

There is a forecast overspend of £2.24m on Corporate Management mostly driven by the expected pay award offset by underspends in IT.

- **Strategic Leadership (Chief Executive)** is forecast to underspend by (£105,100). This is due to (£70,000) savings from vacancies and (£31k) from HRA recharge surplus.
- **Finance** is forecast to underspend by (936,200), due to the position in the following areas:

IT is reflecting an underspend of (£1.1m), (151k) favourable movement due to delayed recruitment to vacancies and £62k drawdown outlined below:

(£11,000) projected underspend in IT Third Party Contracts after drawing down from reserves the remaining £62,200 Cyber security grant funding. The main cost driver for the cost centre is the maintenance and support contracts for IT systems.

(£1.2m) projected underspend on IT Staff and Agency, is largely attributable to difficulties in recruiting to existing vacant positions. The underspend could decrease depending on IT business as usual work requiring interim expertise to cover the shortfall in resource (vacant positions).

£184,779 overspend on IT Projects. There is an historical budget discrepancy which will be re-aligned to reflect service delivery as the service mostly recharges project costs to the Council wide services where the projects are being delivered.

The underspend in IT is offset by a net £180k overspend in other Finance areas, mainly reflecting agency costs. This is likely to increase. The favourable (152k) movement from P4 is due to forecast underspend in Corporate Finance and a Transformation vacancy.

Forecast Position: £47.3m (Overspend £2.24m)

	This Years Budget	Actuals/Forecast		Net Reserve Movements	Variances Inc Reserves	
	Budget	YTD Actuals	Current Forecast		Variance	Last Period Variance
CORPORATE MANAGEMENT	44,965,743	10,246,878	47,368,216	(161,574)	2,240,899	2,688,060
STRATEGIC LEADERSHIP	425,369	145,009	419,597	(99,360)	(105,132)	(105,132)
FINANCE	12,859,478	8,516,790	11,985,523	(62,214)	(936,169)	(633,324)
IAS	(4,101,840)	(1,461,651)	(4,152,843)	0	(51,003)	(50,640)
CENTRAL EXPENSES	47,104,849	14,677,711	49,496,862	0	2,392,013	2,350,450
WORKFORCE CHANGE / HR	1,917,111	1,745,668	2,809,802	0	892,691	1,078,207
LEADERS OFFICE	271,251	133,827	319,750	0	48,499	48,499
TECHNICAL - CORP MGMT	(13,510,475)	(13,510,475)	(13,510,475)	0	0	0

Key Drivers of the Position (Continued):

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- **IAS - Investment Strategy** - is reflecting a surplus of (£51,000) on the (£4.1m) budget largely due to projected commercial rental income exceeding budget.
- **Central Expenses** - £2.7m inflation provision has been released from here to support services and a further £0.7m is shown as offsetting overspends elsewhere. The assumption in the previous forecast was a pay award of 4% considering the offers to other Public Sector workers averaging over 6% the forecast has increased the pay award assumption to 6.5%. This is a change in assumption from last period. This is resulting in a net forecast overspend of £2.6m. There is a small underspend of £0.2m on MRP.
- In previous years the Council has usually made a healthy underspend on net interest income and expenditure – up to £7m in a good year. However, this made not be so achievable in the current economic climate. This is currently not included in the forecast as is generally taken to the IAS reserve to fund future borrowing/investment. More information is available in the IAS section earlier in this report.
- **Workforce Change/HR** and Leader's office is forecast an overspend of £950k down from £1.1m in P4, (176k) movement. HR have identified in year savings of c£64k thus reducing the overspend. The recalculation of the HRA recharge has resulted in an income shortfall within HR of £437k. HR are unable to deliver the MTFS savings of £577k in 2023/24 due to delays in implementation of the ERP system and delays in implementing the Self-Service Manager model. The Leaders Office has a historic budget pressure of £50k.
- The 161,574 transfer from reserves covers a £99,300 drawdown from Invest to Save reserves to fund a diagnostic social care service review and £62,200 IT Cyber Security grant brought forward.

Law and Governance: Period 5

Forecast Position: Underspend of c£0.9m after transfer of c£1m PRPL income to reserve and transfer of c£0.2m parking surplus to reserves.

		This Years Budget			Actuals/Forecast		Transfers to/from Reserves		Variances Inc Reserves	
		Revised	Controlled	UnControlled	YTD Actuals	Current Forecast	Transfers to	Transfers from	Variance	Last Period Variance
10C	LAW AND GOVERNANCE	(4,081,919)	(4,081,919)		791,864	(6,274,976)	1,278,000	(30,000)	(945,057)	(553,276)
10CB	LEGAL	3,628,084	3,628,084		2,149,541	3,687,797	0	(30,000)	29,713	55,152
10CC	ENFORCEMENT	(7,710,003)	(7,710,003)		(1,357,677)	(9,962,773)	1,278,000	0	(974,770)	(608,428)

Key Drivers of the Position (Summary):

There was a favourable movement of **c£0.4m** from Period 4. The movement is largely within Enforcement.

LEGAL

Legal and Democratic services are reporting an overspend of c£30k, a favourable movement of c£25k from P4. This is due to delays in recruitment of vacant posts within Democratic Services c£140k. Legal are forecasting an overspend of c£170k, the recalculation of the HRA recharge has resulted in an income shortfall within Legal of £180k. Vacancies within Democratic Services has mitigated this overspend.

ENFORCEMENT

The in-year Parking Off-Street income surplus of **c£0.75m** will not be transferred to reserve and is included in the outturn forecast as a mitigation. Parking are also overachieving the Traffic Management Order income by net **c£0.25m**, which is also included in the outturn forecast. Parking surplus of **c£0.2m** will be transferred into Parking reserves (ring fenced).

The Private Sector Property Licensing (PRPL) scheme income target will be met and a transfer of **c£1m** to reserve for future years.

Strategy: Period 5

Forecast Position: Forecast £9.4m (underspend of £0.8m)

	This Years Budget			Actuals/Forecast		Transfers to/from Reserves		Variances Inc Reserves	
	Revised	Controlled	UnControlled	YTD Actuals	Current Forecast	Transfers to	Transfers from	Variance	Last Period
STRATEGY	9,755,640	9,755,640		4,063,153	9,355,726	0	(413,662)	(813,576)	(652,261)
STRATEGY & INSIGHT	8,392,400	8,392,400		3,310,158	7,838,809	0	(401,662)	(955,253)	(823,970)
COMMUNICATIONS	1,363,240	1,363,240		752,995	1,516,917	0	(12,000)	141,677	171,709

Key Drivers of the Position:

The Strategy directorate is forecast to underspend by £813,576 at the end of Period 5 with over 90% of the underspend attributable to the customer contact department recently transferred over to Strategy from Community Solutions.

Strategy & Insight – Forecast Position (955,253) underspend, (131,283) favourable movement due to a decrease in employee cost in Insight hub and Customer Contact

Strategy:

The following 3 cost centres (PMO, Corporate Strategy Team and Director of Strategy) net result will be a balanced budget.

- **The PMO** is forecasting an **overspend of £59,721** due the removal of the HRA income (the net result of which is a shortfall of £116,643); two vacancies are being held, though are wanting to be recruited to.
- **The Corporate Strategy team** is forecast to underspend by **(£137,000)**. However, this underspend is needed to directly support the overspend in PMO (due to lost HRA income).
- **Director of Strategy** is forecast to **overspend by £20,900** due to the potential cross over of posts.

Insight:

- **The Advertising contract** is expected to exceed the £236,000 income target by **(£56,000)** based on historical revenue information. Nonetheless, the excess income is variable and subject to change based on economic conditions.
- **Insight hub** is forecast to underspend by **(£78,657)** due to delayed recruitment of vacant roles and £100,000 drawdown from reserves in respect of the One View contract.
- **Customer contact:** With a budget of £6,368m has a forecast underspend of **(£764,300)** mainly due to delayed recruitment of vacant roles.

Forecast Position: Forecast £9.4m (underspend of £0.8m)

	This Years Budget			Actuals/Forecast		Transfers to/from Reserves		Variances Inc Reserves	
	Revised	Controlled	UnControlled	YTD Actuals	Current Forecast	Transfers to	Transfers from	Variance	Last Period
STRATEGY	9,755,640	9,755,640		4,063,153	9,355,726	0	(413,662)	(813,576)	(652,261)
STRATEGY & INSIGHT	8,392,400	8,392,400		3,310,158	7,838,809	0	(401,662)	(955,253)	(823,970)
COMMUNICATIONS	1,363,240	1,363,240		752,995	1,516,917	0	(12,000)	141,677	171,709

Key Drivers of the Position: (Continued)

Communications (Campaigns and Events) – Forecast Position: £141,677 overspend, (30,000) favourable movement due to a £10,700 reduction in event and employee costs in Community events plus £12,000 women empowerment one off funding drawdown from reserves.

- **Community Events** are forecast to underspend by £13,000. Assumptions in the forecast include sponsorship income to be received to meet planned events costs
- **Civic Events** are reflecting £29,500 over budget, largely attributable to a forecast overspend of £14,000 on salaries and £13,000 on overtime most of which will be reclaimed from the Mayors Charity income generation as incurred whilst running charity events.
- **Marketing & Communications** is forecast to overspend by £125,200. The £112,500 reduced HRA income is a large contributing factor to the position plus £17,000 overspend due to cancelled duplicate invoices pertaining to previous financial years. The main cost drivers are residents mailouts which have been reduced from four to three to contain costs.

The £413,600 transfer from Reserves represents a drawdown of £100,000 from the Supporting Families grant for the One View programme, £19k towards the salaries cost of the WRES post in the Director of Strategy service, £282,662 for Customer Experience Team Growth bid and £12k towards Women Empowerment event.

Strategy Period 5 Opportunities

Opportunities: (These are opportunities that are NOT in the forecast that we are monitoring)

- Income from Digital Advertising is an area of opportunity. There is potential for new units to generate additional income of around £15k per annum. This is less than previous estimates which have been affected by the recent economic downturn. Despite this, negotiations are in progress with providers to establish the best possible position for the council. If we cannot achieve a good deal we may decide to wait a year before going to market again. This would delay the income stream. The service is currently in discussions with procurement, finance and external advisers to decide the best route.

Strategy: Period 5 Mitigations Table

Forecast Position: Forecast £9.4m (underspend £0.8m)

Service	Pressure	RAG/ Mitigation Amount	In Year Mitigation Comment
PMO	59,721	0	Pressure relates to £116,643 HRA shortfall, mitigated by managed underspend in Corporate Strategy Team and will resolve in a budget transfer.
Director of Strategy	20,972	0	Mitigated by managed underspend in Corporate Strategy Team
			Mitigation : Purchase cards spend - Team are working hard to keep spends to an absolute minimum. Members Allowance- A spending cap has been introduced on the engagements that the Mayor and her guests attend to ensure budget is not exceeded To gather different quotes and choose the cheapest option for all events to ensure value for money. The Mayors Fundraising events - now solely funded from the Mayors Charity Account from which overtime for these events will be funded
Civil Events	29,508		
Marketing & Communication	125,126	0	The Pressure largely due to HRA income shortfall of £112,491
Other underspends	(1,048,903)		
Total	(813,576)	0	

Inclusive Growth: Period 5

Forecast Position: £3.8m (Overspend of £0.2m)

	This Years Budget			Actuals/Forecast		Transfers to/from Reserves		Variances Inc Reserves	
	Revised	Controlled	UnControlled	YTD Actuals	Current Forecast	Transfers to	Transfers from	Variance	Last Period Variance
INCLUSIVE GROWTH	1,695,078	1,664,946	30,132	1,160,816	3,806,138	0	(1,836,212)	274,848	470,240
COMMERCIAL	(679,237)	(679,237)		(505,240)	(593,504)	0	(40,000)	45,733	17,800
INCLUSIVE GROWTH	2,374,315	2,344,183	30,132	1,666,056	4,399,642	0	(1,796,212)	229,115	452,440

Key Drivers of the Position (Summary):

The Inclusive Growth Directorate is forecast to **overspend by £274,848** at the end of Period 5, an improvement of (£195,000) from Period 4. The improvement is due to the elimination of the overspend within Culture and Heritage due to the use of grant funding and inflation funding (£97,000); an improvement in the forecast for Employment and Skills due to additional grant funding (£77,000); and a (£20,000) improvement in Parks Commissioning due to increased income.

Commercial Services – Forecast an overspend of £45,733

The Core Commercial Team is projecting a (£49,900) underspend mainly attributable to difficulty recruiting into a vacancy in the service.

Procurement – £17,600 overspend – the adverse movement from P4 of £83,000 is due to a budget re-alignment within inclusive growth relating to the energy category manager role. Procurement also remains affected by the existing £117,000 HRA income shortfall.

- **Accounts Payable – £12,000 overspend** – the £40,000 movement from P4 is driven by the current recruitment process for the Accounts Payable Manager vacant position. Although this is an existing post within the structure, due to the £36,000 HRA income shortfall there is insufficient budget to cover the cost if it becomes filled.
- **The Film Office** is projecting £30,460 income underachievement due to ongoing industry strikes leading to income generation uncertainties. The forecast includes a drawdown of £40,000 and assumes there will be some productions re-commencing, although is impossible to predict the level of full year income achievable given the ad-hoc and site-specific requirements.
- **The CR27 Investment** is forecasting a £45,700 income underachievement. Further work is underway to determine insurance recharge to tenants (via the Insurance department) which is expected to favourably alter this position.
- **The Isle of Dogs TL investment** is forecast to overachieve by (£10,000) due to a reduction in the level of external advice required.
- **Leisure** is now forecasting a breakeven position. The positive movement of £45,658 from P4 is a result of incorporating part of the £200,000 termination payment billed to SLM and indicatively propose to hold £154,000 in reserves. **Leisure income for financial years 24/25 to 27/28 will be reduced as it is unlikely the new Leisure contract will provide the return as modelled in the existing MTFS. The forecast further assumes the 23/24 concession income of £665,575 will be received.**

Forecast Position: £3.8m (Overspend of £0.2m)

	This Years Budget			Actuals/Forecast		Transfers to/from Reserves		Variances Inc Reserves	
	Revised	Controlled	UnControlled	YTD Actuals	Current Forecast	Transfers to	Transfers from	Variance	Last Period Variance
INCLUSIVE GROWTH	1,695,078	1,664,946	30,132	1,160,816	3,806,138	0	(1,836,212)	274,848	470,240
COMMERCIAL	(679,237)	(679,237)		(505,240)	(593,504)	0	(40,000)	45,733	17,800
INCLUSIVE GROWTH	2,374,315	2,344,183	30,132	1,666,056	4,399,642	0	(1,796,212)	229,115	452,440

Key Drivers of the Position (continued):

Inclusive Growth – Forecast an overspend of £229,115

- **Parks Commissioning** is forecasting £537,154 overspend. Parks Commissioning main cost driver is the £500,000 income generation target from the soil importation that cannot be achieved in year or in future years; one final payment of £74,250 has been received in year from the legacy Central Park scheme. There is a further pressure of £133,000 income generation from Parks commercialisation projects which will not be achieved as part of the 23/24 MTFS or in future years, as commercial returns are credited to the events team budget.
- **Culture and Heritage** is reflecting a £3,800 overspend, a favourable movement 97,000 from P4. The main contributing factor to the reduced overspend is utilising the allocated £57,000 UKSPF funding, £30,600 central funding towards inflationary pressures at Valance House and Eastbury Manor and a reduction in the forecast for casual staff in Eastbury Manor. The staff cost reduction follows the recent change in the building opening days from 4 days down to 3 a week in the quest to drive down costs. Further mitigating actions are being worked on to deliver services that can sustainably operate within budget.
- The **Inclusive growth core teams** (Inclusive Economy, place and development, Sustainability and core IG) are reflecting a combined (272,291) underspend mainly due to delayed recruitment to vacant roles. The HRA recharge review may slightly alter this position towards a potentially reduced underspend.
- **Development Planning** is projecting a pressure of £38,000 driven by Added Years Compensatory pension payments to ex – employees, subject to a potential increase. There is no existing budget allocation to cover these costs.
- **Adult College, Apprenticeships and Employment & skills** are projecting an underspend of (£78,000). The service were forecasting breakeven in P4 after departmental reserve drawdowns, however, the forecast in P5 no longer necessitates these reserves support due to utilising the Welfare Bid reserve. Whilst an overall underspend is projected, the Apprenticeships service alone has been unable to cover overspends over the years and following a review of its financial sustainability, it will be winding down apprenticeship delivery.

The £1.8m transfer from Reserves, represents a drawdown from Inclusive Growth and other reserves: Made in Dagenham Endowment programme (£273,200), Welfare reserve (£567,600) and (£1 m) from grants brought forward.

Inclusive Growth: Period 5 Mitigations Table

Forecast Position: £3.8m (Overspend of £0.2m, potential mitigation of £78,000)

Service	Pressure	RAG/ Mitigation Amount	In Year Mitigation Comment
CR27 Investment	45,777	(78,000)	LBBD Insurance department is yet to confirm insurance value to recharge directly to tenants. The net amount between CR27 insurance paid and recharge to tenants should offset wholly or in part this overspend. In 22/23 the surplus from recharge was £42,000. The rent levels are also due to be indexed upwards by 4.25% (capped) in July with potential income achievable of £36,000
Film	30,460	0	Seek other domestic income generating opportunities. Although film industry strikes have led to uncertainties, large film enquiries are being received through for Autumn and early 2024 which could see a reversal of the projected overspend.
Procurement	17,639	0	No planned mitigation
Accounts Payable	11,718	0	No planned mitigation
Commissioning & programmes	37,643	0	No planned mitigation. Pressure relates to Added Years Compensatory pension costs with no supporting budget
Employment Team (Apprenticeships)	129,284	0	Although the Employment Team service is now forecasting an underspend as a whole, the apprenticeships service will be winding down delivery to mitigate the cost pressure in the long run. The mitigating value is to be confirmed, but will result in a reduction of the overspend in year and savings in the coming financial years. Apprenticeships - £129,300 overspend
Heritage & Culture	3,800	0	A final mitigation plan is underway and to include: Potential reduction in opening days Valence House in order to cut running costs. (Value to be fully quantified); increase income through engagement activities (Valence House) and increasing venue hire for weddings and other appropriate events/hires (Eastbury Manor). Further mitigation include potential receipt of the Valence House NNDR rebate (value to be confirmed) following Business rates reduction backdated to prior years.
Parks Commissioning	537,154	0	Parks Commissioning main cost driver is the £500,000 income generation target from the soil importation that cannot be achieved in year. In addition a further pressure of £133,000 income generation from Parks commercialisation projects which will not be achieved as part of the 23/24 MTFS
Other underspends	(538,627)		
Total	274,848	(78,000)	

Inclusive Growth: Period 5 Risk and Opportunities

Opportunities: (These are opportunities that are NOT in the forecast that we are monitoring)

Food Sector, Make it Here, Employment & Skills

- We have scope to draw down further funding for Employment for staff costs from an existing European Social Fund contract up to the value of £114K – we are looking to maximise this.
- We are using the food and film sector endowments from the City of London and MBS/Hackman to leverage additional funding from external funders – including a potential grant from Film London – and establish sustainable training programmes that do not require significant ongoing funding from the Council/key partners.

Heritage and Culture

- The Business Rates bills for Valence House has been appealed successfully and may result in a significant rebate payable in the 23/24 Financial year

Parks Commissioning:

- Tennis Development Proposal – as per the associated report presented to Cabinet on 21.03.23 Parks Commissioning has secured internal (£75,400) and external funding from the LTA (£327,417) to invest in the borough's 17 tennis courts to bring them back up to a playable standard. Work on site is expected to commence in January 2024.
- External funding – Parks commissioning was successful in securing Rewild London (Round 2) funding including £39,000 and £35,410 respectively to deliver the River Rom Phase II and Reptile Survey projects. These projects will deliver significant social, environmental, and economic benefits for the borough and residents. In addition, two bids have been submitted to Natural England's Species Recovery Grant programme. If successful (the announcement is expected late July/early August) these bids will bring in significant additional funding to deliver the House Sparrow and Water Vole projects.

Community Solutions: Period 5

Forecast Position: £17.4m (underspend of £1.4m, -10% Variance)

	This Years Budget			Actuals/Forecast		Transfers to/from Reserves		Variances Inc Reserves	
	Revised	Controlled	UnControlled	YTD Actuals	Current Forecast	Transfers to	Transfers from	Variance	Last Period Variance
COMMUNITY SOLUTIONS	14,335,070	14,335,070		3,943,012	17,352,491		(4,449,086)	(1,431,665)	927,886
SUPPORT AND COLLECTIONS	6,900,712	6,900,712		1,124,267	7,754,120		(1,511,164)	(657,756)	1,376,537
COMMUNITY SOLUTIONS	1,069,410	1,069,410		333,925	909,400		(156,000)	(316,010)	(289,741)
COMMUNITY PARTICIPATION & PREV	7,669,948	7,669,948		3,789,821	9,993,972		(2,781,922)	(457,898)	(158,910)
TECHNICAL - COMSOLS	(1,305,000)	(1,305,000)		(1,305,000)	(1,305,000)				

Key Drivers of the Position:

The total overspend pressure for Community Solutions is **cf£3.8m**

The recalculation of the HRA recharge has resulted in an income shortfall of **cf£3.1m** across Community Solutions. There are delays in delivering MTFs savings across Community Participation & Prevention of **£0.3m** which is being closely monitored. The MTFs savings for transfer of buildings to VCS has been paused due to the emerging locality model proposals from Adults.

The Ethical Collection Service is forecasting an overspend of **£0.4m**. The service is working towards a higher income collection. However, it is currently unable to cover its costs. Finance still believe the overspend will range from **£0.4m - £0.6m** and this may increase the outturn variance.

HRA income recognition correction **cf£1.3m**

Community Solutions have taken a number of difficult decisions and identified one-off mitigations of **cf£3.9m** to reduce the outturn variance, which are listed in the mitigations table. It is to be noted that these mitigations come with their own level of risk/impact and this will be closely monitored.

Community Solutions: Period 5 Mitigations Table

Forecast Position: £17.4m (underspend of £1.4m, -10% Variance)

	Amount	Comments
Service Development Salary underspend	100,000	A decision has been taken to not fill the Transformation Manager Position in the current financial year
Strategic Director Salary underspend	188,000	The Strategic Director position will not be filled in 2023/24.
Funding swap with additional HPG Grant - release GF	1,135,000	Additional grant to support Ukraine, will be delivered from existing stock
Additional Asylum Dispersal Grant - Funding Swap	475,000	Additional grant to support dispersal of Asylum seekers, using existing stock
Court officers	25,000	Excelebrate savings
SD Officer Secondment Cover	25,000	Hold vacancy
Consultancy Fee (SM)	100,000	Release of funding
Household Support Fund Admin Fee	400,000	HSF allocation for 2023/24 has been confirmed and attracts a fee income
Triage Salary underspend	80,000	There is a vacancy and not all staff are at the top of the grade.
Hold vacancy in CPP	40,000	RR Service area vacancy
P&E Vacancy	31,000	Hold vacancy
Migration reserve release	200,000	
GLA CTAX Income	515,000	Confirmation of grant for CTAX
Correction of cleaning forecast	100,000	Budget vired - forecast updated
Other corrections	100,000	
Play & Comm Recharge agreed	160,000	Recharge only for 2023/24
ICB Funding for 2023/24 confirmed	188,000	
Total Mitigations	3,862,000	

Mitigations highlighted in blue have been added in P5

Community Solutions: Period 5 Risk and Opportunities

Forecast Position: £17.4m (underspend of £1.4m, -10% Variance)

Risks: (These are risks that are NOT in the forecast that we are monitoring)

- The Ethical Collection Service is forecasting fee income of **£600k**. The income is dependent on a steady flow of warrants from Parking, Council Tax and Business rates. There is currently a delay in the warrants from Parking and the age of the debt is causing issues with recovery. Finance believe the fee income will range between **£0.4m - £0.6m**.
- Temporary Accommodation – due to the current climate, the use of B&B's and Hotels is on the rise. This is causing LA's to overspend against their TA budget. We are currently at capacity within our own hostels and have received a number of hand backs requests for PSL's which may lead to an overflow into B&B's and Hotels. Modelling will be carried out in August against various assumptions which will enable a more robust forecast. This is a national issue.

Opportunities: (These are opportunities that are NOT in the forecast that we are monitoring)

- A **£250k** gatekeeping buffer has been set-aside for Temporary accommodation due to Voids and demand, if unused will reduce the forecast.

My Place Summary: Period 5

Forecast Position: £692,000 overspend

	This Years Budget			Actuals/Forecast		Transfers to/from		Variances Inc Reserves	
	Revised	Controlled	UnControlled	YTD Actuals	Current Forecast	Transfers to	Transfers from	Variance	Last Period Variance
MY PLACE	15,374,989	55,085,048	(39,710,059)	16,047,588	16,066,856	0	0	691,867	1,356,206
HOMES AND ASSETS	1,815,764	38,661,617	(36,845,853)	10,179,550	3,258,538	0	0	1,442,774	2,224,793
PUBLIC REALM	13,559,225	16,423,431	(2,864,206)	5,868,038	12,808,318	0	0	(750,907)	(868,587)

Executive Summary (for more details, see subsequent slides)

Precedence

The service is projecting a **£692,000 overspend**. The budget has been increased since Period 3 to fund inflationary pressures of £1.418m. The main positive movement in the variance at Period 5 is the recognition of the Reside Ltd income. This does create a risk if Reside Ltd cannot pay that IAS income will reduce or the Bad debt provision will have to increase.

- **Commercial Portfolio: £816,000 overspend**, Income under recovery and therefore non-delivery of savings £537,000 and pressures on expenditure £279,000.
- **My Place Recharge Budget: £1.056m overspend**, is caused by the change in non-controllable budgets and how they are funded by the HRA. The related non-controllable budget and charge was removed but the loss of charging it to the HRA must still be addressed.
- **Property Portfolio: (£206,000) underspend** due to vacancies and an improved forecast for energy costs for the final two quarters.
- **Reside My Place:** non-recovery of Reside Ltd Management Fee for 2023/24 has transferred to the IAS budget. My Place improvement of (£637,000).
- **Homes & Assets (Other Areas): (£223,000) underspend** across other areas are offering partial mitigation to the overspend.
- **Public Realm: (£751,000) underspend**, mainly across Parks and Compliance, **although this is anticipated to reduce as a result of the HRA recharges review** (see next slide regarding £494,000).
- Quantifiable **Risks** stand at **£2.1m** vs **Opportunities** of **(£250,000)** – see subsequent slides.

My Place Summary: Period 5

Mitigation Table				
My Place	Over/(Under) Spend	Potential Mitigation	Mitigation Commentary	Non-Mitigated Balance
Homes & Assets				
Commercial Portfolio	816,000	-		816,000
My Place Recharge	1,056,000	-		1,056,000
Property Portfolio	(206,000)	-	Increased Energy budget reflected in P5	(206,000)
Reside My Place	-	-	Reside pressure now with IAS.	0
Contract Management	6,000	-	Increased Energy budget reflected in P5	6,000
Other areas underspending	(229,000)			(229,000)
Homes & Assets	1,443,000	0		1,443,000
Public Realm				
Public Realm	(751,000)	494,000	Increased Energy budget reflected in P5	(257,000)
Public Realm	(751,000)	494,000		(257,000)
My Place Overall	692,000	494,000		1,186,000

The **Reside My Place pressure** has now transferred to the IAS. However, the **My Place HRA Recharge pressure** mitigation is not currently being pursued and therefore it is assumed the service must find mitigation for this as well. This is the cause of the non-mitigated value increasing for Homes and Assets from £520,000 to **£1.443m**.

The **£494,000 (amber)** in the table represents the current forecast underspend on HRA Fixed Recharges following reviews to date in My Place. Once reviews are complete, it is expected that any unutilised budget will be used as mitigation towards overspend elsewhere in the Council where Fixed Recharge reviews have caused a pressure.

My Place – Homes & Assets: Period 5

Forecast Position: £1.443m overspend

Commercial Portfolio is reflecting **£816,000 overspend**. £537,000 income under recovery including £30,000 of non-deliverable income, £139,000 security of premises, £72,000 over establishment budget on agency and £68,000 on contractors mostly related to rent reviews. The income pressure is to do with the need for a complete asset list and rent roll to show what the achievable budget should be. The improvement of **(£70,000)** was mainly due to slow down in rent and lease renewals being carried out by the contractor which is troubling.

Property Assets is **underspending** by **(£206,000)**. **Highways** **(£148,000) underspend**, with two thirds relating to an improved energy forecast following Laser update. **Asset Management** **(£116,000) underspend** due to vacancies held and a reduction in Business Rate expenditure due to closer of Pondfield Depot. **Major Works** £58,000 overspend, with increased agency expenditure projected.

My Place Recharge Budget: £1.056m overspend, is caused by the change in non-controllable budgets and how they are funded by the HRA. The related non-controllable budget and charge was removed but the loss of charging it to the HRA must still be addressed.

Reside My Place: The pressure on Reside My Place has been mitigated by confirmation that the IAS Reserve will cover this. Therefore, an improvement of **(£637,000)** for My Place, but not overall for the Council.

Homes & Assets (Other Areas): (£223,000) underspends across other areas are offering partial mitigation to the Commercial Portfolio and Recharge pressure. This is mainly from Quality and Compliance reprofiling and staffing in areas like Business Development and Improvement.

My Place - Public Realm: Period 5

Forecast Position: (£751,000) underspend

The movement from Period 4 is **£118,000 adverse**, this is down to the completion of the HRA Fixed Recharge review on *Parks Ground Maintenance*. Street Cleansing and Waste Operations reviews remain to be completed. Main reasons for the overall variance are as follows:

Fleet & PTS is projecting **£70,000 overspend** in Fleet Management. This is due to increased vehicle hire costs for 11 Street Cleansing sweepers.

Compliance (£492,000) underspend on PEST Control and Compliance, Green & Garden Waste, Projects and Administration (CPA). Trade Waste (£257,000) mainly due to above budget income recovery. CPA is underspending due to vacancies held ahead of restructure at (£158,000), PEST Control (£125,000) over recovery despite reduction in SLA to HRA, Garden Waste £48,000 overspend due to lower subscriptions.

Parks and Environment is reflecting a **(£349,000) underspend**. The My Place Directorate HRA Fixed Recharge budgets have been realigned to remove unnecessary variances leaving the net balance on Parks (£494,000). Parks has just been reviewed with Street Cleansing outstanding. £145,000 underlying pressure is caused mainly by increased R&M forecasts around compliance and building repair costs and reduced income expectation from sports on Parks.

My Place: Period 5 Risks

ID	Service Area	Risk Description	Likelihood	Impact	Overall	Value '000	RAG	Mitigating Action	Portfolio
QUANTIFIABLE									
R1	R&M - Reside My Place	BDMS will carry out repairs and maintenance works on Reside Group assets and charge My Place. If they provide insufficient cost information and/or My Place do not appropriately pass on that information to service charge Reside Group, then My Place will be left with the bill. The financial value of the risk should be a maximum.	2	4	8	£ 950		Strategic Director has asked BDMS to supply cost information on a monthly basis and for works to go through the monthly validation process.	Community, Leadership and Engagement
R2	Capitalisation of Staff - Property Mngmt	If the HRA Capital Programme requires significant curtailment in 2023/24, then it is likely the level of project work available for staff within Asset Management and Major Works will reduce. This will leave a shortfall in capitalised recharges on staff time.	3	3	9	£ 450		Address impact of revised Capital Programme when available in the Summer.	Community, Leadership and Engagement
R3	Public Realm Market SLA - Trade & Street Cleansing	Trade Waste must agree with other budget areas the appropriate service provision for 2023/24 that those areas which to pay for. Otherwise, it will suffer budget pressures from not being able to recharge (for example, Barking Market).	2	2	4	£ 100		Service is liaising with representatives to agree a new SLA.	Public Realm & Climate Change
R4	Optibag Savings - ELWA	Redbridge Council are seeking an end to the Optibag Savings within the Contract. This would require agreement from all four Borough's involved. For LBBD, this would represent a lost income from the invoices raised to ELWA.	1	4	4	£ 588		End of September Board meeting to confirm they will remain. Subject to confirmation.	Public Realm & Climate Change
R10					0				
						£ 2,088			
NON-QUANTIFIABLE									
RA	Fleet Management	There is an anticipation for new Public Realm lease vehicles to be brought into areas like Street Cleansing. It is unclear whether this is fully reflected in the Fleet Outturn for P3.	1	1	1			£150k included in Outturn	Public Realm & Climate Change
RB	Fleet Management	Income raised to date to BDMS relating to Fleet Management services such as fuel, repairs and maintenance, may not be paid. This may result in a BDP adjustment impacting the PR outturn as was the case in 2022/23.	2	2	4			Monitor and for Budget Manager to keep communications with BDMS.	Public Realm & Climate Change
RC	Bad Debt My Place	Invoices raised across Highways and Commercial Portfolio in particular, if unpaid, may likely result in an increase in the required Bad Debt Provision. This will negatively impact the My Place Outturn.	3	4	12			Monitor and for Budget Managers to keep liaising with General Income, Customers and Finance.	Community, Leadership and Engagement
RD	Costs of Reside - Reside My Place	2023/24 is the first year we are forming GF budget for Reside services provided by My Place and the Council. There is a risk that the costs will simply outway the income due. This is especially the case given the slow rate of bringing new tenants into the new developments and have no Property Management Agreements in place.	4	4	16			Significant attention and team work required between My Place, Reside and Finance.	Community, Leadership and Engagement
RE	Bad Debt - Public Realm	Invoices raised to customers of Trade and Bulky Waste recovery rates may mean a provision adjustment is required at year end. This would negatively impact the Outturn.	2	1	2			Monitor and for Budget Managers to keep liaising with General Income, Customers and Finance.	Public Realm & Climate Change

My Place: Period 5 Opportunities

ID	Service Area	Opportunity Description	Likelihood	Impact	Overall	Value '000	RAG	Action	Portfolio
QUANTIFIABLE									
O1	Commercial Portfolio	GMB - There are some Commercial Properties managed by an intermediary (GMB) which pay LBBB on a 'cash basis'. The authority should be accruing on 'income due' basis but the service needs to work with the company to agree what that position is.	4	2	8	(£50)		Service to investigate and provide response.	Community, Leadership and Engagement
O2	Waste Growth - Public Realm	There is a chance that some of the Waste Growth built into the 2023/24 budget might not come to fruition in this year but be delayed until 2024/25. The figure included here is the maximum potential opportunity.	1	3	3	(£200)		Service Director monitoring	Community, Leadership and Engagement
O3					0				
						<u>(£250)</u>			
NON-QUANTIFIABLE									
OA	Energy	Should world energy prices reduce below budget expectations for 2023/24 then there is a potential for an underspend. This would benefit Facilities and Highways mostly within My Place.	2	1	2			Energy prices are fixed under laser contract, await November prices.	Community, Leadership and Engagement

2023-24 Savings

*negative values (in brackets) are savings		2023/24 Target £k	RAG RATING
Service Area	Saving Proposal		
Care and Support	Finance Review Officer	(57)	Yellow
Care and Support	Early Help Investment deferral into 2024-25	(500)	Green
Care and Support	Early Years & Childcare	(180)	Yellow
Community Solution	Fund HAM Hub through collection fund surplus 40% - reserve transfer (Non-HRA)	(390)	Green
Community Solution	Delete x5 FTE vacancy from Welfare	(230)	Green
Community Solution	Service Development - Delete x2 FTE and x1 FTE recharge to Supporting Families Grant	(197)	Green
Community Solution	Customer Services - Delete X1 CSO	(34)	Green
Community Solution	Customer Experience team - Delete Internet Officer	(51)	Green
Community Solution	Delete x3 FTE Vacancy from Triage	(120)	Green
Community Solution	Stop Play and Comm Service (4.5FTE). Transfer to Family Hubs to be funded by Grant	(160)	Yellow
Community Solution	Transfer to VCS - WILLIAM BELLAMY CHILDREN'S CENTRE	(30)	Yellow
Community Solution	Transfer to VCS - LEYS CHILDREN'S CENTRE	(15)	Yellow
Community Solution	Transfer to VCS - SUE BRAMLEY CHILDREN'S CENTRE/ LIBRARY	(15)	Yellow
Community Solution	Creation of Heritage site at VALENCE LIBRARY + 2.5FTE Sc5	(130)	Red
My Place	NRSA Income Stream Opportunities - Public Highway	(52)	Green
My Place	No longer have a dedicated Graffiti team.	(75)	Red
My Place	Security of vacant land.	(10)	Green
My Place	Reduce the opening days and times of the Town Hall and other buildings.	(50)	Red
My Place	Closure of Pondfield depot	(25)	Green
My Place	Increase the commercial income	(30)	Red
Inclusive Growth	New Town Culture	(260)	Green
Inclusive Growth	Line by Line Budget Review	(110)	Green

2023-24 Savings

		2023/24	RAG
*negative values (in brackets) are savings		Target £k	RATING
Service Area	Saving Proposal		
Finance & IT	WAN bill reduction £80K	(80)	GREEN
Finance & IT	ICT Consultancy £40K	(40)	
Finance & IT	Staff Dev & train £28K	(28)	
Finance & IT	Staff other expenses £10K	(10)	
Finance & IT	Entity recharges + 10% £48K (income)	(48)	
Finance & IT	Ezitracker £24K	(24)	
Finance & IT	One Trust £10K	(10)	
Finance & IT	Jontek £17K	(17)	
Finance & IT	Oracle Saving	(409)	
Law & Governance	Parking Services Income	(2,300)	
My Place	Property Management & Capital Delivery	(66)	
Finance & IT	Digital Identity Verification (requires £100k Capital)	(25)	
Finance & IT	Streamline IT Procurement	(44)	
EYCC	Staff Savings and DSG recharge	(35)	
P&P	FPN income	(15)	RED
Community Solutions	Everyone Everyday	(100)	GREEN
Inclusive Growth	Parks Commissioning - Soil Importation	(500)	RED
HR	Restructure	(577)	RED
Total		(7,049)	

GREEN	4548
AMBER/G	1124
RED	1377
	7049

CABINET**17 October 2023**

Title: Council Tax Support Scheme 2024/25 – Options and Consultation	
Report of the Cabinet Members for Finance, Growth and Core Services and Community Leadership and Engagement	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Authors: James Johnston, Welfare Service Manager & Donna Radley, Head of Welfare	Contact Details: james.johnston@lbbd.gov.uk donna.radley@lbbd.gov.uk
Accountable Director: Stephen McGinnes, Director of Support & Collections	
Accountable Executive Team Director: Fiona Taylor, Chief Executive	
<p>Summary</p> <p>The Council has a statutory duty to consider annually whether to revise its Local Council Tax Support (CTS) scheme for working age recipients, replace it with another scheme or retain the current scheme. This excludes the scheme that exists for pension age recipients which is a nationally prescribed scheme and cannot be varied locally.</p> <p>By Minute 16 (12 July 2022), the Cabinet agreed to support the proposal to undertake and commence modelling to replace the current CTS scheme with a new 'income banded discount' scheme to enable a draft replacement CTS scheme to be considered for implementation in 2024/25.</p> <p>This report updates on this fundamental review of the CTS scheme undertaken with consideration for the implementation of a replacement CTS scheme for 2024/25, with a view to providing a more transparent and simple approach, with predictable levels of support, via a new income banded discount scheme.</p> <p>This report sets out the reasons why the Council should consider replacing the scheme and includes proposals for a new replacement scheme, including analysis of the implementation arrangements.</p> <p>The Assembly has a legal duty to approve the CTS scheme by 31 January each year. The report seeks endorsement of the recommended scheme and approval to consult on the proposals, the outcome of which will be included in a report to the Assembly later in the year.</p>	
Recommendation(s)	
The Cabinet is recommended to:	

<p>(i) Endorse, subject to the outcome of recommendation (ii) below, the recommended 'income banded discount' CTS scheme (Model 1) as set out in sections 2.10 to 2.13 of the report, as the Council's draft proposed replacement CTS scheme for 2024/25;</p> <p>(ii) Agree to the commencement of public consultation on the proposals to replace the current CTS scheme for 2024/25 with an income banded discount scheme; and</p> <p>(iii) Note that following the public consultation, the final proposed CTS scheme for 2024/25 shall be determined by the Assembly in early 2024.</p>
<p>Reason(s)</p> <p>To assist the Council in its efforts to support low-income residents with a fair and equitable approach to the management of their Council Tax costs through the core financial support provided by the CTS scheme, and to ensure its effective and efficient administration.</p>

1. Introduction and Background

- 1.1 The Welfare Reform Act in 2012 abolished Council Tax Benefit (CTB) from April 2013 and, in its place, support took the form of a local Council Tax Support Scheme (CTS). For working age customers, the scheme is determined by the Billing Authority and for those of pension age it is prescribed by legislation. The scheme that exists for pension age recipients is a national scheme and this cannot be varied at a local level. Prescribed regulation changes to the pension age scheme must be applied every financial year. The national pension age scheme and the default CTS scheme very much mirrors the former means tested national benefit scheme.
- 1.2 The Local Government Finance Act 2012 contains provisions for the setting up of local support schemes. The current scheme in Barking & Dagenham has been based around the default CTS Scheme and has been ratified by Assembly.
- 1.3 The Council must consider whether to revise or replace its CTS scheme each financial year, in accordance with requirements of schedule 1A of the Local Government Finance Act 1992, for working age recipients. However, it does not actually have to revise or replace its scheme and can choose to retain the scheme unchanged from the prior financial year.
- 1.4 In order to change its scheme the Council is required by law to:
- Consult with the major precepting authorities;
 - Consult with other persons it considers are likely to have an interest in the operation of the scheme including with the public on any draft scheme.
- 1.5 Local schemes must take account of and support the following principles:
- Work incentives and avoid disincentives for those moving into work;
 - The Council's duties to protect vulnerable people (under the Equality Act 2010, the Care Act 2014, the Child Poverty Act 2010 and the Housing Act 1996);
 - The Armed Forces Covenant.

1.6 The current CTS scheme in operation retains many of the core components of the former means tested national benefit scheme (CTB) and remains aligned with the remaining Housing Benefit (HB) caseload and its administration, with a number of local provisions applied:

- The support for claimants is based on each individual's ability to pay through a means tested approach.
- Pensioners are protected under the nationally prescribed pension age CTS scheme and must be able to receive up to a 100% reduction under the national scheme rules.
- A "minimum payment" of 15% of their Council Tax liability is required for all working age claimants in Barking & Dagenham irrespective of their financial circumstances. This means maximum support is limited to 85% of the Council Tax bill.
- Those who fall under the working age scheme and with capital in excess of £10,000 are not eligible for CTS under this scheme.
- Limiting CTS to 2 children born after 1 May 2017 for all Universal Credit (UC) claimants in line with welfare reform.
- Note the 2 children limit does not currently apply to claimants on older legacy benefits within the current CTS scheme which does not apply a restriction. This creates an inequitable approach dependant on the type of benefit received.
- Accepting a new application for UC as an application for CTS without the requirement for a separate application made to the Council.

1.7 The main benefits of keeping the scheme aligned with HB administration were:

- HB & CTS was processed from one application form.
- The rules and calculations between HB & CTS were similar for both staff and residents.
- Administration costs were shared and relied on the HB administration grant via the Department for Work & Pensions (DWP).
- Award notices were generated as one notification due to being processed together.

1.8 The Council went to live to 'Full Service Universal Credit' in December 2018. From this date no new claims for HB have been accepted from working age claimants (excludes temporary & specified accommodation). This means that the main benefits of keeping the scheme aligned to HB have increasingly been lost and the link with administration of HB broken.

1.9 New claimants and those who experience a 'triggering' change in circumstances must now apply for UC. This is administered by the DWP and includes an amount towards housing costs, and they must apply to the Council for CTS separately.

1.10 Managed migration of the remaining Legacy Benefit case load to UC is due to commence in 2024. This will increasingly affect the administration of the CTS scheme.

1.11 The impact of UC on the administration of the current CTS scheme can be summarised as follows:

- Lower support (CTS award)
- A higher volume of changes

- 1.12 Expenditure on the CTS scheme has declined year on year since 2015, with the exception being the 2020/21 financial year due to the impact of Covid-19. The CTS caseload has also declined year on year with the value of CTS awards reducing during this period for working age claimants. This is partly due to UC Migration, as recipients of UC receive lower levels of CTS through the current means testing process.
- 1.13 The current scheme has numerous ongoing issues with its administration that highlights the need for the Council to consider a replacement scheme to effectively administer and provide support to residents through the core support of the CTS scheme.
- 1.14 The requirement to consider a replacement CTS scheme means the Council should now consider the implementation of an income banded discount CTS scheme to address some of the issues that arise with the retention of the current CTS scheme.
- 1.15 An income banded discount scheme provides support based on bands of income and provides a percentage discount off the Council Tax bill (the CTS award). The number of discount bands, the level of discount and income thresholds can all be varied. Income banded discount schemes can be designed to be as simple or as complex as desired, can be made more or less generous and designed to support protected groups if required. Re-assessment of cases will only be required if income crosses one of the income band thresholds.
- 1.16 An income banded CTS scheme can be designed to assist households with low incomes and ensure that their Council Tax liability is manageable and fair.
- 1.17 It is difficult to vary the current CTS scheme to adopt or target different levels of support at a range of applicants. An income banded discount scheme gives the Council the opportunity to vary support based on a targeted approach to residents in line with Council objectives and Borough manifestos.
- 1.18 The implementation of a banded scheme has been designed to safeguard & support our most vulnerable residents. The scheme will be reviewed annually to reflect changing levels of demand, changes in the wider welfare system and to ensure that it remains affordable to the Council.
- 1.19 This paper sets out an overview of the current scheme, the impact of retaining the current scheme, proposals to implement an income banded discount scheme and the impact of this replacement scheme.

2. Proposal and Issues

2.1 An overview of the current CTS scheme (the default scheme)

- 2.1.1 The current CTS scheme is based on the centrally defined default scheme following the localisation of CTS in 2012/13. This is a complex means tested scheme in which incomes are compared to a needs allowance (applicable amount) calculated with reference to household circumstances and incomes.

- 2.1.2 This scheme must be retained by all Councils in respect of pensioner households (prescribed scheme). The scheme for working age households can be modified and varied by the Council, ensuring key principles and legislative requirements are met.
- 2.1.3 The Council has retained the 2013 default scheme for working age households but with a minimum payment of 15%, with some amendments and local provisions applied.
- 2.1.4 A significant investment was made by the Council into the 2023/24 scheme through a reduction in the minimum payment required from all claimants, from 25% to 15%. This increased the maximum Council Tax bill that could be considered through a CTS award from 75% to 85%.
- 2.1.5 This was held to balance the need to better support low-income residents of the borough, including the most financially excluded, with their ongoing Council Tax costs. Residents are now supported with their ongoing cost of living through an increase in the value of the CTS award, reducing the payable Council Tax charge, increasing resident income, and this was balanced against the financial cost to the Council.
- 2.1.6 The current scheme retains some advantages which can be summarised as follows:
- Means testing allows support to be focused on those most in need financially and continues to protect these households
 - Pensioners remain fully protected
 - Pension age and working age claimants are assessed under the same scheme
 - Does not impact disproportionately on any equality group
- 2.1.7 The current scheme however has a number of disadvantages which can be summarised as follows:
- Highly complex calculation of entitlement and legislative based assessment processes
 - Reactive to minor changes in circumstances generating higher volumes of work, adjustments to awards and multiple Council Tax bill adjustments
 - Complex administration for staff & complex for applicants to understand
 - Difficult to simplify with little flexibility in the scheme available
 - The impact of Universal Credit on administration of the scheme and the value of CTS awards
 - Difficult to vary and change the levels of support for different types of applicant

2.2 The current CTS case load

2.2.1 The current CTS scheme¹ caseload is as follows:

Case load count	Working age	Pension age
15,126	10,625	4501

¹ CTS case load extraction June 2023

2.3 Current CTS expenditure

2.3.1 The current scheme expenditure² is as follows:

CTS expenditure	Working age	Pension age
£16,081,826.87	£10,722,852.64	£5,358,974.33

2.4 The main issues with the current CTS scheme

2.4.1 There are a number of issues with the current CTS scheme that will need addressing to ensure that the Council has a CTS scheme that ongoing is fit for purpose in future years and that continues to:

- Provide the greatest support to low income households.
- Reduce the administrative burden allowing for the efficient administration of the scheme.
- Provide a simplified approach for residents.

2.5 CTS and the impact of UC on the current scheme

2.5.1 The introduction of UC within the borough has brought a number of significant challenges to both the administration of CTS and also the collection of Council Tax generally.

2.5.2 In 2021/22, the collection rate for CTS claimants was 87.9% against an overall collection rate of 93.64%. The collection rate for CTS claimants in receipt of UC was lower at 83.1%.

2.5.3 In 2022/23 the collection rate for CTS claimants was 87.5% against an overall collection rate of 93.6%. The collection rate for CTS claimants in receipt of UC was lower at 81.8%.

2.5.4 The managed migration of the remaining Legacy Benefit caseload to UC is due to be commenced by the DWP in 2024 and will significantly impact on the CTS scheme.

2.5.5 Currently there are 5712 CTS claims that are UC recipients. This now accounts for 53% of the working age CTS case load (not applicable to pension age). As a consequence, a significant proportion of the case load remains to be migrated to UC.

2.5.6 The impact of UC on the CTS scheme can be summarised as follows:

- The reluctance of UC claimants to make a prompt claim for CTS leading to a loss of entitlement.
- The design of UC resulting in working age households receiving on average lower CTS awards.
- This can be attributed to taper deductions and work allowances. Under UC working households retain a higher proportion of earned income due to support being removed (taper deduction) at 55p per pound earned, a lower rate than for

² CTS expenditure extraction June 2023

existing legacy benefits. Work allowances also allow for the retention of earnings without any reduction to UC awards. The higher retention of earned income means household income for some working households through their UC award is higher, leading to reduced CTS awards.

- UC restricts child allowances to two children (with certain exceptions). This on average results in lower applicable amounts for larger families and reduced CTS awards for these households.
- A high number of changes to UC cases are received from the DWP requiring an adjustment to awards. On average 40% of UC claimants have between eight and twelve changes in entitlement per annum. The welfare service received 102,613 UC changes notifications in 2022/23.
- The current means tested scheme is reactive to change where any small change to income will require a change to the CTS award. Changes from UC notifications result in adjustments to CTS awards.
- These changes result in amendments to Council Tax liability and the re-calculation of Council Tax instalments due to the liability amount changing with an adjustment to the CTS award.
- Frequent instalment changes can make it difficult for residents to budget with continual changes and the reprofiling of Council Tax payment amounts, with multiple bills being issued.
- Frequent changes altering the amount of CTS awarded and consequently the sum of Council Tax to be collected can result in the bill payer being offered fewer instalments to pay, due to re-profiling, making it more difficult to pay.
- The increased costs of administration through multiple changes with significant additional staff and staff time being needed.
- Increased printing and postage costs due to these multiple UC changes, adjustments and Council Tax bills.
- Printing and postage costs are on average £150,000 per annum. A reduction in changes will reduce printing and postage costs and make an effective contribution to environmental concerns.

2.5.7 The existing means tested CTS scheme, which is highly reactive to change, will not be viable in the longer term now that UC has been rolled out fully within the borough and with a further substantial increase in UC claimants due to managed migration of the remaining legacy benefit caseload.

2.5.8 Any new scheme needs to deliver a scheme that is more compatible with the UC system, reflecting the changing caseload and does not respond to every change, while protecting the most vulnerable residents.

2.6 **The need for a simplified approach to the CTS scheme**

2.6.1 The existing CTS scheme is based on an old-fashioned means tested benefit scheme (CTB), which now has major defects which can be summarised as:

- It is complex for customers to understand and is based on a complex calculation of entitlement (means testing).
- Customers are not easily able to calculate their entitlement.
- The administration for staff is complex, with staff having to request significant amounts of information from applicants to process applications and changes.
- Staff have to undergo significant training to be proficient in processing claims.

- The current scheme is too reactive to change.
- It does not interact well with UC which is a benefit that is re-assessed every month.

2.6.2 A key driver and objective of the proposal to replace the CTS scheme is simplification and to ensure the scheme works better in the broader context, responding to external influences that directly impact the delivery of the scheme and payment of Council Tax.

2.6.3 A banded income discount scheme removes the means tested element of the current scheme allowing residents to easily calculate their entitlement based on their current income and household size.

2.6.4 There are several different types of banded income and discount CTS schemes, with variations such as:

- Not accounting for household size and type with discounts against income only.
- Only accounting for employment as income and ignoring all other benefits and varying or ignoring household size.
- Varying discounts based on the Council Tax band.

2.6.5 These options were considered in the options appraisal at the outset.

2.6.6 Income bands allow for smaller changes in income to occur without the requirement for a change in the income band, and thus discount, meaning more stability and consistency in the award. This simplifies the process, requiring only more significant changes in income to be reported, allows the resident to calculate potential changes to the award in advance, and reduces the requirement to consistently adjust the level of the award.

2.6.7 This stabilisation of the award simplifies the process for Council Tax instalments due to a reduction in the re-profiling of the payments due to minor changes in the CTS award, making it simpler for residents to understand the Council Tax they are required to pay.

2.6.8 This will improve the customer journey and experience.

2.6.9 The implementation of a banded scheme has been designed to safeguard & support our most vulnerable residents. The scheme will be reviewed annually to reflect changing levels of demand, changes in the wider welfare system and to ensure that it remains affordable to the Council.

2.7 **The need to help low-income households and assist in the collection of Council Tax**

2.7.1 Since 2013, the introduction of CTS, the majority of Councils have required all working age applicants to pay a minimum payment. Under the previous scheme (CTB) some claimants, based on the means test, were not required to pay any Council Tax and would have received full (100%) support.

- 2.7.2 In 2015/16 the Council introduced a maximum award of 75% requiring a minimum payment of 25%, irrespective of financial circumstances.
- 2.7.3 Based on the socio-economic indicators and level of deprivation and poverty within the borough the minimum payment was reduced from 25% to 15% in the current 2023/24 CTS scheme, representing a major investment by the Council in the financial support provided to residents through the CTS scheme.
- 2.7.4 By targeting support at those households least able to pay the Council can seek to reduce collection costs and improve collection rates for Council Tax.
- 2.7.5 The current CTS scheme cannot be easily varied to target differing levels of support against vulnerable residents and would require complex amendments to change the outcome of the means test applied. This would not meet the requirements for simplification of the scheme.
- 2.7.6 Retaining the current scheme with the migration of the remaining Legacy Benefit case load to UC will result in a reduction in support, as on average CTS awards are less for UC claimants due to the design of the current scheme and UC.
- 2.7.7 A replacement income banded discount scheme allows the Council the opportunity to look at varying the support provided, targeting support at the most vulnerable, while also providing support and incentives around employment, taking account of migration to UC, based on a simple discount scheme. This retains the objective of supporting low-income households with better targeted support.

2.8 The impact of retaining the current scheme into 2024/25

- 2.8.1 The council have worked with a specialist provider 'Policy & Practice' to model the outcomes on retaining the current CTS scheme into 2024/25³. This modelling is based on a CTS scheme extract from June 2023.
- 2.8.2 Maintaining the current scheme into 2024/25 would increase scheme costs from £16.08m (2023/24) to £17.01 (2024/25). Circa a £930K increase.

Group	£/annum (2024/25)
All working age	£11,334,081.00
Pension age	£5,677,251.00
Total	£17,011,332.00

- 2.8.3 This was based on a projected 4.99% increase in Council Tax in 2024/25 and a 7.5% benefit uprating figure (based on projected CPI inflation figures). This also accounts for the uprating of other incomes such as earnings in line with the national minimum wage.
- 2.8.4 The increase in scheme costs is driven primarily by the increase in Council Tax with demand for the scheme variable and can be considered against the cost base increase for Council Tax.

³ Appendix 1 – Policy & Practice localised CTS Final Report

Annual CTS in current scheme retained into 2024/25 compared to current scheme 2023/24			
Group	£/annum	Change (£/annum)	Change (%)
All working age	£11,334,081.00	£593,830	5.53%
Pension age	£5,677,251.00	£402,362	7.63%
Total	£17,011,332.00	£996,191	6.22%

2.8.5 The average weekly awards from the current scheme in 2023/24 can be modelled against the projected costs for retaining the scheme into 2024/25. This demonstrates the increase in the weekly award as scheme costs increase⁴.

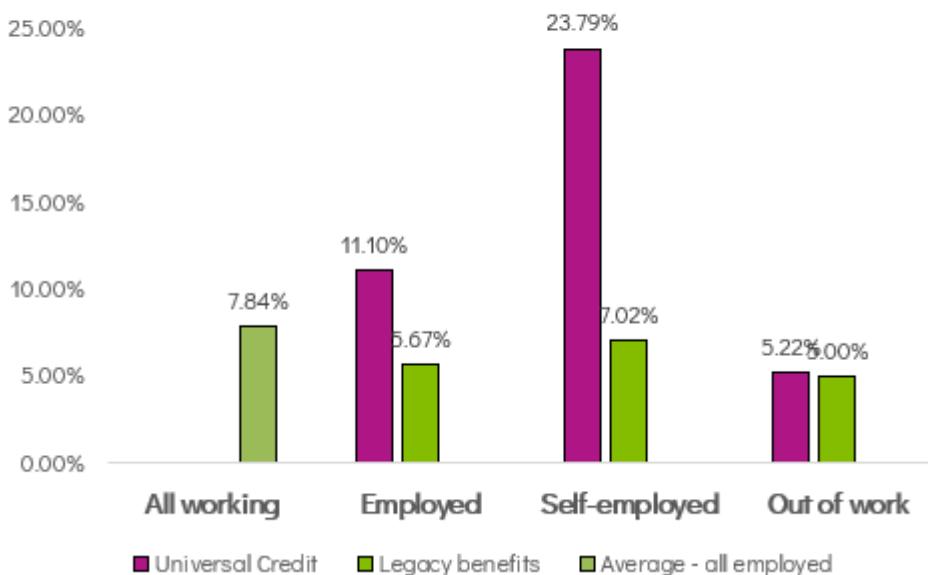
	Current scheme in 2023/24	Current scheme in 2024/25	Change %
All working age	£19.13	£20.19	5.53%
Legacy benefits	£19.47	£20.50	5.29%
Universal Credit	£18.89	£19.97	5.70%
Pension age	£20.15	£24.31	7.63%

2.8.6 The difference in awards between the old legacy benefits and UC, with UC cases having a lower award value should be noted.

2.8.7 Increases in the support provided from retaining the current scheme into 2024/25 due to increased scheme costs is also modelled against economic status⁵.

*Note the sample size for Universal Credit self-employed is small so outcomes may not be indicative.

% Change in Council Tax Support, by economic status - current scheme in 2024/25



⁴ Appendix 1 – Policy & Practice localised CTS Final Report

⁵ Appendix 1 – Policy & Practice localised CTS Final Report

- 2.8.8 As scheme costs are increasing due to Council Tax increases average levels of support will consequently also increase through the means testing process.
- 2.8.9 Although the retention of the current scheme into 2024/25 will lead to increased support due to natural increases in costs, it will not address the issues of administration and defects with the scheme as outlined above and will increasingly fail to provide a scheme that can be effectively administered to support low-income residents of the borough.
- 2.8.10 The drivers for changing the CTS scheme remain.

2.9 **The proposed approach for the 2024/25 Council Tax Support scheme**

- 2.9.1 In view of the issues with the retaining of the current scheme into 2024/25 and taking account of the drivers for change it is proposed that an alternative approach be taken for a replacement scheme in 2024/25.
- 2.9.2 This approach will:
- Address the issues caused by UC and the final migration of the remaining Legacy Benefit cases.
 - Address the administrative issues and defects caused by a reactive scheme.
- 2.9.3 The main objectives of this scheme change can be summarised as follows:
- Is affordable and maintains a fiscally cost neutral position (within tolerance) from natural increases in the cost of retaining the current scheme into 2024/25.
 - Simplifies the scheme making it easy for residents to understand and access.
 - Provides and protects the maximum level of support for all low-income households.
 - Removes the requirement to continually make changes in awards making support more consistent and provides stability on managing household budgets.
 - Improves how the scheme works with the UC system.
 - Creates a scheme that remains fair and equitable to all residents, requiring a fair contribution towards Council Tax from those who can pay while protecting the most vulnerable.
 - Encourages and incentivises employment.
 - Builds in capacity to better manage an increase in demand for the scheme (increased automations and more efficient administration).
- 2.9.4 An income banded discount scheme provides support based on bands of income and provides a set percentage reduction off the Council Tax bill (the award).
- 2.9.5 The number of discount bands, the level of discount and income thresholds can all be varied.
- 2.9.6 Banded schemes vary in the types of income taken into account, what circumstances are considered and the % of the discount awarded.
- 2.9.7 Income banded discount schemes can be designed to be as simple or as complex as desired, can be made more or less generous and designed to support protected groups if required.

2.9.8 Re-assessment of cases will only be required if income crosses one of the income band thresholds.

2.9.9 This approach will fundamentally redesign the scheme.

2.10 The proposed income banded discount scheme for 2024/25 (Model 1)

2.10.1 The key characteristics of the proposed income banded discount scheme for 2024/25 can be summarised as follows:

- Income band thresholds based on all household income with a set discount % reduction in the Council Tax bill (the CTS award).
- The maximum award is set at 85% (in line with the current scheme) requiring a 15% minimum payment for all applicants.
- The following incomes are disregarded in-full from the assessment of total household income:
 - Housing Benefit
 - UC Housing costs
 - UC Childcare support
 - UC limited capacity for work
 - UC Carers element
 - UC disabled child element
 - Child Benefit
 - War Pensions
 - Personal Independence Payment (PIP) & Disability Living Allowance (DLA)
- All other household incomes are taken into account.
- Flat rate non-dependant adult deductions of £7.50 per week (maintaining no deduction for those in receipt of disability benefits to mirror the current scheme) are applied.
- Household size allowance is restricted to 2 children (to mirror UC and welfare reform). This aspect will be addressed in the Equalities Impact Assessment⁶.
- The capital limit for eligibility to the scheme is reduced to £6,000 (currently £10,000).

2.10.2 The scheme proposes the following income bands thresholds and discounts:

Band	Discount	Single (Weekly net income)	Couple (Weekly net income)	Single 1+ children addition	Single 2+ children addition	Couple 1+ children addition	Couple 2+ children addition
1	85%	£0-£96	£0-£164	£0 - £184	£0 - £284	£0 - £252	£0 - £352
2	70%	£96 - £140	£164 - £208	£184 - £228	£284 - £338	£252 - £296	£352 - £406
3	55%	£140 - £168	£208 - £238	£228 - £262	£338 - £382	£296 - £334	£406 - £456
4	40%	£168 - £188	£238 - £260	£262 - £296	£382 - £426	£334 - £370	£456 - £506
5	25%	£188 - £208	£260 - £282	£296 - £320	£426 - £460	£370 - £396	£506 - £542
6	15%	£208 - £240	£282 - £316	£320 - £376	£460 - £506	£396 - £452	£542 - £605

⁶ Appendix 4 – Equalities Impact Assessment (EIA)

- 2.10.3 Income band thresholds and discounts are balanced against scheme affordability and overall scheme objectives.
- 2.10.4 The current scheme applies a means tested approach to non-dependant (ND) adults in the household that requires significant amounts of administrative work to obtain details of income in order to determine the level of deduction applied.
- 2.10.5 The advantages of flat rate non-dependant deductions can be summarised as follows:
- Simplify the scheme and administration.
 - Existing protections remain for those in receipt of disability benefits.
- 2.10.6 The application of a flat rate non-dependant deduction of £7.50 per week, while maintaining the current exemptions due to receipt of disability benefits, will significantly simplify the administrative process required.
- 2.10.7 Applicants will be required to provide less information, and this will also make the approach simpler to understand with applicants only needing to know how many non-dependants they have in the household, to understand the deductions that will be applied.
- 2.10.8 This change will increase the level of the deduction applied compared to the anticipated deductions from the current scheme into 2024/25. This represents a cost saving in expenditure on the scheme.
- 2.10.9 The capital limit threshold is reduced to £6,000. Any applicant with capital that exceeds £6,000 will not be eligible for the scheme. This simplifies the approach with the majority of applicants holding capital under the threshold and the £6,000 limit continues to protect applicants with low levels of capital that will not require verification. Calculations for assumed tariff incomes from capital held will no longer be required.
- 2.11 The impact of the proposed income banded discount scheme (Model 1)**
- 2.11.1 Model 1 is a banded income discount scheme which takes into account all household income (excluding disregarded incomes) and size (restricted to 2 children).
- 2.11.2 Model 1 compared to the current scheme in 2023/24.
- 2.11.3 Internal modelling (Capita Academy modelling tool)⁷

Household Type	Number of cases	Current scheme Expenditure 2023/24	Proposed income banded scheme Expenditure 2023/24	Saving	Saving %
Elderly	4503	£5,362,681.46	£5,370,851.26	£8,170.02	0.15%
Couple	419	£480,286.19	£446,603.01	-£33,683.20	-7.01%

⁷ Appendix 2 – Internal modelling (financial and impact analysis) (Capita system)

Couple & 1 Child +	290	£274,670.87	£314,399.96	£39,729.08	14.46%
Couple & 2 Child +	1102	£1,158,991.53	£1,159,386.69	£395.15	0.03%
Single	2300	£2,156,829.67	£2,098,220.49	-£58,609.22	-2.72%
Single & 1 Child +	1292	£1,174,619.68	£1,182,138.84	£7,519.13	0.64%
Single & 2 Child +	2171	£2,069,571.99	£2,080,318.67	£10,746.62	0.52%
Passported	3047	£3,404,175.48	£3,423,135.89	£18,960.38	0.56%
Grand Total	15124	£16,081,826.87	£16,075,054.80	-£6,772.04	-0.04%

- 2.11.4 The income banded scheme has been modelled against a balanced cost neutral Position (within a tolerance) based on a comparison with current scheme expenditure.
- 2.11.5 This has been modelled at an approximate cost saving of £6,772.04 were the Scheme to have been implemented within the current financial year.
- 2.11.6 This provides a breakdown of the current CTS expenditure by household type as a comparison against the proposed income banded scheme.
- 2.11.7 The 'passported' household type refers to those claimants in receipt of old-style legacy benefits such as Employment Support Allowance or Income Support which 'passport' the claim award to the maximum amount of 85% automatically.
- 2.11.8 Expenditure has been balanced on each household type against the current scheme expenditure.
- 2.11.9 The scheme provides slightly less support for couple and single households based on total expenditure, providing slightly higher expenditure on all household types with children as an overall average.
- 2.11.10 The proposed scheme has a fiscally neutral cost against the current scheme expenditure within the current financial year and this would be expected to be replicated into the 2024/25 financial year balanced against the expected expenditure if the current scheme were to be retained, taking account of natural variations in expenditure due to demand.
- 2.11.11 External modelling by our 3rd party partner Policy & Practice⁸ has been used to forecast the anticipated cost of retaining the current scheme into 2024/25 as this cannot be modelled internally.
- 2.11.12 This forecast modelling has also been used to model the impact of implementing the proposed income banded discount scheme into 2024/25.

⁸ Appendix 1 – Policy & Practice localised CTS Final Report

	Model 1 cost 2024/25	Current scheme projected cost 2024/25	Comparison to current scheme 2024/25	Change
Group	£/annum	£/annum	Change (£/annum)	Change (%)
UC	£6,635,703.00	£6,556,492.00	+£79,211	1.21%
Legacy benefits	£4,735,860.00	£4,777,590.00	-£41,730	-0.87%
Total	£11,371,562.00	£11,334,081.00	+£37,481	0.33%

	Model 1 cost 2024/25	Current scheme projected cost 2024/25	Comparison to current scheme 2024/25	Change
All working age	£11,371,562.00	£11,334,081.00	+£37,481	0.33%
Pension age	£5,677,251.00	£5,677,251.00	£0	0%
Total	£17,048,813.00	£17,011,332.00	+£37,481	0.22%

2.11.13 Model 1 increases total scheme costs by £37,481 in comparison to the projected current scheme expenditure in 2024/25. This is 0.22%.

2.11.14 This sets the implementation of the proposed scheme within a tolerance of the cost neutral position against anticipated expenditure were the current scheme to be retained.

2.11.15 Internal modelling has demonstrated a fiscally neutral position for model in comparison with current expenditure 2023/24. This position is expected to be maintained into 2024/25 and is substantiated by the external modelling.

2.11.16 Variances in external modelling due to the type of modelling engine used and interpretation of data sets are an accepted risk and may result in actual expenditure being higher or lower than projected.

2.11.17 Average CTS costs for working age households under Model 1 increases by 0.33% compared to the current scheme retained into 2024/25.

2.11.18 Costs for UC households increase by 1.21% whilst costs for households on legacy benefits decrease by 0.87% .

2.11.19 The impact of the proposed model as a comparison with the current scheme on the weekly award⁹:

Band	No. households	% households	Average weekly CTS Model 1	Average weekly CTS Current scheme in 2023/24
1	8,829	82.3	£22.22	£22.10
2	301	2.8	£19.17	£15.60
3	556	5.2	£16.15	£11.03
4	489	4.6	£11.42	£9.68
5	213	2.0	£7.24	£10.22
6	150	1.4	£4.39	£11.89
No longer eligible	169	1.6	£0	£14.55
Total	10,729			

2.11.20 The model increases the average level of support for 94% of households demonstrating its overall positive impact between bands 1-4 for residents with the lowest incomes.

2.11.21 A total of 1,597 households have higher awards with an average increase of £7.03 per week¹⁰.

2.11.22 The main reductions in support are for those claimants in higher bands with higher household incomes between bands 5-6 as an average.

2.11.23 A total of 1,501 households have lower awards with an average weekly loss of £6.99 per week¹¹.

2.11.24 For households that lose out the majority are due to falling into income bands that give a award lower than the earnings taper in the current scheme (employed), as well as due to the introduction of flat rate non-dependant deductions.

2.11.25 A total of 749 households have a reduced award due to higher non-dependant deductions than in the current scheme.

2.11.26 169 households lose 100% of their current award. 51 of these households do so due to having savings over the reduced capital limit of £6,000.

2.11.27 This impact can also be modelled against employment status¹²:

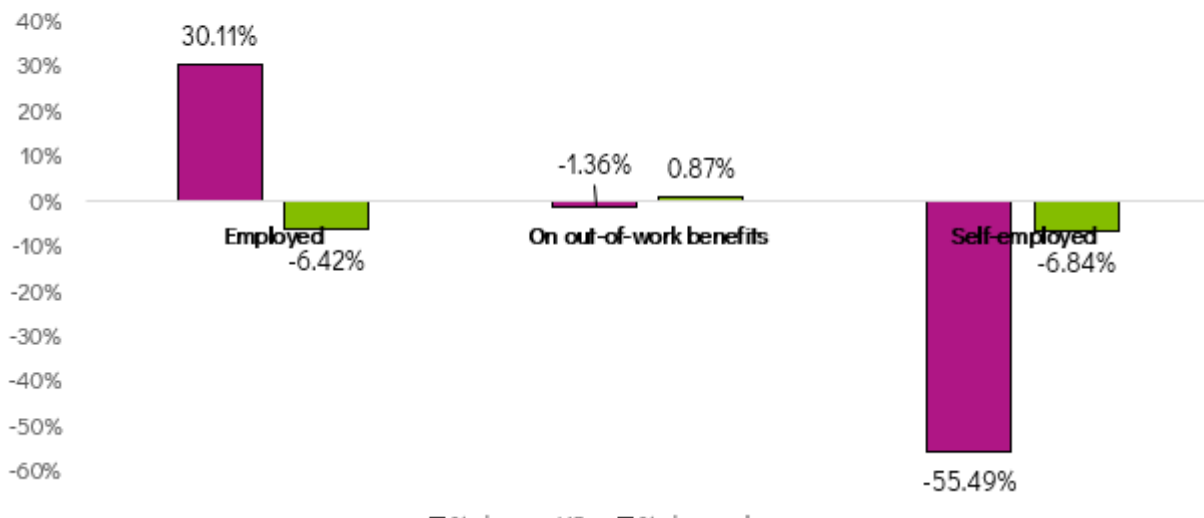
⁹ Appendix 1 – Policy & Practice localised CTS Final Report

¹⁰ Appendix 1 – Policy & Practice localised CTS Final Report

¹¹ Appendix 1 – Policy & Practice localised CTS Final Report

¹² Appendix 1 – Policy & Practice localised CTS Final Report

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by economic status



2.11.28 This modelling demonstrates a positive impact of the new scheme on UC claimants in employment against the retention of the current scheme.

2.11.29 Employed households under the old legacy benefits lose out. This is because of a different calculation of household income under the income band for these cases and may also be due to non-dependant deductions.

2.11.30 UC households gain more compared to the current scheme in 2024/25.

2.11.31 The proposed scheme provides better support for employed earners on UC than the current scheme and therefore supports employment and does not disincentivise work.

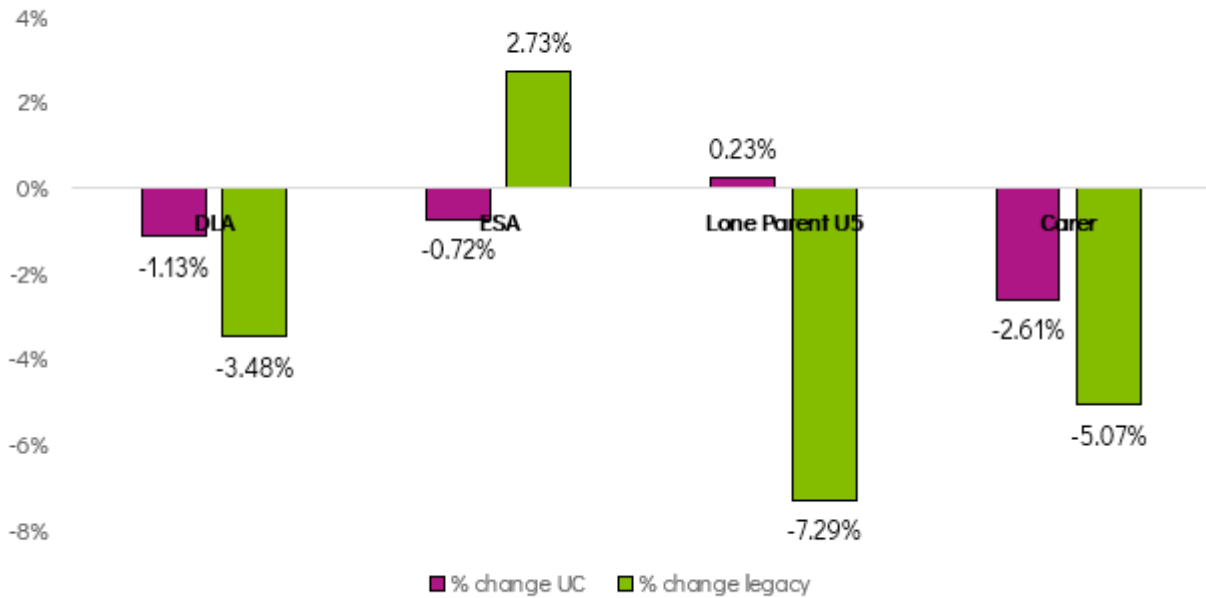
2.11.32 This is important in the context of managed migration of the remaining legacy benefit case load to UC which is due to commence in 2024.

2.11.33 The data set identified for self-employed claims on UC is very small due to the way UC is reported. The large drop-in support for these households is skewed by the small sample size and is not taken as representative.

2.11.34 The impact can also be modelled against types of applicant who are not in employment and have barriers to work¹³.

¹³ Appendix 1 – Policy & Practice localised CTS Final Report

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by barriers to work



Modelled scheme: change in average CTS award, by barriers to work

- 2.11.35 Disabled claimants (DLA) see a slight reduction as an average. This can be attributed to a loss of disability premiums from the current scheme that are not contained in Model 1 and a difference of support from the income band threshold.
- 2.11.36 The proposed scheme protects the level of support (band 1) where most claimants with barriers to work fall, compared to the current scheme.
- 2.11.37 Reductions in support can also be attributed to non-dependant deductions that were not previously payable now being applied due to the change to a flat rate deduction.
- 2.11.38 Further analysis on the impact of the proposed replacement scheme is contained in the Policy & Practice report and Equalities Impact Assessment (EIA) ¹⁴, inclusive of those residents who may lose support.
- 2.11.39 The overall impact of the proposed new scheme increases support as an average for 94% of the existing caseload. Legacy benefits on average will see slightly lower levels of support (-0.18%) however the scheme will provide greater support than the current scheme for UC claimants (+1.21%)
- 2.11.40 An average reduction in support for existing legacy benefit claimants should be considered in light of planned migration to UC that will reduce and end receipt of these benefits during 2024 (with some exemptions for ESA claimants).
- 2.11.41 A scheme that better supports claimants on UC, while protecting the most vulnerable is recommended.

¹⁴ Appendix 4 – Equalities Impact Assessment (EIA)

2.12 **How the new scheme will address the problems with the current CTS scheme**

2.12.1 The simplicity of the proposed new scheme approach will help to address some of the problems associated with the administration of the current scheme. This can be summarised as follows:

The impact of UC

2.12.2 Income bands are sufficiently wide to ensure the scheme is less reactive to change reducing the number of adjustments to awards.

2.12.3 The current CTS scheme is reactive to minor changes and awards are altered even with very minor changes to income, generating multiple claim adjustments and Council Tax demands. The income banded approach means minor changes in income will no longer trigger a change in award and will reduce the number of adjustments.

2.12.4 This also supports the efficient administration of the scheme.

The need for a simplified approach

2.12.5 Significant simplification allowing for applicants to easily understand their award and how it has been calculated due to the removal of complex means testing.

2.12.6 Simplified administration with the removal of complex means testing for staff.

2.12.7 Income banded schemes are simpler to understand than the current scheme and therefore allows the Council to convey a relatively simple eligibility message to residents.

The need to assist low income households and assist in the collection of Council Tax

2.12.8 The maintenance of current levels of support for the poorest residents, and the encouragement and incentivisation of employment.

2.12.9 The current scheme is difficult to change and cannot be varied in the same way as an income banded scheme. An income banded approach allows the Council to target additional support in a simple way, while continuing to protect the lowest incomes.

2.13 **Transition to the new scheme and the exceptional hardship scheme (Council Tax Discretionary Relief - CTDR)**

2.13.1 The Council must acknowledge that any scheme change and transition to a new scheme will result in changed awards for some applicants.

2.13.2 Although the new scheme has been designed to protect the most vulnerable there will be some applicants who gain support, and some who lose support, due to a different design of the scheme. It is not possible to implement a replacement

scheme without these impacts unless significant further investment into the cost of the scheme is made.

- 2.13.3 The CTDR fund will be reviewed prior to presenting the final details of the proposed income banded discount scheme and outcome of the consultation. Agreement will be required on any level of funding for the scheme.
- 2.13.4 The loss of available funding for the CTDR scheme will result in the Council having no available means to mitigate issues that arise for applicants who suffer a loss of award from the change in scheme.
- 2.13.5 It is recommended that the Council agree a provision of funding for the CTDR scheme to ensure mitigations are available through the scheme to support affected applicants during the 2024/25 financial year.

3. Options Appraisal

- 3.1 The options appraisal considered the following options for the CTS scheme for 2024/25.
 - Maintain the current scheme with no changes.
 - Implement a replacement income banded discount scheme (Model 1).
 - Implement a replacement income banded discount scheme with a reduction in the level of support
 - Consider other types of discount schemes
- 3.2 The implementation of a completely new income banded discount CTS scheme requires the following:
 - Engagement with members, residents & voluntary sector groups to obtain feedback on potential changes.
 - Engagement of an external third party to undertake scheme & financial modelling.
 - Cabinet and assembly approval.
 - Public consultation.
 - ICT engagement for implementation.
- 3.3 Within this options appraisal consideration was given to retaining the current CTS scheme unchanged or implementing a replacement scheme.
- 3.4 A replacement scheme can either retain the current level of support against a fiscally cost neutral position or can reduce the level of support against a fiscal cost saving.
- 3.5 The retention of the current scheme in to 2024/25 is not held to address the administrative issues with the scheme as outlined above. The completion of managed migration to UC will cause further significant administrative issues, including an increase in adjustments to awards and the re-profiling of Council Tax instalments and will result in lower levels of support through the CTS award.
- 3.6 A retention of the current scheme will not provide as an efficient and effective scheme for residents of the borough into 2024/25.

- 3.7 Model 1 is held to address the administrative issues with the retention of the current scheme, while maintaining the levels of support provided for the lowest income residents by protecting the majority of applicants in band 1 at an 85% discount comparable to the current scheme. The model provides better levels of support for UC claimants in employment, incentivising employment. This is balanced against the financial cost to the Council, against the anticipated cost of retaining the current scheme into 2024/25.
- 3.8 An income banded model that reduces the level of support is not held to sufficiently support residents of the borough with their Council Tax costs, during a time of a high cost of living, also considering the socio-economic demographics and poverty indicators of the borough.
- 3.9 Consideration was given to other types of income banded and discount schemes as a possible replacement scheme:

Employment income only banded scheme

- 3.10 Income banding schemes can be based exclusively on household earnings. Consequently, all other benefits/income are disregarded.
- 3.11 Income banding based exclusively on earnings is the simplest banding scheme administratively as it only requires the Council to decide on the earnings of the household only.
- 3.12 The main disadvantage of an earnings only banded scheme is although other benefits are disregarded it fails to fully account for a needs allowance, which may penalise households with dependants. Often these households will incur higher expenses which are not fully met by receipt of other benefits such as Child Allowances or Child Tax Credit and this is not accounted for within the income bands.
- 3.13 Residents may feel the scheme disincentivises work as only those without employment will be provided with the highest levels of support.

Simple discount schemes

- 3.14 Basic discount schemes can vary in type but usually apply a simple assessment around a level of household income that applies a set % discount at above or below an income threshold. These schemes are usually designed to be admiratively simple but also fail to account for household size and type.

Variations based on the Council Tax Band

- 3.15 Some discount schemes account for the Council Tax band to determine the levels of income or discount applied on the basis of variations in the cost of payments for bands.
- 3.16 This approach fails to meet the objectives of simplification and can often lead to complex grids where different Council Tax bands have differing levels of discount.

- 3.17 Proportionately although a level of discount has a higher monetary value in a higher band it remains fair and equitable with a recognition that larger properties have higher charges as reflected for residents not in receipt of CTS.
- 3.18 These types of income banded, and discount scheme are not held to sufficiently support residents or meet the objectives of simplification of the CTS scheme and were therefore not modelled.
- 3.19 The options appraisal now provides the Council with the options to implement an income banded discount scheme (model 1) or retain the current scheme unchanged. No further options are now available.
- 3.20 The implementation of a banded scheme has been designed to safeguard & support our most vulnerable residents. The scheme will be reviewed annually to reflect changing levels of demand, changes in the wider welfare system and to ensure that it remains affordable to the Council.
- 3.21 For the reasons outlined above Model 1 is the recommended proposal.

4. Consultation process and feedback

- 4.1 Prior to the implementation of any change to the CTS scheme the Council is required to consult with the residents of the borough. The guiding principles that have been established through case law for fair consultation are as follows:
- The consultation must be carried out at an early stage when the proposals are still at a formative stage.
 - Sufficient information on the reasons for the decision must be provided to enable the consultees to carry out a reasonable consideration of the issues and to respond.
 - Adequate time must be given for consideration and responses to be made.
 - The results of the consultation must be properly taken into account in finalising any decision.
- 4.2 There is also a duty to consult with the major precept authorities who are statutory consultees.
- 4.3 The aims of any consultation should be to:
- Inform residents and help them understand the impact of the proposals.
 - Confirm why the proposals are being made.
 - Detail any alternative proposals.
 - Give purposeful consideration to realistic alternative proposals presented.
 - Obtain feedback on whether residents support the proposals.
- 4.4 The Council will be required to consult extensively on the proposals to change the CTS scheme due to the significant change to the scheme proposed (Model 1).
- 4.5 A retention of the scheme unchanged will not require public consultation.
- 4.6 The consultation will be primarily web based through an online survey form.

- 4.7 The survey will inform residents of the proposals to change the scheme and ask residents and stakeholders their opinions and views on:
- Replacing the current scheme with an income banded discount scheme for 2024/25 (Model 1)
 - Retaining the current scheme unchanged.
 - Any other comments and views on the proposed changes
- 4.8 The survey will be run through the Citizens Alliance website and will require promotion across the Council webpages, social media channels, E-newsletter, press releases & CTS award notification letters.
- 4.9 Current CTS claimants affected by the proposals will be contacted directly to explain possible changes to their award due to the changed scheme for 2024/25, to invite consultation and feedback on the proposed changes.
- 4.10 It is also anticipated that public workshops will be held at various sites throughout the borough, supported by outreach officers, to enable residents and stakeholders to engage with the proposals in person and these sessions will need to be widely promoted to ensure visibility and attendance.
- 4.11 Direct engagement with voluntary partners and stakeholders will be required with the support of the relevant internal teams to ensure a broad section of these partners are engaged in the consultation process.
- 4.12 CTS scheme consultations historically have poor response rates from residents and the Council will need to ensure it widely promotes the consultation to ensure engagement in the proposals.
- 4.13 This will include a communication strategy for inclusion to ensure all residents have equal access and uptake taking account of digital exclusion, non-English speakers, those engaged with community groups but not statutory authorities.

5. Financial Implication

Implications completed by: Philippa Farrell – Head of Service Finance

- 5.1 The Council is required to maintain a CTS Scheme. This is now funded as part of the Council's overall funding settlement and so any increases or decreases in take up or cost fall upon the Council's budget (rather than being provided for by a grant) and becomes a cost to the authority's budget in the following financial year.
- 5.2 The Council made a significant investment into the CTS scheme for 2023/24 by reducing the minimum payment from 25% to 15%. This increased the scheme costs from **£14.6m** (2022/23) to **£16.01m** (2023/24). Overall, the Scheme cost has increased. The modelling was completed by Policy & Practice (specialist external advisor) as outlined in the above report.
- 5.3 The Council identified **c£1.3m** from reserve to fund the increase in cost for 2023/24, this estimated was based on a 2.99% Council Tax increase for 2023/24. However, the increase was 4.99% and the Welfare Reserve was reprofiled and the Council

updated its estimate to **c£1.5m**. There is no in-year pressure associated with the current scheme in 2023/24.

- 5.4 As part of the 2023-2027 MTFS process Community Solutions proposed a new methodology for the application of the CTRS scheme, to achieve a more flexible and administratively suitable model to accommodate the cost-of-living crisis and the move nationally to Universal Credit. The cost of the proposed model was submitted in the MTFS cycle and is contained in the below table. This was based on a 2.99% Council Tax increase as was known at the time.

Growth requests approved	20204/25	2025/26	2026/27
CTS 2.99%	2,072,052	503,162	518,256
CTS 4.99%	2,572,052	803,162	818,256
Additional pressure on MTFS (estimated on 4.99% uplift, not 2.99% previously assumed)	500,000	300,000	300,000

- 5.5 The modelling above was completed on 2.99%. If we apply an assumed uplift of **4.99%** instead then we would require an additional estimated **£0.5m** in 24/25, and an estimated **£0.3m** in 25/26 and 26/27. This is all subject to Council Tax uplifts and therefore is subject to change.
- 5.6 There is no funding identified to fund the additional 2%. This would need to be subject to growth in the MTFS. Although, it should be noted that the impact of the scheme would not be a direct cost to the service but a direct impact on the Collection rate of the Collection Fund and the reduced collections.

CTS Scheme	2024/25
15% Contribution Scheme (Existing Scheme)	£17.01m
Banded Scheme (Model 1)	£17.04m

The cost of either scheme will increase by **c£1m** into 2024/25 against the current expenditure for 2023/24, in-line with the wider increase in Council Tax (estimated at 4.99%).

Risks to Financial Assumptions of cost;

- Assumed CTAX increase of 4.99%
- LBBB Modelling
- Outcome of Public Consultation
- Increase in caseload
- Impact of Cost of Living
- Impact inflation/interest
- Impact of transition to Universal Credit
- Government Policy (General Election 2024/25)

5.7 In reference to 2.13.5 and the creation of discretionary Council Tax Relief hardship funding to smooth transition, there is no budget for this fund and there is no clear ask on the value.

5.8 The paper is seeking to consult on the new model for the CTS scheme in advance of cabinet approval. It should be noted that prior to approval funding streams will need to be identified.

6. Legal Implications

Implications completed by: Dr Paul Feild Principal Governance & Standards Lawyer

6.1 The Council is required to maintain and annually review its CTS scheme in accordance with Section 13A and schedule 1A of the Local Government Finance Act 1992.

6.2 Schedule 1A to the Local Government Finance Act 1992 requires the Council to make any revision to its scheme or any replacement scheme no later than 11 March in the financial year preceding that for which the revision or replacement scheme is to have effect.

6.3 As the CTS scheme is being proposed to be replaced with a new scheme it is a statutory requirement for the Council to carry out consultation on the changes as set out by the Local Government Finance Act 1992 Schedule 1A paragraph 5 and that paragraph 3 of the said Act.

6.4 Before making a scheme the Council is required to:

- Consult any major precepting authority which has a power to issue a precept to it.
- Publish a draft scheme in such a manner as it thinks fit.
- Consult such other persons as it considers are likely to have an interest in the operation of the scheme.

6.5 This paper sets out the proposals to change the CTS scheme and the required consultation.

6.6 Since the introduction of CTS schemes there have been a number of legal challenges in relation to the consultation undertaken. Most of these challenges have been in relation to the consultation undertaken in the sense of it being meaningful and to have due regard to equality impact assessments. As determined by a Supreme Court ruling in 2014 in the case R (Moseley) v London Borough of Haringey, consultation is critical when there is a possibility of an adverse outcome.

6.7 With regard to the recommended proposal the outcome is to maintain the level of support for the lowest incomes. However, due to the wider impact of replacing the scheme, potentially some claimants will gain support, and some claimants may lose support. Some claimants will see their awards unchanged.¹⁵

¹⁵ Appendix 1 – Policy & Practice localised CTS Final Report
Appendix 4 – Equalities Impact Assessment (EIA)

- 6.8 The proposed schemes subject to consultation may be subject to further change through the ongoing modelling process. Any proposed changes to the scheme are likely to retain the core elements of the schemes consulted on and reflect minor changes to the income band threshold or overall levels of discount granted only.

7. Other Issues

- 7.1 **Risk Management** – The Council is at the final procurement stage for the software required through the Capita Academy system, used to administer the current CTS scheme, for the implementation of an income banded discount scheme.

Until the Council has procured the required software for the Capita Academy system, without the purchase of the required software the Council cannot implement the proposed replacement scheme as set out. The implementation of the new software may require further support from Capita for implementation.

User acceptance testing will be required for the new scheme/system and will require planned time and resources to undertake.

The end of year process must be commenced on time and will require support on testing, implementation, and time frames to ensure the new scheme is correctly installed for end of year processing. A decision to retain the current scheme, after consultation, and not implement the proposed Model 1 may jeopardise the completion of the end of year process. Due to timings end of year testing must commence in December 2023 and must be done on the proposed banded scheme, it cannot be undertaken on both.

The Council has relied on its external partner Policy & Practice (who have national expertise in modelling CTS schemes) to model both the projected expenditure on retaining the current CTS scheme into 2024/25, and the projected costs for a replacement discount income banded scheme.

A fiscally neutral cost for the replacement discount income banded scheme has been based upon projected costs for retaining the current scheme into 2024/25, with a natural increase in cost due to Council Tax increases, Benefit uprating and variance in demand. This has not been modelled through the Capita Academy system due to system limitations and therefore a risk is raised that the projected cost of the scheme is more or less than anticipated.

This risk has been partly mitigated by internal modelling for the replacement scheme against the current scheme in 2023/24. This has demonstrated a fiscally neutral expenditure position within the current financial year and supports the extension of this position into 2024/25.

With the costs of the CTS scheme determined by demand, there remains a risk that future fluctuations in demand could place an additional financial burden on the Council. Changes to the CTS scheme will result in changes to the level of some CTS awards, with some residents receiving higher awards, some residents receiving lower awards and some residents seeing their award unchanged. This is because the replacement scheme will not exactly match the current scheme and will apply different levels of discount compared to household and income.

The Council is protecting the maximum level of the discount at 85% to ensure the most vulnerable low-income residents in the borough remain protected however modelling has demonstrated that 14% of current applicants may be worse off under the new scheme. A total of 1501 claims have been identified as at risk of receiving lower support in 2024/25 if the scheme is implemented.

A total of 169 claims were identified as losing all support (100%) of their current award. This represents a small percentage of the overall case load. This is raised as a risk due to the significant impact on some applicants during a period of high cost of living however is balanced against 1501 claims identified as receiving higher support and 7631 claims remaining unchanged. The EIA will also identify negative impacts on applicants with protected characteristics.

The proposed scheme has been modelled to take account of the future full migration of the remaining legacy benefit case load to UC. Consequently, the scheme has been designed to provide greater support to these claimants than would have been afforded if the current scheme was retained. However, modelling has demonstrated the proposed new scheme may see reductions in support for some legacy benefit claimants. Managed migration is scheduled to commence in 2024 however no date or confirmation is available. Should the timetable for the commencement of managed migration be delayed the proposed scheme change may detrimentally affect some existing legacy benefit claimants pending the final migration to UC and is raised as a risk.

The Council Tax Discretionary Relief (CTDR) fund may be used to mitigate some of the impacts of the scheme change on applicants who lose support. A loss of funding for this scheme will reduce the available mitigation. If no CTDR funding is available, the Council will have no means to mitigate the losses experienced by some applicants as we transition between schemes. This is raised as a considerable risk given the number of affected applicants who may lose as part of the change.

The outcome of the consultation may not be supportive of the proposed scheme change.

7.2 Contractual Issues - Final procurement of the required software for the Capita Academy system is in the final stages and has not yet been completed.

In the event any procurements are required as a result of the change in process, then they will be conducted in line with the contract Rules and the Public Contract Regulations 2015.

7.3 Corporate Policy and Equality Impact - There is a requirement under the Public Sector Equality Duty (section 149 of the equality act 2010) to have due regard to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- Advance equality of opportunity between people from different groups.
- Foster good relations between people from different groups.

An Equality Impact Assessment (EIA) of the proposal to replace the CTS scheme for 2024/25 has been undertaken and reviewed by the Strategy team and is attached in Appendix 2.

The report has identified there is potential for adverse impact on some protected characteristics from Model 1. There will be a positive impact on some and a negative impact on other working age claimants. Pension age claimants, who also have protected characteristics will not be affected as they are protected under the prescribed pension age scheme. This is demonstrated in the EIA.

If no CTDR scheme is available in place to mitigate against any potential issues that may arise from the EIA the Council will have no available means to mitigate against any potential issues that arise from the scheme change on applicants who may lose part or all of their award, who hold protected characteristics.

Public Background Papers Used in the Preparation of the Report: N/A

- B&D Joint Health and Wellbeing Strategy 2019-23
- B&D Joint Strategic Needs Assessment

List of appendices:

- **Appendix 1:** Policy & Practice – Localised Council Tax Support – Final Report
- **Appendix 2:** Internal modelling – Financial impact and analysis 2023/24
- **Appendix 3:** How does an income banded discount scheme work and Model 1 Scheme summary
- **Appendix 4:** Equality Impact Assessment (EIA)

London Borough of Barking and Dagenham

Localised Council Tax Support

Final report

September 2023

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Executive Summary

The London Borough of Barking and Dagenham has commissioned Policy in Practice to provide an assessment of the current Council Tax Support (CTS) scheme and to examine possible future working-age scheme options.

Council objectives

The London Borough of Barking and Dagenham council's core objectives for changing their CTS scheme are:

- Simplify the scheme to make it easier for residents to understand and access.
- Provide the maximum level of support for all low-income households.
- Reduce the need for frequent changes in awards, making support more consistent.
- Improve how the scheme interacts with Universal Credit.
- Create a scheme that is fair and equitable to all residents.
- Build in capacity to better manage an increase in demand for the scheme.
- Maintain a cost neutral position against the modelled spend for retaining the current scheme in 2024/25.

Wider objectives and council priorities related to CTS scheme design include:

- Support residents through the cost-of-living crisis.
- Make every contact count (reduce avoidable contact, improve customer service etc.).
- Build service capacity for the future.
- Improve council tax collection rates.
- Ensure equality, diversity and inclusion are at the heart of decision making.
- Support residents into employment.
- Support vulnerable residents.

How do the proposed changes meet council objectives?

The CTS scheme model presented in this report is an income banded scheme, which divides residents into bands based on their overall household income and applies a set discount to their council tax bill. This type of scheme can reduce administration costs compared to the current means-tested scheme as changes in income only trigger a recalculation of award when they cross one of the band thresholds.

The scheme also allows for the maximisation of automation of applications for households on Universal Credit, using the Universal Credit Datashare (UCDS). This is

achieved through the introduction of flat rate non-dependant deductions (because the UCDS does not include information on non-dependant income).

Automating CTS applications for households on UC saves on the cost of processing manual applications. It also increases take-up amongst households migrating to UC from legacy benefits and prevents the build up of Council Tax arrears that can be caused by a delay in applying.

Introducing flat rate non-dependant deductions

Introducing flat rate non-dependant deductions of £7.50 per week reduces total annual scheme costs by £117,500 per year. It also reduces administration costs by simplifying award calculations and requiring less information from the resident. This aligns the scheme to maximise the administration of Universal Credit claims, as no information on non-dependant income is present in the UCDS.

The current practice of means-testing all non-dependants is inefficient. However, households with non-dependants on a passported benefit or with a low-income will lose out, as they will either see a deduction for the first time or their deduction will increase from the current rate of £4.20 to £7.50 per week. Existing exemptions remain for households in receipt of disability benefits.

There are 2,807 working-age households in the caseload that have at least one non-dependant. Of these, 1,570 are exempt from non-dependant deductions as they receive a disability benefit or because the non-dependant is a full-time student. Of the remaining 1,237 households, 890 have higher deductions and 347 have lower deductions after introducing flat rate non-dependant deductions of £7.50 per week.

The average increase in deductions is £5.60 per week, whilst the average decrease in deductions is £5.49 per week. These changes in overall CTS awards are taken into account in the reports on impact of each model.

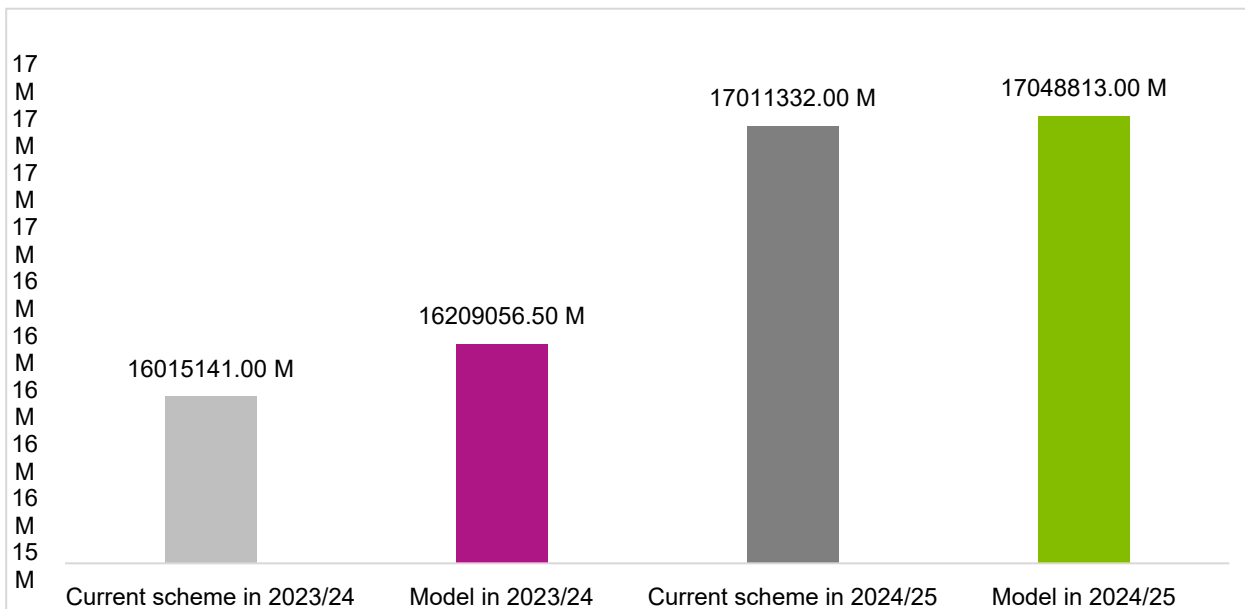
Weekly non-dependant deduction	Number of working age households
£7.50	985
£15	216
£22.50	34
£30	2

Households with an increase in deduction of £5 per week or more

Household type	Number of working age households
Couple with children	46
Couple without children	38
Lone parent	171
Single	194

Economic status	Number of working age households
Employed	75
On out of work benefits	352
Self-employed	22

Total annual cost of options



Cost of current scheme, current scheme retained into 2024/25, model in 2023/24 and model in 2024/25.

Average weekly award under options

Comparison of council tax support (£/week)				
	Current scheme in 2023/24	Model in 2023/24	Current scheme in 2024/25	Model in 2024/25
All working age	£19.13	£19.48	£20.19	£20.25
Legacy benefits	£19.47	£19.65	£20.50	£20.32
Universal Credit	£18.89	£19.35	£19.97	£20.21
CT Band				
A	£15.45	£15.68	£16.26	£16.42
B	£17.49	£17.78	£18.45	£18.58
C	£19.87	£20.28	£20.98	£21.04
D	£22.25	£22.48	£23.54	£23.37
EFGH	£28.57	£29.22	£30.14	£30.18
Tenure type				
Council tenant	£19.70	£19.83	£20.74	£20.75
Private tenant	£17.52	£18.79	£18.55	£19.28
No HB	£21.39	£21.17	£22.54	£22.20
Supported housing	£18.84	£18.35	£19.81	£19.03
HA tenant	£20.24	£20.46	£21.38	£21.40
Temporary accommodation	£17.56	£15.41	£18.55	£15.70
Tenure Unknown	£17.14	£17.73	£18.11	£18.56
Household type				
Single	£18.82	£18.91	£19.81	£19.86
Lone Parent	£18.47	£18.54	£19.46	£19.27
Couple no children	£23.44	£23.52	£24.73	£24.59
Couple with children	£19.74	£21.48	£21.04	£21.89

Economic status				
Employed	£11.48	£14.03	£12.41	£13.72
Out-of-work benefits	£20.81	£20.71	£21.88	£21.77
Self-employed	£18.31	£18.14	£19.62	£18.17
Barriers to work				
DLA or Similar	£21.42	£21.04	£22.52	£22.03
ESA or similar	£21.00	£21.26	£22.08	£22.33
LP child under 5	£18.72	£18.75	£19.71	£19.55
Carer	£22.35	£21.63	£23.54	£22.66

Average award under current scheme, current scheme retained, and two models, £/week.

Methodology

Modelling was carried out by running Barking and Dagenham's Council Tax Support and Housing Benefit administration data from the month of May 2023 through Policy in Practice's policy microsimulation engine, which models the full application of the national and local benefit system at a household level. The engine was carefully calibrated in advance to match the outputs of Barking and Dagenham's current CTS scheme.

The engine was then recoded to apply the changes relevant to each model, as well as annual uprating and inflation adjustments to provide accurate forecasts for 2024/25. Modelling was carried out using actual CTS caseload data from May 2023. Current scheme and modelled costs and forecasts represent the caseload as of this month and do not take account of any potential changes in the caseload.

Caseload breakdown

Age range	CTS claimants (main claimant)	Claims with disability (i.e. PIP/DLA/ESA)	Carers (receiving carers allowance)	Claims by household type			
				All claimants	Total	Single (no children)	Couple (no children)
16-24	187	21	16	53	7	88	39
25-34	1,888	479	304	349	20	531	988
35-44	2,959	912	569	501	37	610	1,811
45-54	2,861	1,383	549	1,085	188	578	1,010
55-65	2,897	2,082	453	2,037	464	245	151
66+	4,496	1,559	255	3,624	811	39	22

Age band	Barking & Dagenham population 2021	% of total	Council Tax Support claimants (incl. partners and children)	% of total
0-9	35,536	16.25%	5,819	2.66%
10-19	33,328	15.24%	7,082	3.24%
20-29	28,435	13.00%	952	0.44%
30-39	36,691	16.77%	3,365	1.54%
40-49	31,986	14.62%	3,774	1.73%
50-59	25,140	11.49%	3,372	1.54%
60-69	14,536	6.65%	3,017	1.38%
70-79	8,027	3.67%	2,529	1.16%
80+	5,071	2.32%	1,541	0.70%

Current scheme retained into 2024/25

Maintaining the current scheme into 2024/25 would increase costs from £16.02m to £17.01m, an increase of £996k or 6.22%. This increase is driven by a projected increase in Council Tax liability by 4.99% and benefit rates by 7.5%.

Annual CTR in current scheme retained into 2024/25, compared to current scheme			
Group	£/annum	Change (£/annum)	Change (%)
All working age	£11,334,081	£593,830	5.53%
Pension age	£5,677,251	£402,362	7.63%
Total	£17,011,332	£996,191	6.22%

Maintaining current system into 2024/25: annual cost

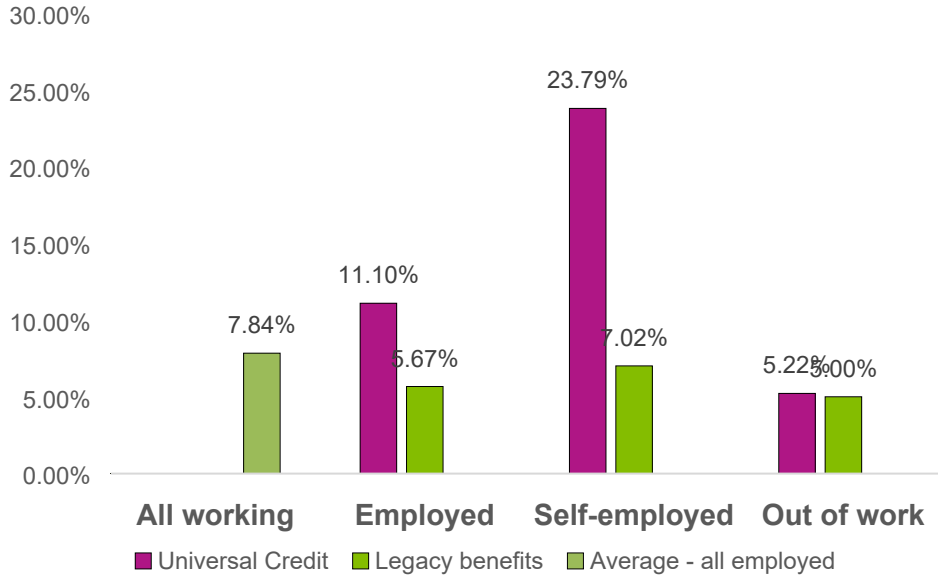
Costs would increase by 5.53% for working-age households and 7.63% for pension-age households.

Households on Universal Credit will see their awards increase by £1.08 per week on average. Working age households on legacy benefits would see their awards increase by £1.03 per week.

Average weekly CTR awarded in current scheme retained into 2024/25, compared to current scheme			
Group	Up-rated current scheme (£/week)	Change (£/week)	Change (%)
All working age	£20.19	£1.06	5.53%
UC	£19.97	£1.08	5.70%
Legacy benefits	£20.50	£1.03	5.29%
Pension age	£24.31	£1.72	7.63%
Total	£21.40	£1.25	6.22%

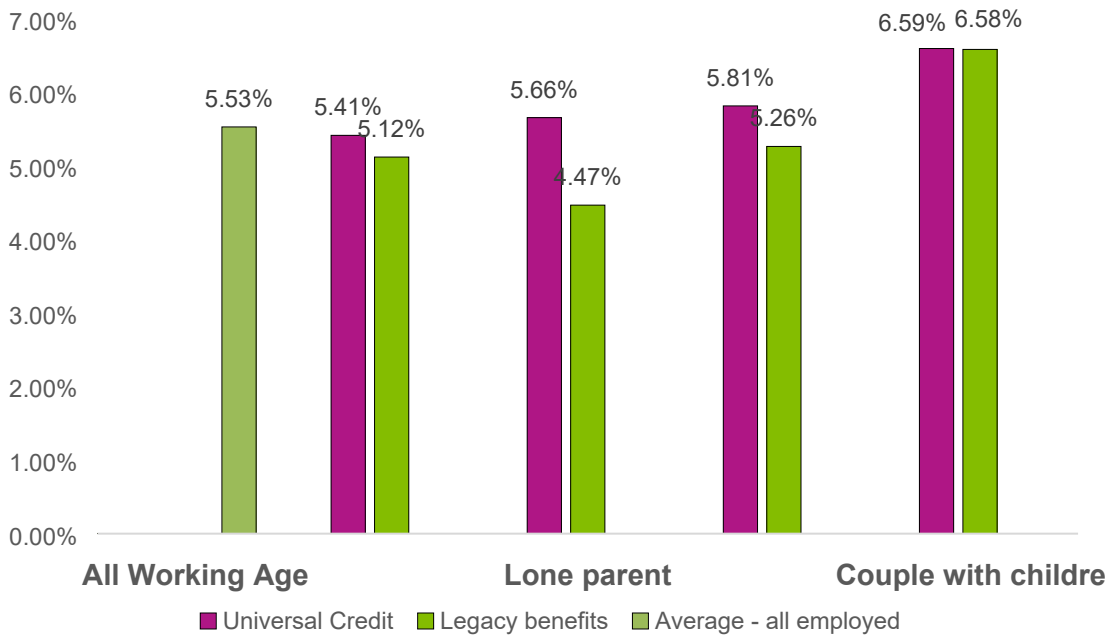
Maintaining current system into 2024/25: weekly support levels

**% Change in Council Tax Support, by economic status
- current scheme in 2024/25**



Maintaining current system into 2024/25: % change by economic status

**% Change in Council Tax Support, by household type - current
scheme in 2024/25**



Maintaining current system into 2024/25: % change by household type.

Modelled scheme – key characteristics

The modelled scheme is a banded scheme, taking into account all income, with the following elements disregarded:

- Housing benefit / UC housing element
- Childcare support
- Personal Independence Payment / Disability Living Allowance / UC limited capability for work element
- UC child disability element
- Child benefit

Flat rate non-dependent deductions are introduced at £7.50 per week.

The capital limit is reduced from £10,000 to £6000.

Income Thresholds (£, weekly)							
Band	Discount	Single	Couple	Single, 1 child	Single, 2+ children	Couple, 1 child	Couple, 2+ children
1	85%	0-96	0-164	0-184	0-284	0-252	0-352
2	70%	96-140	164-208	184-228	284-338	252-296	352-406
3	55%	140-168	208-238	228-262	338-382	296-334	406-456
4	40%	168-188	238-260	262-296	382-426	334-370	456-506
5	25%	188-208	260-282	296-320	426-460	370-396	506-542
6	15%	208-240	282-316	320-376	460-506	396-452	542-605

Modelled scheme in 2023/24 – comparison

Cost and average CTS

Modelled scheme compared to current scheme in 2023/24

	Modelled scheme cost	Comparison to cost of current scheme in 2023/24	
Group	£/annum	Change (£/annum)	Change (%)
All working age	£10,934,167	£193,916	1.81%
UC	£6,354,158	£151,299	2.44%
Legacy benefits	£4,580,009	£42,617	0.94%
Pension age	£5,274,890	£0	0.00%
Total	£16,209,057	£193,916	1.21%

Table 1: Modelled scheme in 2023/24, Total cost of model (£/annum)

The modelled scheme in 2023/24 is £194k more than the current scheme. Average Council Tax Support for working age households under the modelled scheme increases by 1.81% compared to the current scheme (Table 1). Costs for UC households increase by 2.44%, whilst costs for households on legacy benefits increase by 0.94%.

Average support for households on legacy benefits is £0.30 per week more than for households on UC in the modelled scheme, compared to £0.58 per week more in the current scheme.

	Average household support	Comparison to cost of current scheme	
Group	£/week	Change (£/week)	Change (%)
All working age	£19.48	£0.35	1.81%
UC	£19.35	£0.46	2.44%
Legacy benefits	£19.65	£0.18	0.94%
Pension age	£22.59	£0.00	0.00%
Total	£20.39	£0.24	1.21%

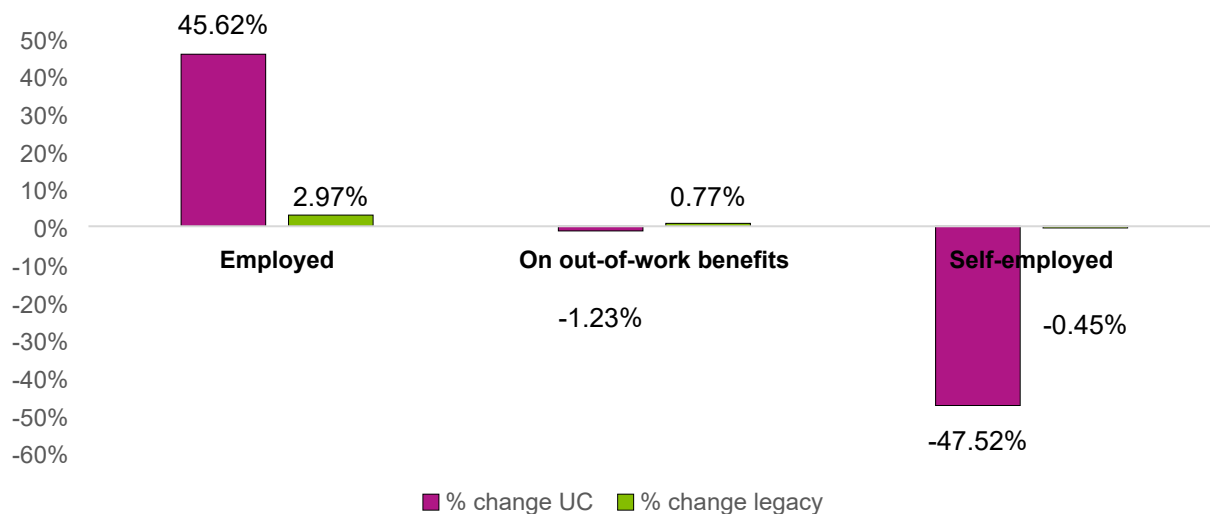
Table 2: Modelled scheme in 2023/24, average weekly council tax support (£/week)

Household breakdown by income bands

Band	No. households	% households	Average weekly CTS – Modelled scheme in 2023/24	Average weekly CTS – Current scheme in 2023/24
1	8,883	82.8	£21.13	£21.01
2	394	3.7	£18.53	£12.90
3	567	5.3	£15.29	£9.42
4	466	4.3	£10.93	£8.76
5	139	1.3	£6.73	£9.44
6	139	1.3	£4.14	£10.74
Losing support	141	1.3	£0	£13.89
Total	10,729			

Household impact

Percentage change in weekly CTR compared to current scheme retained into 2023/24, by economic status



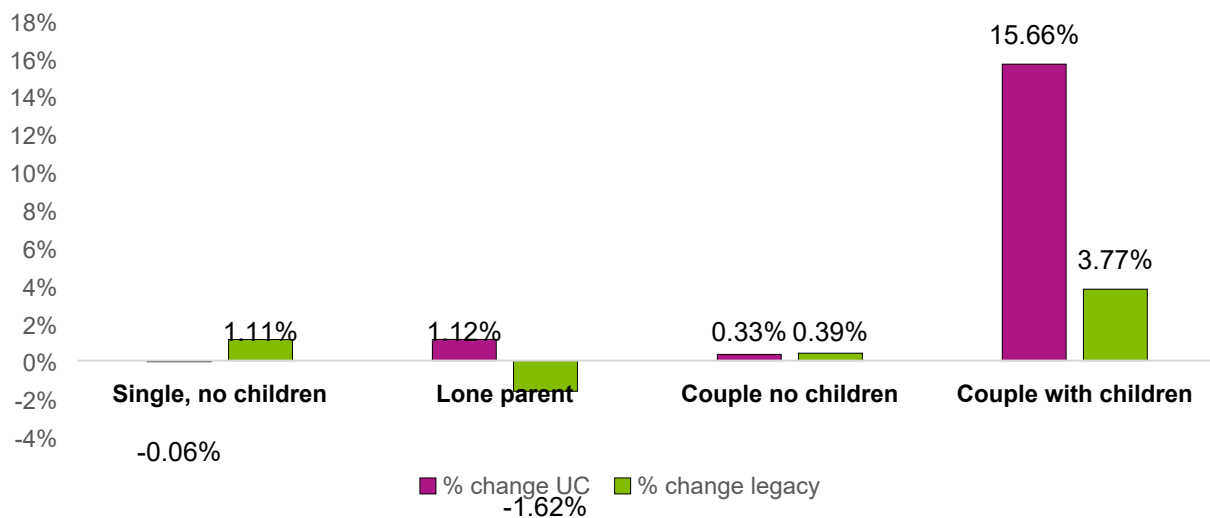
Modelled scheme in 2023/24: change in average CTS award, by economic status

Employed households on UC gain more than those on legacy. This is because the average award for employed households on UC in the current scheme in 2024/25 is lower than that for

legacy claimants. This means that awards in the current scheme for employed households who are migrated from legacy to UC may drop. These awards are evened out in the model, meaning UC households gain more compared to the current scheme.

There are only 5 households on UC identified as self-employed in the dataset, so the large average drop in support for these households is skewed by the small sample size. This small sample may be because it is not always possible to determine if UC households are self-employed in the data used for this analysis.

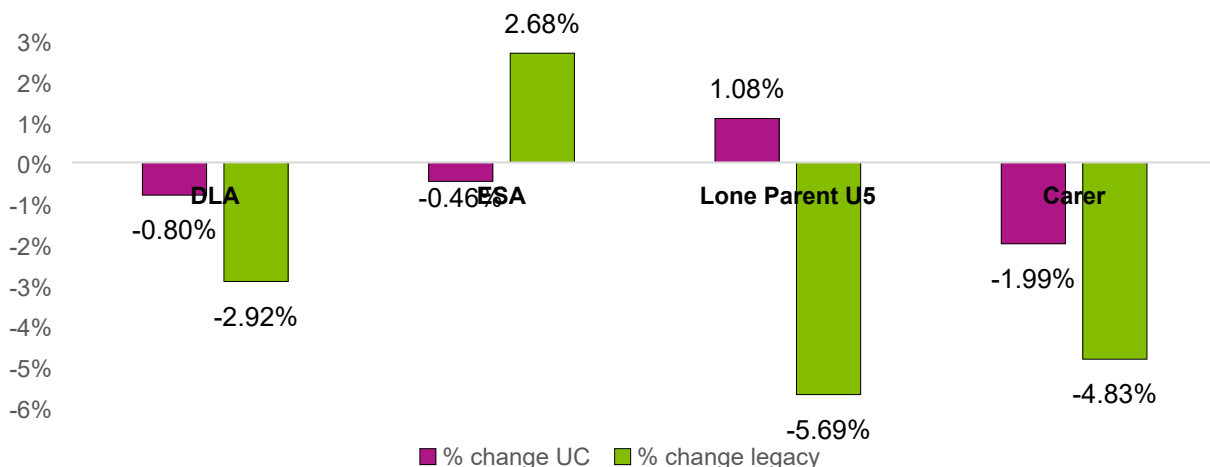
Percentage change in weekly CTR compared to current scheme in 2023/24, by household type



Modelled scheme: change in average CTS award, by household type

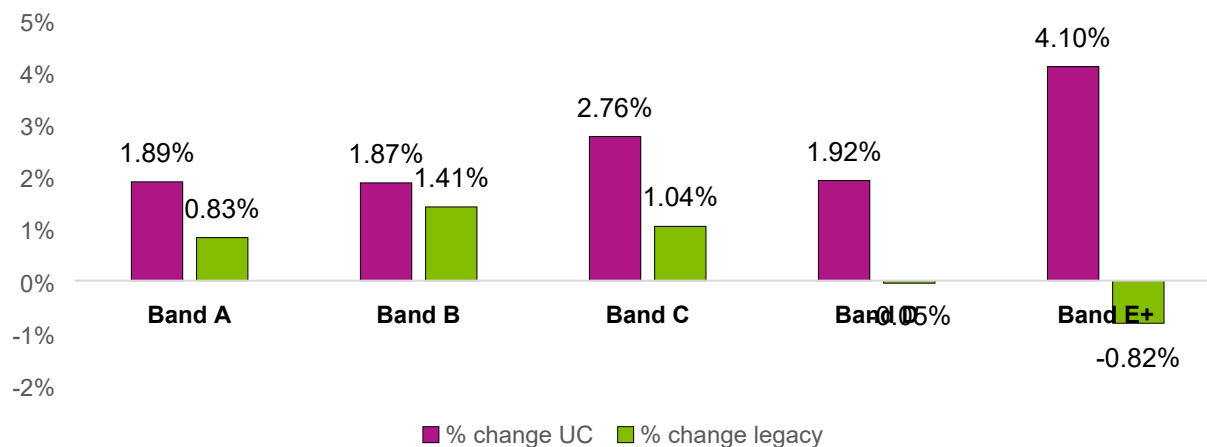
Couples with children on UC gain more as they are more likely to be employed.

Percentage change in weekly CTR compared to current scheme retained into 2023/24, by barriers to work



Modelled scheme: change in average CTS award, by barriers to work.

Percentage change in weekly CTR compared to current scheme in 2023/24, by council tax band



Modelled scheme: change in average CTS award, by council tax band.

Households losing out

1,367 households have lower awards in this model than the current scheme in 2023/24 (with a tolerance of 10p per week), with an average weekly loss of £6.65, whilst 1,740 households have higher awards (with a tolerance of 10p per week), with an average weekly increase of £7.37.

Households lose out due to falling into income bands that give a lower award than the earnings taper in the current scheme, or due to having higher non-dependant deductions under the flat-rate rules. 749 households lose out due to having higher non-dependant deductions than in the current scheme.

141 households lose all support. 51 of these lose all support due to having savings over £6000.

Households with lower awards, by economic status and household type.

Economic status	Number of households	Average weekly decline in support
Employed	468	£6.79
Out of work	758	£6.40

Self-employed	141	£7.53
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Household type	Number of households	Average weekly decline in support
Couple with children	292	£7.04
Couple without children	96	£8.42
Lone parent	545	£6.86
Single	434	£5.72

Households losing all support, by economic status and household type.

Economic status	Number of households	Average weekly decline in support
Employed	82	£10.02
Out of work	47	£19.49
Self-employed	12	£18.36

Household type	Number of households	Average weekly decline in support
Couple with children	27	£15.39
Couple without children	15	£13.15
Lone parent	61	£12.69
Single	38	£15.03

Modelled scheme in 2024/25 – comparison

Cost and average CTS

Model 2 compared to current scheme and current scheme in 2024/25

	Modelled scheme cost in 2024/25	Comparison to cost of current scheme in 2023/24		Comparison to current scheme retained into 2024/25	
Group	£/annum	Change (£/annum)	Change (%)	Change (£/annum)	Change (%)
All working age	£11,371,562	£631,311	5.88%	£37,481	0.33%
UC	£6,635,703	£432,843	6.98%	£79,211	1.21%
Legacy benefits	£4,735,860	£198,468	4.37%	-£41,730	-0.87%
Pension age	£5,677,251	£402,362	7.63%	£0	0.00%
Total	£17,048,813	£1,033,672	6.45%	£37,481	0.22%

Table 1: Model 2, Total cost of model (£/annum)

Costs for the modelled scheme in 2024/25 are £37.5k more than the current scheme in 2024/25. There is a smaller increase in 2024/25 than 2023/24 as wages and benefit income have been uprated by projected inflation, whilst the income thresholds have not.

Average Council Tax Support for working age households under the model increases by 0.33% compared to the current scheme maintained into 2024/25 (Table 1). Costs for UC households increase by 1.21%, whilst costs for households on legacy benefits decrease by 0.87%.

	Average household support	Comparison to cost of current scheme		Comparison to current scheme retained into 2024/25	
Group	£/week	Change (£/week)	Change (%)	Change (£/week)	Change (%)
All working age	£20.25	£1.12	5.88%	£0.07	0.33%
UC	£20.21	£1.32	6.98%	£0.24	1.21%
Legacy benefits	£20.32	£0.85	4.37%	-£0.18	-0.87%

Pension age	£24.31	£1.72	7.63%	£0.00	0.00%
Total	£21.45	£1.30	6.45%	£0.05	0.22%

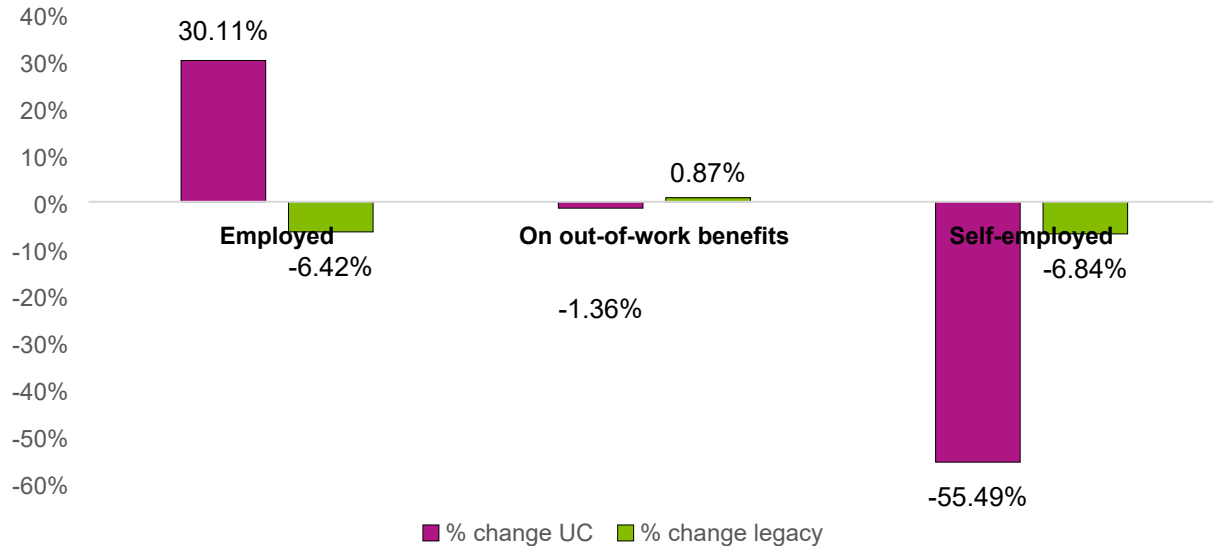
Table 2: Model 2, average weekly council tax support (£/week)

Household breakdown by income bands

Band	No. households	% households	Average weekly CTS – modelled scheme in 2024/25	Average weekly CTS – Current scheme in 2024/25
1	8,829	82.3	£22.22	£22.10
2	301	2.8	£19.17	£15.60
3	556	5.2	£16.15	£11.03
4	489	4.6	£11.42	£9.68
5	213	2.0	£7.24	£10.22
6	150	1.4	£4.39	£11.89
Losing support	169	1.6	£0	£14.55
Total	10,729			

Household impact

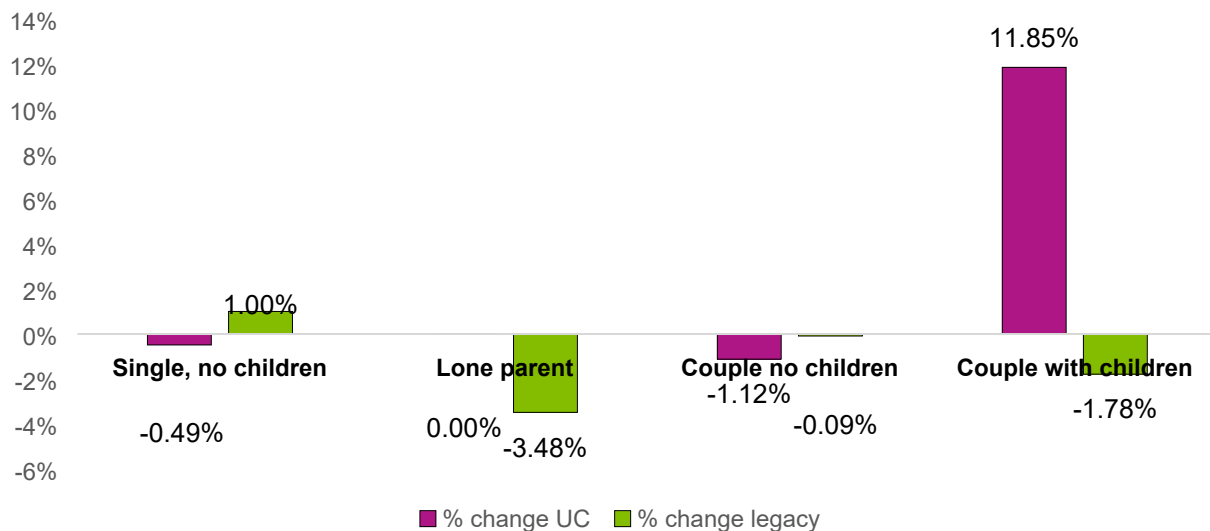
Percentage change in weekly CTR compared to current scheme retained into 2024/25, by economic status



Modelled scheme: change in average CTS award, by economic status

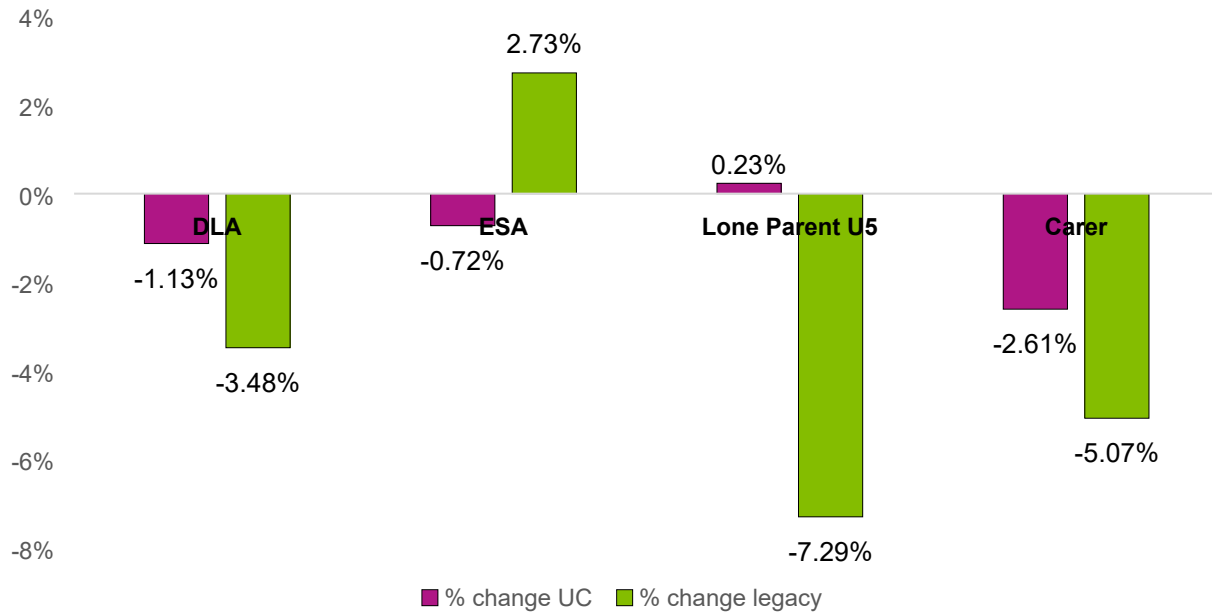
There are only 5 households on UC identified as self-employed in the dataset, so the large average drop in support for these households is skewed by the small sample size. This small sample may be because it is not always possible to determine if UC households are self-employed in the data used for this analysis.

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by household type



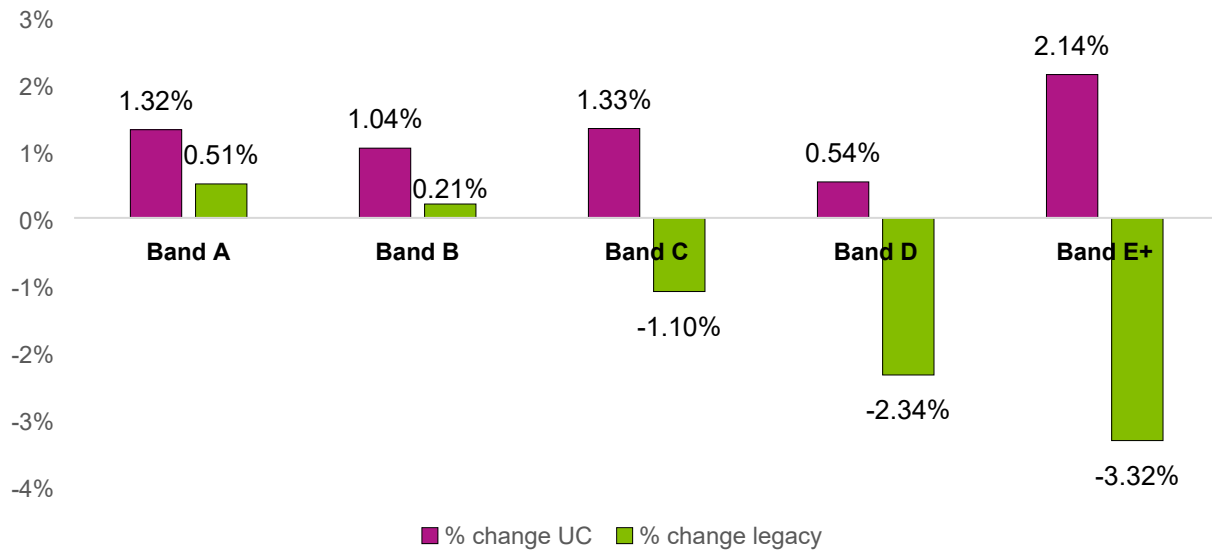
Modelled scheme: change in average CTS award, by household type

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by barriers to work



Modelled scheme: change in average CTS award, by barriers to work

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by council tax band



Households losing out

1,501 households have lower awards in this model than the current scheme in 2024/25 (with a tolerance of 10p per week), with an average weekly loss of £6.99, whilst 1,597 households have higher awards (with a tolerance of 10p per week), with an average weekly increase of £7.03.

Households lose out due to falling into income bands that give a lower award than the earnings taper in the current scheme, or due to having higher non-dependant deductions under the flat-rate rules. 749 households lose out due to having higher non-dependant deductions than in the current scheme.

169 households lose all support. 51 of these lose support due to having savings over £6000.

Households with lower awards, by economic status and household type.

Economic status	Number of households	Average weekly decline in support
Employed	557	£7.18
Out of work	770	£6.62
Self-employed	174	£8.06

Household type	Number of households	Average weekly decline in support
Couple with children	341	£8.07
Couple without children	105	£8.57
Lone parent	609	£6.92
Single	446	£5.90

Households losing all support, by economic status and household type.

Economic status	Number of households	Average weekly decline in support
-----------------	----------------------	-----------------------------------

Employed	105	£11.28
Out of work	49	£20.20
Self-employed	15	£18.97

Household type	Number of households	Average weekly decline in support
Couple with children	39	£15.03
Couple without children	15	£14.43
Lone parent	72	£13.79
Single	43	£15.41

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Replacement Council Tax Support Scheme
2024/25

Internal modelling
Financial and impact analysis

Author

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&

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Introduction and background

The Council is currently able to undertake in year financial modelling of the proposed Council Tax Support (CTS) scheme change through the Capita Academy operating system which is used to process current entitlement to CTS.

Internal financial modelling will have some differences to external modelling from our partner Policy & Practice. This is due to different methodologies and data sets used for modelling.

The proposed replacement CTS scheme can be modelled against the current case load to demonstrate the financial impact of the change.

Changes to the proposed model can be made to affect the outcome and financial costs of the scheme with comparisons made to the current scheme.

This is used to ensure that the costs of the scheme are maintained at the fiscal level desired.

Internal modelling is limited to financial outcomes and does not provide analysis on the overall trends of the scheme change and is not broken down into specific types of claim due to system limitations on the modelling tool.

Further analysis has been undertaken on a case study basis to further demonstrate some of the potential impacts of the scheme change on residents of the borough who currently hold a claim for CTS.

Scheme overview

Introduction

The Council is proposing to change our Council Tax Support (CTS) scheme. The CTS scheme is the way we currently help residents on a low income to pay their Council Tax.

We want to:

- Simplify the scheme making it easy for residents to understand and access
- Provide the maximum level of support for all low-income households
- Remove the requirement to continually make changes in awards making support more consistent
- Reduce printing and postage costs
- Improve how the scheme works with the Universal Credit system
- Create a scheme that is fair and equitable to all residents
- Build in capacity to better manage an increase in demand for the scheme

We are proposing to replace the existing CTS scheme with a new simplified scheme for working age residents by introducing income bands rather than looking at precise household income to calculate the CTS award (the means test).

The scheme operates by offering a reduction in the payable Council Tax based on the income level of the applicant and its household size.

There is no complex means testing calculation applied.

Income allowances are provided based on household size.

Households are divided into income bands. Each band gives a % discount off the Council Tax bill. This is the new CTS award.

The scheme for pension age households is set by government and will continue to operate in the same way as it does currently.

Proposed income bands

Income banding table

Band	Discount	Single (Weekly net income)	Couple (Weekly net income)	Single 1 children addition	Single 2+ children addition	Couple 1 children addition	Couple 2+ children addition
1	85%	£0-£96	£0-£164	£0 - £184	£0 - £284	£0 - £252	£0 - £352
2	70%	£96 - £140	£164 - £208	£184 - £228	£284 - £338	£252 - £296	£352 - £406
3	55%	£140 - £168	£208 - £238	£228 - £262	£338 - £382	£296 - £334	£406 - £456
4	40%	£168 - £188	£238 - £260	£262 - £296	£382 - £426	£334 - £370	£456 - £506
5	25%	£188 - £208	£260 - £282	£296 - £320	£426 - £460	£370 - £396	£506 - £542
6	15%	£208 - £240	£282 - £316	£320 - £376	£460 - £506	£396 - £452	£542 - £605

The proposed income banding table shows the levels of income and the Council Tax discount that would be awarded based on the household income.

For households with children an additional income amount is allowed. This gives the total allowance for the household.

The total household income is then matched against the income allowance to calculate which band and discount will be awarded.

Financial analysis

Introduction

The current expenditure on the CTS scheme for the financial year 2023/24 is currently £16.08m.

Expenditure on the scheme can vary and fluctuate throughout the financial year due to increased or decreased demand for the scheme.

Scheme costs are also determined by increasing Council Tax charges, increased Council Tax base and the uprating of the value welfare benefits.

The Council made a significant investment into the CTS scheme for 2023/24 by increasing the maximum liability considered in the calculation of CTS from 75% to 85%, reducing the minimum payment required from all applicants from 25% to 15%. This increased the overall costs of the scheme from £14.6m in 2022/23 to £16.08 in 2023/24.

This change better reflected the socio-economic demographics of the borough providing a greater level of core support to residents in receipt of CTS.

Cost of options 2023/24

Table 1:

CTS scheme expenditure (current scheme and proposed scheme)

Household Type	Number of cases	Current scheme Expenditure	Proposed income banded scheme Expenditure	Saving	Saving %
Elderly	4503	£5,362,681.46	£5,370,851.26	+£8,170.02	+0.15%
Couple	419	£480,286.19	£446,603.01	-£33,683.20	-7.01%
Couple & 1 Child +	290	£274,670.87	£314,399.96	+£39,729.08	+14.46%
Couple & 2 Child +	1102	£1,158,991.53	£1,159,386.69	+£395.15	+0.03%
Single	2300	£2,156,829.67	£2,098,220.49	-£58,609.22	-2.72%
Single & 1 Child +	1292	£1,174,619.68	£1,182,138.84	+£7,519.13	+0.64%
Single & 2 Child +	2171	£2,069,571.99	£2,080,318.67	+£10,746.62	+0.52%
Passported	3047	£3,404,175.48	£3,423,135.89	+£18,960.38	+0.56%
Grand Total	15124	£16,081,826.87	£16,075,054.80	-£6,772.04	-0.04%

Table 1 provides a breakdown of the current CTS expenditure by household type as a comparison against the proposed income banded scheme.

Expenditure is broken down into the household type based on the proposed income banded scheme households.

The Passported household type refers to those claimants in receipt of old-style legacy benefit such as Employment Support Allowance or Income Support which 'passport' the claim award to the maximum amount of 85% automatically.

The total expenditure for the current CTS scheme is £16,081,826.87.

The total expenditure for the proposed banded income scheme is £16,075,054.80.

The income banded scheme has been modelled at a cost neutral position based on the current scheme expenditure with a saving in expenditure of £6,772.04.

Expenditure has been balanced on each household type against the current scheme expenditure.

The scheme provides slightly less support for couple and single households based on total expenditure, providing higher expenditure on all household types with children as an overall average.

The proposed scheme has a fiscally neutral cost against current expenditure within the current financial year and this is expected to be replicated into the 2024/25 financial year balanced against the expected expenditure if the current scheme were to be retained.

This meets the requirements from the MTFs that requires future scheme costs to be balanced.

Projected cost 2024/25

Table 2:

CTS scheme expenditure – Proposed banded scheme 2024/25

Household type	Number of cases	Current scheme expenditure 2023/24	Proposed income banded scheme expenditure 2024/25	Saving	Saving %
Elderly	4505	£5,366,655.34	£5,675,019.33	+£308,363.99	+5.75%
Couple	418	£478,612.98	£468,695.95	-£9,917.03	-2.07%
Couple & 1 Child +	290	£274,670.87	£329,428.04	+£54,757.17	+19.94%
Couple & 2 Child +	1101	£1,156,690.86	£1,253,158.10	-£96,467.24	+8.34%
Single	2300	£2,156,829.67	£2,207,697.00	-£50,867.33	+2.36%
Single & 1 Child +	1292	£1,174,619.68	£1,243,489.04	-£68,869.36	+5.86%
Single & 2 Child +	2170	£2,068,505.32	£2,200,909.65	-£132,404.33	+6.40%
Passported	3048	£3,405,242.15	£3,593,485.09	-£188,242.94	+5.53%
Grand Total	15124	£16,081,826.87	£16,971,882.20	+£890,055.33	+5.53%

Projected scheme costs for 2024/25 for the current scheme cannot be modelled internally due to limitations to the modelling tool.

The projected costs for retaining the current scheme into 2024/25 have been modelled by Policy & Practice ¹ at £16.97m.

Scheme costs for the proposed income banded scheme for 2024/25 have been modelled at £16.97m.

This takes account of a predicted 4.99% increase in the annual Council Tax charge replicating the increase for 2023/24.

An increase in the Council Tax charge will increase the cost of the CTS scheme.

This modelling does not account for the annual uprating of welfare benefits which increases the level of household income.

Based on the projected cost of retaining the current scheme into 2024/25 the proposed income banding scheme retains a fiscally cost neutral position and does not exceed the projected spend on the current scheme into 2024/25.

Impact analysis

Better and worse off

Changes to the CTS scheme will result in changes to the level of some CTS awards, with some residents receiving higher awards, some residents receiving lower awards and some residents seeing their award unchanged.

This is because the replacement scheme will not exactly match the current scheme and will apply different levels of discount compared to household and income.

Some changes such as the introduction of a flat rate non-dependant charge of £7.50 will increase the deduction for some residents and reduce it for others.

The Council is protecting the maximum level of the discount at 85% to ensure the most vulnerable low-income residents in the borough remain protected.

Table 3:

Better/worse off

Total number of claimants better off	Total number of claimant worse off	Total number of claimants with no change	Total number of claims
1939 (18%)	1936 (18%)	6747 (64%)	10,622

The proposed scheme provides an equal number of claims that are better off from the scheme change against those that are worse off.

A majority of claims will see no change from their current award.

¹ Policy & Practice – Appendix 1

Table 4:
Better off breakdown (1939)

Household Type	Number of claims	% of claims
Couple	102	5%
Couple + 1 child	135	7%
Couple + 2 child	392	20%
Single	355	18%
Single + 1 child	285	15%
Single + 2 child	479	25%
Passported	191	10%

The largest cohort that benefits from the scheme change are single households with +2 children (25%).

Couples benefit very little from the change (5%).

Table 5:
Worse off breakdown (1936)

Household Type	Number of claims	% of claims
Couple	135	7%
Couple + 1 child	46	2%
Couple + 2 child	401	21%
Single	468	24%
Single + 1 child	268	14%
Single + 2 child	391	20%
Passported	227	12%

The largest cohort that is worse off from the scheme change are single households (24%).

Couples and couples with +1 child are worse off very little from the change (7% & 2%).

Table 6:
No change breakdown (6747)

Household Type	Number of claims	% of claims
Couple	182	3%
Couple + 1 child	109	2%
Couple + 2 child	309	5%
Single	1478	22%
Single + 1 child	739	11%
Single + 2 child	1301	19%
Passported	2629	39%

The largest cohort that has no change to their award are passported benefit claimants (old legacy benefits such as ESA)

Table 7:

Averages

Household Type	Total	Better Off	Worse Off	No Change
Couple	419	24.34%	32.22%	43.44%
Couple + 1 child	290	46.55%	15.86%	37.59%
Couple + 2 child	1102	35.57%	36.39%	28.04%
Single	2301	15.43%	20.34%	64.23%
Single + 1 child	1292	22.06%	20.74%	57.20%
Single + 2 child	2171	22.06%	18.01%	59.93%
Passported	3047	6.27%	7.45%	86.28%

A breakdown of the overall % of the household types that are better/worse off demonstrates that couples with +1 children as an average are more better off than worse off. This is reflected in the overall increased expenditure on this household type.

Single with +1 +2 children are also as an average more better off than worse off.

Couples, couple with +2 children, single and passported are all as an average more worse off.

Disability impact (protected characteristics)

Modelling has identified possible impacts on applicants with qualifying disability benefits (PIP/DLA) which would be covered under the equality act for protected characteristics.

Figures are considered to indicative only and are not a precise measurement of impact due to the challenges in the modelling process.

Worse off Cases	Total £	Average Per case
84	£43,948.74	£523.20
135	£48,261.78	£357.49
16	£5,816.62	£363.54
88	£59,461.47	£675.70
45	£16,280.40	£361.79
94	£45,073.23	£479.50
1	£250.98	£250.98
463	£219,093.22	£473.20

A total of 463 cases were identified as potentially having lower awards with a qualifying disability benefit on the claim.

The average lost award was £473.20 per year.

The current scheme provides additional premiums for some claimants in receipt of qualifying disability benefits. Premiums allow a claimant to have a higher level of income before the means test taper is applied to reduce the CTS award based on household income.

The proposed income banded scheme does not contain premiums. As a consequence claimants with a qualifying disability who would have been entitled to a disability premium may see a reduced award as more of their income will be taken into account to calculate the CTS award.

This will primarily affect claimants with qualifying disability benefits with higher incomes in receipt of existing legacy benefits. This may affect claimants in work or with other benefits such as Carers Allowance.

The loss of disability premiums may detrimentally affect claimants with qualifying disability benefits under the new scheme.

Premiums are not contained within UC and therefore claimants in receipt of this type of benefit will not be affected.

Better off Cases	Total £	Average Per case
30	£5,896.98	£203.34
58	£19,079.34	£346.90
20	£7,257.38	£381.97
52	£18,060.68	£361.21
47	£10,893.01	£279.31
86	£14,233.48	£200.47
127	£57,153.20	£510.30
375	£132,574.07	£353.53

A total of 375 cases were identified as potentially having higher awards with a qualifying disability benefit on the claim. The average increased award was £353.53 per year.

Some disabled claimants will benefit from the proposed change.

Claimants in receipt of UC will not lose out due to a loss of disability premiums.

The limited capacity to work element of UC and the Carers element are disregarded as income and not counted. This helps to support disabled claimants who are often in receipt of these additional awards.

Disabled claimants in receipt of UC who are in employment may benefit from more generous awards for the calculation of household income for UC employed earners under the proposed scheme.

Although only indicative this modelling demonstrates the potential impacts on applicants with disability and protected characteristics from the proposed scheme and should be noted.

Better and worse off financial analysis

Table 8:

In depth analysis of worse off claimants (1936)

	Total	0.01 - 25% least effected		25.01 - 50%		50.01 - 75%		75.01 - 100%		100% (FTQ) Most effected	
Non PB - Couple	135	65		22		23		2		23	
Average	43.04%	48.15%		16.30%		17.04%		1.48%		17.04%	
	-£ 464.43	-£ 220.93		-£ 398.98		-£ 773.98		-£ 794.28		-£ 876.96	
		Old	New	Old	New	Old	New	Old	New	Old	New
		£ 25.33	£ 21.09	£ 21.90	£ 14.23	£ 23.12	£ 8.24	£ 18.05	£ 2.78	£ 16.86	£ -
Non PB - Couple + 1Child	46	29		11		2		0		4	
Average	27.75%	63.04%		23.91%		4.35%		0.00%		8.70%	
	-£ 274.70	-£ 158.60		-£ 327.72		-£ 644.38		#DIV/0!		-£ 785.77	
		Old	New	Old	New	Old	New	Old	New	Old	New
		£ 22.34	£ 19.29	£ 18.84	£ 12.54	£ 19.13	£ 6.74	#DIV/0!	#DIV/0!	£ 15.11	£ -
Non PB - Couple + 2Child	401	163		120		65		24		29	
Average	38.93%	40.65%		29.93%		16.21%		5.99%		7.23%	
	-£ 501.68	-£ 196.14		-£ 451.53		-£ 818.95		-£ 1,159.23		-£ 1,171.25	
		Old	New	Old	New	Old	New	Old	New	Old	New
		£ 24.20	£ 20.43	£ 24.41	£ 15.73	£ 25.68	£ 9.93	£ 27.20	£ 4.91	£ 22.52	£ -
Non PB - Single	468	271		109		33		12		43	
Average	32.68%	57.91%		23.29%		7.05%		2.56%		9.19%	
	-£ 319.72	-£ 168.09		-£ 395.05		-£ 549.92		-£ 828.02		-£ 765.88	
		Old	New	Old	New	Old	New	Old	New	Old	New
		£ 20.55	£ 17.32	£ 21.23	£ 13.64	£ 17.74	£ 7.16	£ 19.09	£ 3.17	£ 14.73	£ -
Non PB - Single + 1Child	268	204		38		7		5		14	
Average	25.43%	76.12%		14.18%		2.61%		1.87%		5.22%	
	-£ 249.85	-£ 174.21		-£ 365.40		-£ 581.61		-£ 984.44		-£ 610.22	
		Old	New	Old	New	Old	New	Old	New	Old	New
		£ 20.54	£ 17.19	£ 19.60	£ 12.58	£ 19.10	£ 7.92	£ 22.93	£ 4.00	£ 11.74	£ -
Non PB - Single + 2Child	391	186		109		54		12		30	
Average	35.49%	47.57%		27.88%		13.81%		3.07%		7.67%	
	-£ 374.46	-£ 166.99		-£ 383.17		-£ 610.09		-£ 882.67		-£ 1,001.68	
		Old	New	Old	New	Old	New	Old	New	Old	New
		£ 21.26	£ 18.05	£ 20.33	£ 12.96	£ 19.82	£ 8.09	£ 20.53	£ 3.55	£ 19.26	£ -
Passported	227	169		50		7		1		0	
Average	20.34%	74.45%		22.03%		3.08%		0.44%		0.00%	
	-£ 259.39	-£ 191.69		-£ 416.26		-£ 655.20		-£ 1,086.80		#DIV/0!	
		Old	New	Old	New	Old	New	Old	New	Old	New
		£ 24.05	£ 20.36	£ 23.97	£ 15.96	£ 22.45	£ 9.85	£ 22.75	£ 1.85	#DIV/0!	#DIV/0!
		58.27%		22.50%		9.16%		2.20%		7.86%	
		1087		459		191		56		143	

Table 8 demonstrates the impact in financial terms of claimants who are worse off from the scheme change.

Headline figures:

1936 claimants are worse off.

The average CTS award is reduced from £21.73 p/w to £14.80 p/w.

The average financial loss per year is £360.74.

The average loss of award is 33%.

143 claims lose 100% of their current award and are no longer eligible for support.

1087 (58.27%) lose up to 25% of their current award. This is the largest % and demonstrates that a significant majority have an acceptable financial loss per year.

This ranges from approx. £150-£220 per year financial loss.

459 (22.5%) lose between 25-50% of their current award.

This ranges from £320 - £450 per year financial loss.

A loss of 0.1 – 50% of the current award accounts for 80.77% of the total losses.

The total value of the losses is £698,757.92.

Table 9:

In depth analysis of claimants better off (1939)

	Total	0.01 - 25%		25.01 - 50%		50.01 - 75%		75.01 - 100%		100%+		200%+		300%+	
		least better off												Most better off	
Non PB - Couple	102	30		24		21		9		12		4		2	
Average	77.46%	29.41%		23.53%		20.59%		8.82%		11.76%		3.92%		1.96%	
	£ 284.46	£ 89.75		£ 250.61		£ 343.62		£ 397.65		£ 478.95		£ 515.35		£ 852.15	
		Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New
		£ 22.00	£ 23.73	£ 13.66	£ 18.48	£ 10.54	£ 17.14	£ 9.15	£ 16.79	£ 7.62	£ 16.83	£ 4.52	£ 14.43	1.40	17.79
Non PB - Couple + 1child	135	33		18		11		13		35		7		18	
Average	160.49%	24.44%		13.33%		8.15%		9.63%		25.93%		5.19%		13.33%	
	£ 387.89	£ 82.51		£ 259.96		£ 392.50		£ 447.41		£ 507.24		£ 647.71		£ 696.78	
		Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New
		£ 19.85	£ 21.44	£ 13.38	£ 18.38	£ 12.11	£ 19.66	£ 10.01	£ 18.61	£ 6.82	£ 16.57	£ 5.24	£ 17.70	2.74	16.14
Non PB - Couple + 2 child	392	84		40		31		23		83		40		91	
Average	297.38%	21.43%		10.20%		7.91%		5.87%		21.17%		10.20%		23.21%	
	£ 514.21	£ 100.49		£ 310.37		£ 417.11		£ 519.57		£ 645.64		£ 805.16		£ 769.66	
		Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New
		£ 19.60	£ 21.54	£ 15.71	£ 21.67	£ 13.39	£ 21.41	£ 11.02	£ 21.01	£ 8.51	£ 20.93	£ 6.22	£ 21.71	2.85	17.65
Non PB - Single	355	122		57		72		28		45		13		18	
Average	91.60%	119.61%		55.88%		70.59%		27.45%		44.12%		12.75%		5.07%	
	£ 256.78	£ 87.86		£ 242.16		£ 327.74		£ 338.22		£ 451.69		£ 418.11		£ 433.65	
		Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New
		£ 16.21	£ 17.90	£ 13.05	£ 17.70	£ 10.64	£ 16.94	£ 7.89	£ 14.39	£ 6.82	£ 15.51	£ 3.27	£ 11.31	1.56	9.90
Non PB - Single + 1Child	285	73		37		50		18		55		15		37	
Average	204.29%	25.61%		12.98%		17.54%		6.32%		19.30%		5.26%		12.98%	
	£ 266.92	£ 90.80		£ 212.42		£ 281.72		£ 304.92		£ 369.31		£ 362.57		£ 439.38	
		Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New
		£ 16.16	£ 17.91	£ 10.89	£ 14.98	£ 8.93	£ 14.34	£ 7.25	£ 13.12	£ 5.55	£ 12.65	£ 3.01	£ 9.98	1.44	9.89
Non PB - Single + 2Child	479	153		49		52		32		80		46		67	
Average	561.25%	31.94%		10.23%		10.86%		6.68%		16.70%		9.60%		13.99%	
	£ 330.33	£ 81.87		£ 258.35		£ 356.14		£ 394.46		£ 474.01		£ 518.97		£ 598.62	
		Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New
		£ 17.78	£ 19.36	£ 14.05	£ 19.02	£ 11.40	£ 18.25	£ 9.02	£ 16.61	£ 6.45	£ 15.57	£ 4.26	£ 14.24	1.93	13.44
Passported	191	77		23		37		8		34		9		3	
Average	67.88%	40.31%		12.04%		19.37%		4.19%		17.80%		4.71%		1.57%	
	£ 409.29	£ 188.43		£ 293.63		£ 441.37		£ 594.10		£ 740.69		£ 829.40		£ 1059.93	
		Old	New	Old	New	Old	New	Old	New	Old	New	Old	New	Old	New
		£ 19.34	£ 22.96	£ 15.69	£ 21.34	£ 15.05	£ 23.54	£ 13.71	£ 25.13	£ 12.08	£ 26.33	£ 7.05	£ 23.00	4.69	25.07
		41.82%		19.74%		22.14%		9.85%		22.40%		7.38%		10.30%	
		572		248		274		131		344		134		236	

Headline figures:

1939 claimants better off

The average CTS award is increase from £11.26 p/w to £18.07 p/w.

The average financial gain per year is £354.09.

The average gain is 268%.

717 claims benefit by 100% or more increase on their current award (36.97%)

572 (41.82%) gain by up to 25% of their current award.

This ranges from £20-£40 per financial year gain.

248 (19.74%) gain by up to 25%-50% of their current award.

This ranges from £250 - £310 per financial year gain.

A gain of 0.1% - 50% of the current award accounts for 61.56% of the total gains.

The total value of the gains is £686,932.92

Conclusions

A majority of the losses are categorised between 0.1-50% and are therefore considered acceptable with a greater majority losing 0.1-25% of their current award.

143 cases losing 100% of their current award is a significant loss however this is only 1.34% of the total working age case load. However the impact on these claimants will be very significant losing all of their current award and no longer being eligible for CTS.

This cannot be effectively mitigated without sufficient funding being available for Discretionary Council Tax Relief.

Claims that are better off between 0.1-50% account for a significantly lower % than the comparable claims that are worse off.

717 claims that are better off by more than 100% with a range up to 8,000% better off is considered inequitable with gains of a far larger % than desired.

The current range of gains is not consistent overall with an average gain of 268%.

Case studies

Worse off

Who loses and who benefits?

Worse off case studies:

Household type	Income type	Disabled / Carer	Current award per week	New award	Yearly loss	% loss	Explanation
Couple +1 child	Earnings PIP Carers Allowance Legacy Benefit claim	Y	£15.77	£0.00	£819.86	100%	Income exceeds the income band threshold and is nil qualified Claim loses: Disability premium Enhanced disability premium Carers Premium The loss of these premiums means much more income is now considered than previously.
Couple +1 child	Earnings PIP Tax Credits Carers Allowance Disabled child (PIP) Legacy Benefit claim	Y	£13.12	£0.00	£749.87	100%	Income exceeds the income band threshold and is nil qualified Claim loses: Disability premium Enhanced disability premium Carers Premium Disabled child premium Family premium The loss of these premiums means much more income is now considered than previously.
Couple +1 child	Self employed Earnings Tax credits PIP Legacy Benefit claim	Y	£4.72	£0.00	£244.74	100%	Income exceeds the income band threshold and is nil qualified Claim loses: Disability premium Enhanced disability premium Family premium The loss of these premiums means much more income is now considered than previously.
Couple +1 child	UC only	N	£25.55	£0.00	£1328.63	100%	Capital exceeds £6,000 Capital limit reduced from £10,000 - £6,000
Couple +1 child	Earnings PIP	Y	£15.92	£5.42	£545.66	66%	Claim loses: Disability premium Enhanced disability premium

	Tax Credits Legacy Benefit claim						Family premium The loss of these premiums means much more income is now considered than previously. Claim falls into a lower band
Couple +1 child	Earnings PIP Tax Credits Carers Allowance ESA Legacy Benefit claim	Y	£22.33	£8.02	£743.09	64%	Claim loses: Disability premium Family premium Carers premium The loss of these premiums means much more income is now considered than previously. Claim falls into a lower band
Couple +2 child	Self employed Earnings PIP Tax Credits Carers Allowance ESA Disabled child (PIP) Legacy Benefit claim	Y	£30.77	£0.00	£1600.01	100%	Income exceeds the income band threshold and is nil qualified Claim loses: Disability premium Enhanced disability premium Family premium Disabled child premium The loss of these premiums means much more income is now considered than previously. Claim has 4 child allowance that is now restricted to an allowance for 2.
Couple +2 child	UC Earnings	N	£9.47	£0.00	£492.26		Claim has 11 child allowance that is now restricted to an allowance for 2. The loss of the extra child allowances means the income is too high to qualify
Couple +2 child Non dependant adults	Earnings Tax Credits Carers Allowance Legacy Benefit claim	Y	£20.32	£2.41	£1057.23		Claim has 3 child allowances that is now restricted to an allowance for 2. Non dependant deductions X3 have increased as no exemptions
Couple +2 child	Earnings Tax Credits	N	£22.75	£7.50			Claim has 5 child allowances that is now restricted to an allowance for 2.

	Legacy Benefit claim						Non dependant deductions X1 have increased as no exemptions
Single +1 child	Earnings PIP Tax Credits Disabled child (PIP) Legacy Benefit claim	Y	£6.77	£0.00	£351.88	100%	Income exceeds the income band threshold and is nil qualified Claim loses: Disability premium Enhanced disability premium Severe disability Disabled child premium The loss of these premiums means much more income is now considered than previously.
Single +1 child	Earnings Tax Credits Carers allowance Disabled child Legacy Benefit claim	Y	£27.35	£3.69	£1229.75	86%	Claim loses: Disability premium Enhanced disability premium Carers premium The loss of these premiums means much more income is now considered than previously. Claim falls into a lower band Non dependant deductions X1 have increased as no exemptions
Single +1 child	Earnings PIP Tax Credits Carers Allowance Disabled child (PIP) Legacy Benefit claim	Y	£27.35	£4.81	£1171.25	82%	Claim loses: Disability premium Enhanced disability premium Severe disability Disabled child premium The loss of these premiums means much more income is now considered than previously.
Single +2 child Non dependants	Widowed parents allowance Tax Credit Disabled child Legacy Benefit claim	N	£21.57	£0.00	£1121.61	100%	Claim loses: Disabled child premium Claim has 6 child allowances that is now restricted to an allowance for 2. Non dependant deductions X3 have increased as no exemptions

Single +2 child Non dependants	Earnings Self-employed earnings Tax Credits Disabled child Legacy Benefit claim	N	£27.35	£3.69	£1229.75	86%	<p>Claim loses: Enhanced disability premium Disabled child premium The loss of these premiums means much more income is now considered than previously.</p> <p>Claim has 4 child allowances that is now restricted to an allowance for 2</p> <p>Non dependant deductions X1 have increased as no exemptions</p>
Single + 2 child	Earnings Tax Credits Child care deduction Legacy Benefit claim	N	£23.08	£4.06	£988.24	82%	<p>Claim loses: Child care deduction as not considered for legacy cases</p> <p>Claim has 5 child allowances that is now restricted to an allowance for 2</p>

Conclusions from the case studies for worse off:

Legacy benefits (non-Universal Credit) as a whole are more affected by the change. This is in part due to the scheme offering better generosity to claimants in receipt of Universal Credit and the calculations of income applied to legacy benefit cases which differ to those of Universal Credit and are less generous.

The current means tested scheme offers disability and carer premiums for disabled applicants and those with caring responsibilities which allows them to keep more of their income before a reduction in support. The proposed scheme contains no premiums which may affect certain disabled applicants.

Legacy applicants who receive certain elements of Tax Credits will be affected. Disabled child or child care elements paid through Tax Credits cannot be disregarded as they are for Universal Credit.

Households with 3+ children who are currently receiving the same number of allowances will be affected by the restriction to a 2+ child limit. A reduction in the allowances will reduce the support.

Cases with non-dependant adults may see an increase in the charge due to the introduction of a flat rate deduction at a higher level.

The current scheme is less generous to Universal Credit claimants with legacy benefits on average receiving higher awards. The proposed scheme reverses this trend treating Universal Credit applicants more generously as an average. As the managed migration to Universal Credit from all remaining legacy benefits is completed this will ensure that support is effectively provided to the changed case load.

Better off

Case studies.

Who loses and who benefits?

Better off case studies.

Household type	Income type	Disabled / Carer	Current award per week	New award	Yearly increase	% gain	Explanation
Couple +1 child	UC Earnings Other income	N	£0.73	£12.84	£631.29	1662%	<p>The current scheme calculates income at £604.75 which includes £328 in UC.</p> <p>The new scheme calculates income at £366.46 as much less UC is being taken into account due to the disregards of elements of UC and how this interacts with the earnings deductions made against the UC award.</p> <p>This is how the calculation works</p>
Couple +1 child	UC Earnings	N	£0.88	£12.84	£623.70	1368%	<p>The current scheme calculates income at £593.25 which includes £373.19 in UC.</p> <p>The new scheme calculates income at £355.26 as much less UC is being taken into account due to the disregards of elements of UC and how this interacts with the earnings deductions made against the UC award.</p> <p>This is how the calculation works</p>
Couple +1 child	UC Earnings	N	£0.88	£17.65	£874.68	1919%	<p>Household is incorrect. Listed as a couple but UC award shows as a single person.</p> <p>Wrong household = wrong band</p> <p>Data cleansing on households will be required prior to any scheme change</p>
Couple +2 child	Self employed earnings	N	£11.27	£22.46	£585.07	100%	<p>Difference in how the means test falls on excess income and the income banding discount and threshold</p>

	Tax Credits						
Couple +2 child	UC Earnings	N	£7.92	£23.87	£832.23	202%	<p>The current scheme calculates income at £416.02 which includes £322.87 in UC.</p> <p>The new scheme calculates income at £324.10 as much less UC is being taken into account due to the disregards of elements of UC and how this interacts with the earnings deductions made against the UC award.</p> <p>This is how the calculation works</p>
Couple +2 child	UC Earnings Carers Allowance	Y	£4.39	£17.65	£691.75	303%	<p>The current scheme calculates income at £726.15 which includes £468.10 in UC.</p> <p>The new scheme calculates income at £410.36 as much less UC is being taken into account due to the disregards of elements of UC and how this interacts with the earnings deductions made against the UC award.</p> <p>This is how the calculation works</p>
Single +1 child	Boarder income Tax Credits	N	£10.32	£15.44	£268.61	50%	<p>Same incomes are used to calculate the award.</p> <p>This is a difference between the means test on excess income and where the income band discount and threshold sits</p>
Single +1 child	UC Other income	N	£8.37	£16.85	£441.14	102%	<p>Same incomes are used to calculate the award.</p> <p>This is a difference between the means test on excess income and where the income band discount and threshold sits</p>
Single +1 child	UC Earnings	N	£4.42	£13.24	£460.11	200%	<p>The current scheme calculates income at £371.14 which includes £189.43 in UC.</p> <p>The new scheme calculates income at £249.65 as much less UC is being taken into account due to the disregards of elements of UC and</p>

							<p>how this interacts with the earnings deductions made against the UC award.</p> <p>This is how the calculation works</p>
Single +2 child	UC Earnings	N	£18.20	£27.28	£475.91	50%	<p>The current scheme calculates income at £257.75 which includes £204.29 in UC.</p> <p>The new scheme calculates income at £282.75 as much less UC is being taken into account due to the disregards of elements of UC and how this interacts with the earnings deductions made against the UC award.</p> <p>This is how the calculation works</p>
Single +2 child Non-deps X2	UC Earnings Carer element Disabled child element	Y	£7.19	£14.56	£385.72	103%	<p>Less income is taken into account due to the disregards of elements of UC.</p> <p>Non-dependant change is positive with a 50%+ reduction in 1 charge</p>
Single +2 child	UC Earnings	N	£5.62	£16.85	£586.35	201%	<p>The current scheme calculates income at £408.92 which includes £319.75 in UC.</p> <p>The new scheme calculates income at £319.48 as much less UC is being taken into account due to the disregards of elements of UC and how this interacts with the earnings deductions made against the UC award.</p> <p>This is how the calculation works</p>
Single +2 child	UC Earnings	N	£2.47	£9.84	£384.81	300%	<p>Difference between the means test calculation and where the income band sits</p>
Couple	UC Earnings Carer element LCW element PIP	Y	£11.95	£17.64	£298.63	48%	<p>The current scheme calculates income at £433.45 which includes £265.58 in UC.</p> <p>The new scheme calculates income at £218.29 as much less UC is being taken into account due to the disregards of elements of UC and how this interacts with the earnings</p>

							deductions made against the UC award. This is how the calculation works
Couple	UC Earnings	N	£11.86	£23.86	£627.54	102%	The current scheme calculates income at £353.12 which includes £206.82 in UC. The new scheme calculates income at £259.40 as much less UC is being taken into account due to the disregards of elements of UC and how this interacts with the earnings deductions made against the UC award. This is how the calculation works
Single	UC Earnings	N	£8.85	£13.23	£229.85	50%	The current scheme calculates income at £236.24 which includes £100.57 in UC. The new scheme calculates income at £148.40 as much less UC is being taken into account due to the disregards of elements of UC and how this interacts with the earnings deductions made against the UC award. This is how the calculation works
Single	Earnings Legacy claim	N	£6.56	£13.23	£348.09	102%	Difference between the means test calculation and where the income band sits

Conclusions from the case studies:

The majority of cases sampled that were better off were Universal Credit cases with earnings.

This is due to how the system calculates the NET income for these cases. The calculation can result in all of the UC award being disregarded reducing the overall income in the calculation increasing the level of the award.

Legacy cases can be better off but this is dependent on individual cases and how the incomes are compared to the means test.

As a whole the scheme should be beneficial to UC claimants, notwithstanding any reductions due to non-dependant deductions.

How does an income banded discount Council Tax
Support (CTS) scheme work?

Examples and case studies

Appendix 3

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How does an income banded Council Tax Support (CTS) scheme work?

Calculating how much CTS a claimant receives is simplified with the introduction of an income banded discount scheme.

The scheme operates by offering a reduction in Council Tax liability based on the income level of the applicant and household size.

The scheme considers the total income of the applicant (household) to determine the level of Council Tax reduction applied. This assessment takes into account various sources of income, including employment, self-employment, benefits, pensions, and other financial resources.

Allowances are provided based on household size for single and couple applicants with additional allowances for up to 2 children.

The scheme divides eligible households into income bands or tiers. Each band corresponds to a specific level of Council Tax reduction (%). The lower the income, the higher the % reduction provided.

Once the income band is determined, the scheme applies a predefined reduction percentage calculate the Council Tax reduction. For example, households in the lowest income band will receive a full or near-full exemption from paying Council Tax, while those in higher income bands will receive a smaller percentage reduction.

There is no complex means testing calculation applied.

Income can increase within an income band and have no effect on the level of support, therefore, greatly limiting the possibility of award adjustments and monthly revised Council Tax bills. A claimant's Council Tax bill will only be revised when they move into the next income band as the CTS award is adjusted.

Model 1 summary (the proposed scheme)

The CTS scheme for 2023/24 proposes the following income bands and discounts:

Band	Discount	Single (Weekly net income)	Couple (Weekly net income)	Single 1+ children addition	Single 2+ children addition	Couple 1+ children addition	Couple 2+ children addition
1	85%	£0-£96	£0-£164	£0 - £184	£0 - £284	£0 - £252	£0 - £352
2	70%	£96 - £140	£164 - £208	£184 - £228	£284 - £338	£252 - £296	£352 - £406
3	55%	£140 - £168	£208 - £238	£228 - £262	£338 - £382	£296 - £334	£406 - £456
4	40%	£168 - £188	£238 - £260	£262 - £296	£382 - £426	£334 - £370	£456 - £506
5	25%	£188 - £208	£260 - £282	£296 - £320	£426 - £460	£370 - £396	£506 - £542
6	15%	£208 - £240	£282 - £316	£320 - £376	£460 - £506	£396 - £452	£542 - £605

The proposed income banding table shows the levels of income and the Council Tax discount that would be awarded based on the household income.

For households with children an additional income amount is allowed. This gives the total allowance for the household.

The total household income is then matched against the income allowance to calculate which band and discount will be awarded.

Household income:

This scheme takes into account all household income such as:

- All Benefits
- Earnings
- Other income's such as student finance
- Pensions
- Child maintenance

Some incomes are disregarded from this overall household income and are not counted:

- Housing Benefit
- The Housing Costs element of UC
- The limited capacity for work element of UC
- The Carer element of UC
- The disabled child element of UC
- Child Benefit
- War Pensions
- Personal Independence Payments (PIP) & Disability Living Allowance (DLA)

Household size:

Income band thresholds are varied based on household type and size.

An additional allowance is granted for a maximum of 2 children.

This combination of household size and household income is combined to place an applicant in a set bands (1-6).

The band discount (CTS award):

Each band (1-6) has a set % reduction of the payable Council Tax bill and this is provided through the CTS award.

Lower income households are placed into lower bands to ensure that they receive the maximum amount of support available reducing their remaining Council Tax bill.

Flat rate non-dependant deductions:

Non-dependant adults in the household are charged a flat rate deduction of £7.50 per adult, irrespective of their status or income.

Current protections against non-dependant deductions for disabled households in receipt of PIP/DLA are protected resulting in no deductions being applied for these households.

Students and partners of non-dependants are also protected from a deduction to mirror the current scheme.

Capital limit:

A capital limit of £6,000 is being proposed. This reduces the limit from £10,000 under the current scheme.

Any resident with capital over £6,000 will not be eligible for the scheme.

Examples of how to calculate the new income banded discount scheme

Council Tax band table 2023/24:

Council Tax Band	Full Charge 2023/24	Single person charge
A	£1,261.81	£946.36
B	£1,472.10	£1,104.07
C	£1,682.40	£1,261.80
D	£1,892.71	£1,419.54
E	£2,313.31	£1,734.99
F	£2,733.91	£2,050.44
G	£3,154.51	£2,365.89
H	£3,785.41	£2,839.06

Example 1:

Total household income (£ per week)	Household size	Council Tax Band
£350	Couple with 1 child	Band D

In the above example the applicant will fall into **Band 4** as their total household income of £350 per week falls into the income bracket of between £334-£370 per week based on a household allowance for a couple and 1 child.

This means they will receive a discount of 40% of their Council Tax bill of £1,892.71 a year resulting in a CTS award of £757.08.

This equates to a weekly CTS award of £14.55 against a full weekly charge of £36.39.

This leaves a balance of £1,135.63 to pay.

Example 2:

Total household income (£ per week)	Household size	Council Tax Band
£85	Single person	Band C

In the above example the applicant will fall into **Band 1** as their total household income of £85 per week falls into the income bracket of between £80 - £96 per week based on a household allowance for a single person.

This means they will receive a discount of 85% of their Council Tax bill of £1261.80 a year resulting in a CTS award of £1072.53.

This equates to a weekly CTS award of £20.62 against a full weekly charge of £24.26.

This leaves a balance of £189.27 to pay (£3.63 per week).

Example 3:

Total household income (£ per week)	Household size	Council Tax Band
£200 (PIP awarded)	Couple	Band E

In the above example the applicant will fall into **Band 2** as their total household income of £200 per week falls into the income bracket of between £164-208 per week based on a household allowance for a couple.

This applicant is in receipt of Personal Independence Payment (PIP) which has been disregarded as income as is not used to calculate the household income.

This means they will receive a discount of 70% of their Council Tax bill of £2313.31 a year resulting in a CTS award of £1619.31.

This equates to a weekly CTS award of £31.14 against a full weekly charge of £44.48.

This leaves a balance of £694 to pay (£13.34 per week).

Case study (comparisons with the current scheme)

The following examples are current cases awarded under the current scheme compared to the award under the proposed income banded scheme.

Example 1

A couple with two children on Universal Credit and in employment

Mrs A has a partner and two children. She is in receipt of Universal Credit and is in part time employment.



Under the current scheme

Currently her Council Tax charge is £32.17 per week.

She receives £17.87 per week in CTS.

This means she must pay £14.30 per week.

Under the new scheme

Her Council Tax charge remains £32.17 per week.

She now receives £27.35 per week in CTS.

This means she must now pay £4.82 per week.

Explanation

Under the current scheme a means test is applied against household income of £581.26 per week which includes all of her Universal Credit award and her part time earnings.

Under the new scheme only £342.97 of household income is considered due to not all of the Universal Credit award being counted.

A couple with 2 children have an income allowance of up to £605 per week to qualify for CTS (income banding table).

They are placed into band 1 as their income is below £352 per week and receive an 85% discount.

Example 2

A single person with one non-dependant adult in the household

Mr A is single and in receipt of Universal Credit. He does not work.

His non-dependant son lives at the property who is also in receipt of Universal Credit and is not working.



Under the current scheme

Currently his Council Tax charge is £32.17 per week.

He receives £27.35 per week in CTS.

This means he must pay £4.82 per week.

Under the new scheme

His Council Tax charge remains £32.17 per week.

He now receives £20.97 per week in CTS.

This means he must pay £11.20 per week.

Explanation

Under the current scheme there is no non-dependant deduction taken for Mr A's son as he is in receipt of Universal Credit.

Under the new scheme there is a flat rate deduction for adults in the property of £7.50 per week (unless disability exemptions apply).

A deduction is now being taken for his son that was not taken previously.

This reflects that the son has income and should contribute housekeeping towards the cost of the household.

He remains in band 1 as his income is below £96 per week but his CTS award is reduced due to a new deduction for his son.

This means he must pay more than under the current scheme.

Example 3

A couple with a low income from part time employment

Mr B is self-employed on a low income and is in receipt of Working Tax Credit. Mrs B is not working.



Under the current scheme

Currently his Council Tax charge is £44.20 per week.

He receives £11.69 per week in CTS.

This means he must pay £32.51 per week.

Under the new scheme

His Council Tax charge remains £44.20 per week.

He now receives £6.63 per week in CTS.

This means he must pay £37.57 per week.

Under the current scheme a means test is applied against household income of £262.85 per week which includes all of his Tax Credit award and self-employed earnings.

Under the new scheme £284.37 per week of household income is considered as there are no disregards.

A couple have an income allowance up to £316 per week to qualify for CTS (income banding table).

They are placed into band 6 as their income is between £282 - £316 per week and receive a 15% discount.

Example 4

A couple with 5 children in employment.

Mr A and Mrs B have 5 children and Mr A is in part time employment. They are also in receipt of Tax Credits.



Under the current scheme

Currently his Council Tax charge is £32.17 per week.

He receives £22.75 per week in CTS.

This means he must pay £9.42 per week.

Under the new scheme

His Council Tax charge remains £32.17 per week.

He now receives £3.69 per week in CTS.

This means he must pay £28.48 per week.

Under the current scheme a means test is applied against household income of £516.32 per week which includes all of his Tax Credits award and part time earnings.

Under the new scheme £543.42 of household income is considered which is higher as there are no disregards being applied (earnings disregard for hours over 16) and the household is not in receipt of Universal Credit.

Under the current scheme the household gets an allowance for all 5 children.

This means the household can have a higher income and keep a higher CTS award.

Under the new scheme this allowance is restricted to 2 children.

This means more income is being considered with a lower child allowance.

A couple with 2 children have an income allowance of up to £605 per week to qualify for CTS (income banding table).

They are placed into band 6 as their income is between £542 - £605 per week and receive an 15% discount.

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	Replacement Council Tax Support scheme 2024/25
Lead Officer	James Johnston (Service Manager) & Donna Radley (Head of Welfare)
Contact Details	James.johnston@lbbd.gov.uk Donna.radley@lbbd.gov.uk

Why is this service or policy development/review needed?
<p>The Welfare Reform Act in 2012 abolished Council Tax Benefit (CTB) from April 2013 and, in its place, support took the form of a local Council Tax Support Scheme (CTS). The Local Government Finance Act 2012 contains provisions for the setting up of local support schemes.</p> <p>The current scheme in Barking & Dagenham has been based around the default CTS scheme.</p> <p>The CTS scheme helps residents on low incomes to pay their Council Tax. Under the current scheme, a working-age household (Working age is anyone under Pension Credit age) liable for Council Tax could get up to 85% of the charge paid through the scheme, resulting in a minimum payment of 15% for all claimants, dependent upon their circumstances.</p> <p>The council must consider whether to revise or replace its CTS scheme each financial year, for working age recipients. However, it does not actually have to revise or replace its scheme and can choose to retain the scheme unchanged from the previous financial year.</p> <p>Pensioners are protected under the nationally prescribed pension age CTS scheme and must be able to receive up to a 100% reduction under the national scheme rules and this cannot be varied at a local level. Prescribed regulation changes to the pension age scheme must be applied.</p> <p>This EIA is required for the proposals to implement a replacement CTS scheme for the financial year 2024/25 for working age households.</p> <p>A new simplified version of the scheme is being proposed changing the scheme from the current means tested default scheme to an income banded discount scheme.</p> <p>The current scheme has a number of disadvantages which can be summarised as follows:</p> <ul style="list-style-type: none"> • Highly complex calculation of entitlement and legislative based assessment processes • Reactive to minor changes in circumstances generating higher volumes of work, adjustments to awards and multiple Council Tax bill adjustments • Complex administration for staff & complex for applicants to understand • Difficult to simplify with little flexibility in the scheme available • The impact of Universal Credit (UC) on administration and awards • Difficult to vary and change the levels of support for different types of applicant <p>The current default CTS scheme is less compatible with UC.</p>

Why is this service or policy development/review needed?

The impact of UC on the administration of the current CTS scheme can be summarised as follows:

- Lower entitlement (CTS award)
- A higher volume of changes

UC claimants on average have less entitlement to CTS than existing legacy benefit claimants due to the design of UC.

The current CTS scheme is highly reactive to change. Administration costs are higher for UC claimants due to the monthly re-assessment of UC awards requiring processing and the adjustment of CTS. This results in claimants receiving up to 12 revised Council Tax bills and adjustment notices in the financial year. This may impact on Council Tax collection with amended Council Tax bill's being issued with rescheduled instalments. This creates confusion for the Council taxpayer and may contribute to increased Council Tax arrears.

Managed migration of the existing legacy benefit case load (with some exceptions for claimants in receipt of Employment & Support Allowance (ESA) to UC is scheduled to be undertaken in 2024.

This will have a significant impact on the existing case load.

If the current scheme is retained, it may not adequately support residents and this may act as a disincentive/barrier to work.

The existing scheme is too reactive to change and may not be viable in the long term due to the migration to UC.

In view of the issues with the retaining of the current scheme and taking account of the drivers for change it is proposed that an alternative approach be taken for a replacement scheme in 2024/25.

The main objectives of this CTS scheme change can be summarised as follows:

- Is affordable and maintains a cost neutral position from natural increases in the cost of retaining the current scheme into 2024/25
- Simplifying the scheme making it easy for residents to understand and access
- Provide the maximum level of support for all low income households
- Remove the requirement to continually make changes in awards making support more consistent and provide stability on managing household budgets
- Improve how the scheme works with the UC system
- Create a scheme that remains fair and equitable to all residents, requiring a fair contribution from those who can pay while protecting the most vulnerable
- Encourages and incentivises employment
- Builds in capacity to better manage an increase in demand for the scheme (increased automation and more efficient administration)

An income banded discount scheme provides support based on bands of income and provides a percentage reduction off the Council Tax bill (the award). The number of discount bands, the level of discount and income thresholds can all be varied. Banded schemes vary in the types of income taken into account, what circumstances are considered and the % of the discount awarded. Income banded schemes can be designed to be as simple or as complex

Why is this service or policy development/review needed?

as desired, can be made more or less generous and designed to support protected groups if required. Re-assessment of cases will only be required if income crosses one of the income band thresholds.

This approach will fundamentally redesign the scheme.

Income banding has the following advantages:

- Simplified and easier for applicants to understand
- Removal of complex means testing
- Simplified administration
- Reduced requirement to report changes in circumstances for applicants (workload)
- Significantly reduced number of claim adjustments and therefore Council Tax bill changes
- Reduced print & post costs due to reduced numbers of changes
- Targeted support at the most vulnerable (or other priority groups) (flexible scheme design)
- Easier to automate changes through existing IT platforms
- More compatible with Universal Credit

The [B&D Joint Health and Wellbeing Strategy 2019-23](#) includes an outcome that when residents need help, they can access the right support, at the right time in a way that works for them.

As a simplified Scheme that is easier for applicants to understand with fewer barriers to access should support this outcome, since the proposed scheme is less reactive to minor changes in circumstances than the current Scheme, enabling residents with fluctuations in their household circumstances (e.g. to time off work for ill-health or caring) to financially plan.

This EIA will consider the impact of introducing a banded income discount scheme in 2024/25.

Note this decision has not been taken.

This EIA analysis is based on a proposed draft CTS scheme to be considered by Cabinet.

There are a number of mitigations as set out in the report to support those who may be impacted.

The Strategy team has reviewed this EIA.

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.

Overall borough wide demographics

- **Local communities in general**

Barking & Dagenham is a diverse borough with significant levels of deprivation as outlined by the following demographic trends below.

- **Population & Households**

Barking & Dagenham currently has a total population of 218,900.

The population size has increased by 17.7% from around 185,900 in 2011. This is higher than the overall increase for England of 6.6% and the 2nd highest in greater London and demonstrates the growth in population in the borough. Nearby boroughs such as Havering saw growth of only 10.4%.

In 2021 Barking & Dagenham ranked 80th for total population in Local Authority areas moving up 15 places since 2011.

There are currently 73,900 households in the borough.

This is broken down as follows:

- 1 person in household 23.7%
- 2 people in household 22.5%
- 3 people in household 18.9%
- 4 or more people in household 34.9% (London average 24.1%)

Single family households make up 62.9% of the household composition, higher than the London average of 58%.

The average household size is 2.96 the 4th highest average in England & Wales.

Barking & Dagenham therefore has a higher proportion of larger households and a higher proportion of single family households than the London average.

The population is expected to grow another 42% to 309,000 by 2041.

- **Age**

Of this population currently 57,150 are aged under 16. This is the highest proportion in England and Wales.

Of this population currently 142,700 are aged 16 – 64, and 19,050 aged over 65.

The largest age group bracket is age 35 – 39 with 8.5% (18,606) of the borough.

The average age in the borough is 33. This is lower than the London average of 35.

Barking & Dagenham has a significantly higher age profile between 0-19 than the London average.

The age profile has seen a decrease of 1.7% in people aged 65 and over, with an increase of 20.8% of people aged 15-64. The age profile for children under 15 has also increased by 17.3%.

57,100 (26.1%) of residents were aged under 16 on Census day, the highest proportion in England & Wales.

This demonstrates the changing profiles of the age of the population in Barking & Dagenham.

- **Disability**

Currently 13.2% of the population is registered as disabled under the Equality Act.

Barking & Dagenham currently has 4,790 people of working age (16-64) claiming Disability Living Allowance & 9,687 claiming Personal Independence Payment.

29.8% of households have at least one person who identifies as disabled, the highest proportion in London.

The [B&D Joint Strategic Needs Assessment](#) highlight that people with a disability are at particular risk of disadvantage in all its forms, as they are more likely to be living on a low income, be unemployed or in unsuitable housing, putting their health at additional risk of further decline

(DWP Stat-Xplore - 31.05.2022)

(Census 2021)

- **Gender reassignment**

9 in 10 Barking & Dagenham residents' gender identity was the same as sex registered at birth (90.4%)

Of all English & Welsh local authorities, Barking & Dagenham had the:

- highest proportion of trans women (0.25%)
- 3rd highest proportion of trans men (0.24%)
- 5th highest proportion of people whose gender identity was different but no specific identity given (0.64%)
- 17th highest who did not answer the gender identity question (8.4%)

- **Marriage & civil partnership**

Barking & Dagenham currently has 42.8% of the population married or in a civil partnership, up from 42.1% in 2011. The number of people who were married increased and fell across England.

41.8% of the population were never married or registered in a civil partnership.

8.1% are divorced or in a dissolved civil partnership.

12.8% of households were lone parents with dependant children the highest proportion in England & Wales.

(Census 2021)

- **Pregnancy & maternity**

There are currently 64.2 births per 1000 women of childbearing age the highest in London.

Barking & Dagenham saw England's joint second largest % rise in the proportion of households including a couple with dependant children from 20.9% in 2011 to 24.1% in 2021.

There are 9,4000 (12.8%) lone parent households with dependent children, the highest proportion in England & Wales.

Teenage pregnancy rates are 16.1 per 1000 females aged 15-17.

(Census 2021)

(Borough data explorer)

- **Race and ethnicity**

The proportion of the borough population identifying as coming from black and minority ethnic backgrounds has increased from 19.1% to 50.5% between the 2001 and 2011 censuses, and is now at 69.1%, the 10th highest in the country.

In 2021 25.9% of residents identified their ethnic group as Asian, Asian British or Asian Welsh, up from 15.9% in 2011. This 9.9% increase was the largest increase among high level ethnic groups in this area.

44.9% of residents identified as white compared with 58.3% in 2011.

21.4% of residents identified as Black, Black British, Black Welsh, Caribbean of African compared to 20% in 2011.

Ethnic diversity has increased between 2011 and 2021 with the percentage of non-white British residents rising by 18.6% over the decade.

The most common language of residents whose main language is not English is Romanian (4.8%) followed by Bengali (3.1%).

2 in 5 residents were born outside of the UK.

Barking & Dagenham has become increasingly ethnically diverse in the last 10 years.

(Census 2021)

- **Religion**

45.4% of the population identify as Christian, down from 56% in 2011.

18.8% identify with no religion.

24.4% of residents identify as Muslim, up from 13.7% in 2011. This rise of 10.7% was the largest increase in religious groups in Barking & Dagenham.

These groups are the predominant religion in the borough with the next highest identifying as Hindu at 3%.

(Census 2021)

- **Sex/Gender**

Currently 51.3% of the borough's residents are female, and 48.7% are male.

This is broken down by population:

- Male – 106,548
- Female – 112,202

(Census 2021)

➤ **Sexual orientation**

Nearly 9 in 10 Barking & Dagenham residents described their sexual orientation as Straight or Heterosexual (88.6%

Of all English & Welsh local authorities, Barking & Dagenham had the:

- 4th highest proportion who described their sexual orientation as all other sexual orientations (0.07%)
- 23rd highest proportion who described their sexual orientation as Pansexual (0.38%)

➤ **Socio-economic disadvantage (deprivation in the borough)**

In April 2023 the updated poverty indicator tracker for Barking & Dagenham held the:

- 34th (worst) average rank (combining the 10 indicators of poverty) against all 309 English Local Authorities
- 32nd highest unemployment rate
- 5th highest rate of Universal Credit claimants in employment (previously 5th in the 2021 census)
- 7th highest proportion of households claiming Housing Benefits
- 70th highest proportion of households living in fuel poverty
- 63rd highest proportion of children under 16 living in relative low income families.

This compared to April 2022:

- 18th (worst) average rank (combining the 10 indicators of poverty) against all 309 English Local Authorities
- 2nd highest unemployment rate
- 2nd highest rate of Universal Credit claimants in employment (previously 5th in the 2021 census)
- 5th highest proportion of households claiming Housing Benefits
- 17th highest proportion of households living in fuel poverty
- 34th highest proportion of children under 16 living in relative low income families.

This showed a:

- Falling unemployment rate
- Reduction in fuel poverty (data remains pre cost of living crisis)

- Reduction in children living in relative low-income families

Within London the borough has the highest rates of:

- Universal Credit claimants in employment

The 3rd highest rate of

- Children aged under 16 living in relative low income families.

The 4th highest rate of:

- Households living in fuel poverty
- Income Support claimants

Barking & Dagenham has dropped from the 18th lowest (worst) to 34th lowest (worst) combining the 10 indicators of poverty. This is the first time Barking & Dagenham has:

- Featured outside of the top 20 (worst) Local Authorities since February 2020
- Not been the most impoverished borough (3rd)

Although these poverty indicators have improved Barking & Dagenham remains a very impoverished borough.

The 2021 census also provided data on poverty indicators:

- 46,100 (62.4%) of households have at least one measure of deprivation.
- 46% of children are estimated to live in poverty the 3rd highest in England & Wales.
- The borough also had an economically inactive rate of 35.9%, higher than the London average of 33.8%.
- 7% of the population were providing unpaid care.
- 58.5% of residents are economically active in employment, lower than the London average of 61.4%.
- 16.1% were employed in professional occupations with 15.9% employed in elementary occupations.
- The largest socio-economic classification was lower managerial, administrative and professional occupations at 15.3%, lower than the London average of 20.6%.

- 11.4% of the population were engaged in part time work of 15 hours a week or less, higher than the London average of 10.7%.
- 22.7% of the population hold no formal qualifications, higher than the London average of 16.2%.
- The number of residents renting privately has increased by 412% since 2001.
- 18,100 (24.5%) of households rent from the Council, the 3rd highest in England & Wales.
- 17.8% of households are living in a property without enough bedrooms, the 2nd highest proportion in England & Wales.

Income (and debt) is the greatest determinant of health, in a positive way enabling people to afford factors that support healthy living (e.g. diet, physical activity, housing, etc.) and in a negative way driving poor health (e.g. mental health, unhealthy behaviours, etc.).

The proposed Council Tax Support Scheme 2024/25 should have an overall positive impact on health and wellbeing and the reduction of health inequalities, including for those with health issues or barriers.

The socio-economic indicators in the borough highlight high levels of deprivation, poverty and issues with housing and present a challenging outlook for the Council.

Council Tax Support - Case load and demographics:

Case load:

There are currently 15,126 live CTS cases¹:

- 10,625 working age (16-64) (70.24%)
- 4501 pension age (65+) (29.76%)

The CTS working age caseload is currently 7.4% of the working age population of the borough.

The CTS pension age caseload is currently 23.6% of the pension age population of the borough.

Case load breakdown by demographic types²:

The CTS case load can be broken down by age, household size and other characteristics such as disability.

*Case load statistics may vary dependent upon the date of the data set.

¹ CTS case load extraction June 2023

² Policy & Practice localised CTS Final Report

Age range	CTS claimants (main claimant)	Claims with disability (PIP/DLA/LCW)	Carers (receiving carers allowance)	Claims by household type			
				All claimants	Total	Single no children	Couple no children
16-24	187	21	16	53	7	88	39
25-34	1,888	479	304	349	20	531	988
35-44	2,959	912	569	501	37	610	1,811
45-54	2,861	1,383	549	1,085	188	578	1,010
55-65	2,897	2,082	453	2,037	464	245	151
66+	4,496	1,559	255	3,624	811	39	22

3

Age band	Barking & Dagenham population 2021	% of total population by age bracket	Council Tax Support claimants	% of total
0-9	35,536	16.25%	0	0%
10-19	33,328	15.24%	6	0.01%
20-29	28,435	13.00%	824	2.89%
30-39	36,691	16.77%	2672	7.28%
40-49	31,986	14.62%	2891	9.03%
50-59	25,140	11.49%	2793	11.10%
60-69	14,536	6.65%	2568	17.66%
70-79	8,027	3.67%	2203	27.44%
80+	5,071	2.32%	1457	28.73%

CTS expenditure (cost):⁴

CTS expenditure for the financial year 2023/24 is currently £16,081,826.87

³ Policy & Practice localised CTS Final Report

⁴ CTS expenditure extraction June 2023

CTS expenditure by age:

Of this expenditure £10,722,852.64 (66.67%) is against working age claimants and £5,358,974.33 (33.33%) is against pension age claimants.

Working age claimants currently make up 65.10% of the population and account for 70% of the CTS caseload and 66.67% of the total CTS expenditure.

Pension age claimants currently make up 8.70% of the population and account for 30% of the CTS caseload and 33.33% of the total CTS expenditure.

CTS case load by gender:

The current case load is split as follows⁵:

Male – 5,105 cases (33.12%)

Female – 10,309 cases (66.88%)

CTS case load by ethnicity & race:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by race or ethnicity.

CTS case load by religion:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by religion.

CTS case load by sexual orientation:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by sexual orientation.

CTS case load by Gender reassignment:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

⁵ CTS case load extract September 2023

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by gender reassignment

CTS case load by Marriage and civil partnership:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by marriage and civil partnership.

CTS case load by Pregnancy and maternity:

The Council does not collect this information about this characteristic as it is not a mandatory requirement for the processing of CTS.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by pregnancy.

Maternity can only be identified by those claimants in receipt of a Maternity Allowance benefit from the DWP. This will not account for claimants on paid maternity leave, in receipt of other benefits, or neither.

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					-
Age				<p>Working age claimants will be affected by the proposed replacement scheme. Some claimants may have increased awards and some claimants may see reduced awards.</p> <p>Although the impacts may differ by age group the calculation of CTS is not related to a person's age for the working age scheme.</p>	<p>It is not feasible to mitigate any potential adverse impacts on the basis of age alone.</p> <p>The following mitigations are in place to support claimants adversely affected by the proposed changes:</p> <ul style="list-style-type: none"> Resident consultation <p>Consulting residents about the proposed changes and</p>

		<p>A claimant must be of working age to be affected by the scheme change.</p> <p>Any differences in entitlement will be as a result of other factors such as differences between the current means test and the new proposed income band thresholds, or the introduction of a flat rate non-dependant charge.</p> <p>No scheme changes are proposed for the pension age scheme which remains centrally prescribed.</p> <p>Pension age claimants are protected and will continue to receive full support, inclusive of outreach services.</p>	<p>asking for their views on how to mitigate any impact.</p> <p>Public forums will be available to residents at various locations for face to face surgeries.</p> <p>The LA will also look at what contact it can make with those financially impacted by the proposed scheme (this excludes pension age as there is no impact) to look at income maximisation option, better off calculations for UC, referrals into Work and Skills & discretionary funding opportunities.</p> <ul style="list-style-type: none"> • Council Tax Discretionary relief (CTDR) <p>Maintaining a discretionary Council hardship fund open for applications from all residents and ensuring this is promoted so residents are aware of the scheme.</p> <p>Section 13A of the Local Government Finance act 1992).</p> <ul style="list-style-type: none"> • Government funded hardship schemes and local welfare assistance <p>If applicable - Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary schemes, including Council funded schemes, to support the wider costs of living for</p>
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					<p>vulnerable residents, helping to assist with financial support and therefore the payment and collection of Council Tax.</p> <ul style="list-style-type: none"> • The Homes & Money HUB & Welfare Service <p>Services supporting vulnerable residents to maximise their income including welfare benefit take up, advice and support on debts and budgeting</p> <ul style="list-style-type: none"> • Applying the Council's debt management policy <p>Ensuring the fair and ethical collection of Council Tax and assisting residents who are experiencing financial difficulty.</p>
-					
Disability	X	X	X	<p>Working age claimants with disabilities will be affected by the proposed replacement scheme. Some claimants may have increased awards, some claimants may see reduced awards and some claimants will have no change to their existing award.</p> <p>The proposed income banded scheme will continue to disregard income received from qualifying disability benefits (DLA or PIP). This will mirror the current scheme and will protect disabled claimants.</p>	<p>It is not feasible to mitigate any potential adverse impacts for claimants with disability on this basis alone.</p> <p>The following mitigations are in place to support claimants adversely affected by the proposed changes:</p> <ul style="list-style-type: none"> • Resident consultation <p>Consulting residents about the proposed changes and asking for their views on how to mitigate any impact. We will be reaching out to voluntary organisations such</p>

		<p>The current scheme provides additional premiums for some claimants in receipt of qualifying disability benefits. Premiums allow a claimant to have a higher level of income before the means test taper is applied to reduce the CTS award based on household income.</p> <p>The proposed income banded scheme does not contain premiums. As a consequence claimants with a qualifying disability who would have been entitled to a disability premium may see a reduced award as more of their income will be taken into account to calculate the CTS award.</p> <p>This will primarily affect claimants with qualifying disability benefits with higher incomes in receipt of existing legacy benefits. This may affect claimants in work or with other benefits such as Carers Allowance.</p> <p>The loss of disability premiums may detrimentally affect claimants with qualifying disability benefits under the new scheme.</p> <p>Premiums are not contained within UC and therefore claimants in receipt of this type of benefit will not be affected.</p> <p>Disabled claimants in receipt of legacy benefits are likely to be disproportionately affected as these claims may have disability premiums currently awarded.</p> <p>This may affect claimants in work or with other benefits such as Carers Allowance.</p> <p>Disabled claimants currently in receipt of the maximum award under the current scheme due to</p>	<p>as the DADB to engage them to work directly with disabled residents. Outreach activities are planned as well as open days at the BLC and Dagenham and community hubs.</p> <p>Public forums will be available to residents at various locations for face to face surgeries.</p> <ul style="list-style-type: none"> • Council Tax Discretionary relief (CTDR) <p>Targeted work could be added, dependant on budget available specifically to mitigate this impact The LA can undertake its own outreach & work with the DADB, CAB and other voluntary organisations to target specific cohorts of residents.</p> <p>Such an approach could take account for those who lose a high proportion of their award or those with certainly characteristics such as disability.</p> <p>If applicable - Maintaining a discretionary Council hardship fund open for applications from all residents and ensuring this is promoted so residents are aware of the scheme.</p> <p>Section 13A of the Local Government Finance act 1992.</p> <ul style="list-style-type: none"> • Government funded hardship schemes and local welfare assistance
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		<p>low incomes are likely to remain in band 1 under the proposed scheme and would therefore remain unchanged.</p> <p>Some disabled claimants will benefit from the proposed change.</p> <p>Claimants in receipt of UC will not lose out due to a loss of disability premiums.</p> <p>The limited capacity to work element of UC and the Carers element are disregarded as income and not counted. This helps to support disabled claimants who are often in receipt of these additional awards.</p> <p>Disabled claimants in receipt of UC who are in employment may benefit from more generous awards for the calculation of household income for UC employed earners under the proposed scheme.</p> <p>The scheme also proposes to implement flat rate non-dependant deductions of £7.50 per week. The proposed scheme will continue to disregard these deductions where a claimant or partner are in receipt of a qualifying benefit (DLA or PIP at the middle of higher rates) ensuring the protections that were previously in place under the current scheme will remain.</p> <p>2,807 households have at least 1 non-dependant charge. Of these 1,570 are exempt from deductions due to receipt of disability benefits and will remain protected.</p> <p>There will therefore be no negative impact from the change to a flat rate non-dependant</p>	<p>If applicable - Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary schemes, including Council funded schemes, to support the wider costs of living for vulnerable residents, helping to assist with financial support and therefore the payment and collection of Council Tax.</p> <ul style="list-style-type: none"> • The Homes & Money HUB & Welfare Service <p>Services supporting vulnerable residents to maximise their income including welfare benefit take up, advice and support on debts and budgeting</p> <ul style="list-style-type: none"> • Applying the Council's debt management policy <p>Ensuring the fair and ethical collection of Council Tax and assisting residents who are experiencing financial difficulty.</p>
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			<p>charge for claimants in receipt of qualifying disability benefits.</p> <p>Claimants not in receipt of qualifying disability benefits could be affected by this change.</p> <p>The implementation of a capital limit of £6,000 may impact on a disabled claimant with capital over this threshold.</p> <p>No scheme changes are proposed for the pension age scheme which remains centrally prescribed.</p> <p>Pension age claimants are protected and will continue to receive full support, inclusive of outreach services.</p>	
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Disability analysis:

Internal modelling against the current financial year (2023/24)⁶ has considered the impact of the proposed scheme on claimants with a qualifying disability benefit (PIP/DLA).

Figures are considered to indicative only and are not a precise measurement of impact.

Household type	Worse off Cases	Total £	Average Per case
Working Age - Non-Passported - Couple	84	£43,948.74	£523.20
Working Age - Non-Passported - Single	135	£48,261.78	£357.49
Working Age - Non-Passported - Couple & 1 Child +	16	£5,816.62	£363.54
Working Age - Non-Passported - Couple & 2 Child +	88	£59,461.47	£675.70
Working Age - Non-Passported - Single & 1 Child +	45	£16,280.40	£361.79
Working Age - Non-Passported - Single & 2 Child +	94	£45,073.23	£479.50
Working Age - Passported - Other	1	£250.98	£250.98

⁶ Appendix 2 – Internal modelling (financial and impact analysis) (Capita system)

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

463

£219,093.22

£473.20

A total of 463 cases were identified as potentially having lower awards with a qualifying disability benefit on the claim. The average lost award was £473.20 per year.

	Better off Cases	Total £	Average Per case
Working Age - Non-Passported - Couple	29	£5,896.98	£203.34
Working Age - Non-Passported - Single	55	£19,079.34	£346.90
Working Age - Non-Passported - Couple & 1 Child +	19	£7,257.38	£381.97
Working Age - Non-Passported - Couple & 2 Child +	50	£18,060.68	£361.21
Working Age - Non-Passported - Single & 1 Child +	39	£10,893.01	£279.31
Working Age - Non-Passported - Single & 2 Child +	71	£14,233.48	£200.47
Working Age - Passported - Other	112	£57,153.20	£510.30
	375	£132,574.07	£353.53

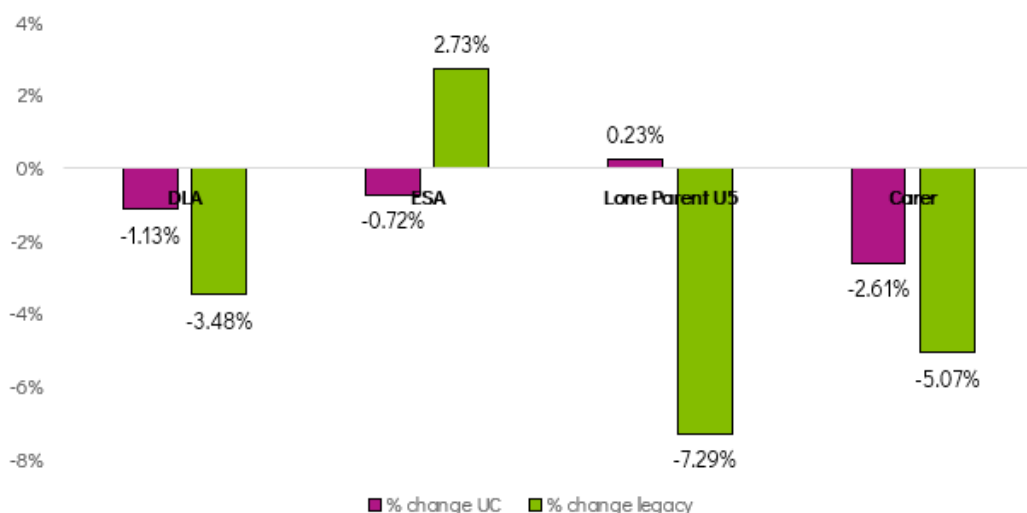
A total of 375 cases were identified as potentially having higher awards with a qualifying disability benefit on the claim. The average increased award was £353.53 per year.

Although only indicative this modelling demonstrates the potential impacts on applicants with disability and protected characteristics from the proposed scheme and should be noted.

Policy & Practice⁷ have modelled the impact analysis for 2024/25 of the proposed scheme on claimants with barriers to work.

⁷ Appendix 1 – Policy & Practice localised CTS Final Report

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by barriers to work



Modelled scheme: change in average CTS award, by barriers to work

This demonstrates overall a slight reduction in the CTS award as an average for claimants in receipt of qualifying disability benefits (DLA/PIP). This may be due to some of the reasons as outlined above.

Legacy benefits as a whole are generally disproportionately affected with a greater loss.

The financial impact of these changes on the CTS award is relatively small and demonstrates a marginal impact as an overall average⁸.

Within this average change of the CTS award some claimants will see greater or smaller losses with this replicating for those that gain.

Barriers to work	Current scheme 2024/25	Income banded scheme 2024/25
DLA or Similar	£22.52	£22.03
ESA or similar	£22.08	£22.33
LP child under 5	£19.71	£19.55
Carer	£23.54	£22.66

⁸ Appendix 1 – Policy & Practice localised CTS Final Report

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

Gender reassignment		X	<p>There is no CTS data held for this specific category.</p> <p>The scheme will not treat people of different genders any differently.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people who are proposing to undergo, is undergoing, or has undergone a process (or part of a process) to re-assign their gender.</p>	<p>No impact.</p> <p>No mitigations are required.</p>
Marriage and civil partnership		X	<p>There is no CTS data held for this specific category.</p> <p>The scheme will not treat people either married or in a civil partnership any differently.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people who are married or in a civil partnership.</p>	<p>No impact.</p> <p>No mitigations are required.</p>
Pregnancy and maternity		X	<p>There is no CTS data held for this specific category.</p> <p>Pregnancy does not affect the claimant's assessment of CTS unless there is a change in financial circumstances.</p> <p>The scheme will only treat people who are on maternity leave differently in so far as considering a change in their circumstances for income & household with regards to the income band discount awarded.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on women who</p>	<p>No impact.</p> <p>No mitigations are required.</p>

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

			are pregnant or recently had a baby.	
Race (including Gypsies, Roma and Travellers)		X	<p>There is no CTS data held for this specific category.</p> <p>There are ethnic inequalities in health, some of which are associated to economic deprivation.</p> <p>The scheme will not treat people of different ethnicity or race any differently.</p> <p>A claimant's entitlement to CTS is decided in accordance with set criteria such as recourse to public funds and immigration status.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people because of their race or ethnicity.</p>	<p>No impact.</p> <p>No mitigations are required.</p>
Religion or belief		X	<p>There is no CTS data held for this specific category.</p> <p>The scheme will not treat people of different religion any differently.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people because of their religion or belief.</p>	<p>No impact.</p> <p>No mitigations are required.</p>
Sex	X	X	<p>Working age claimants will be affected by the proposed replacement scheme. Some claimants may have increased awards and some claimants may see reduced awards.</p>	<p>It is not feasible to mitigate any potential adverse impacts on the basis of sex alone.</p> <p>The following mitigations are in place to support claimants</p>

		<p>Although the impacts may differ by sex the calculation of CTS is not related to a person's gender for the working age scheme.</p> <p>Any differences in entitlement will be as a result of other factors such as differences between the current means test and the new proposed income band thresholds, or the introduction of a flat rate non-dependant charge.</p> <p>This information is recorded within a claimant's personal details.</p> <p>The case load is 33.12% male and 66.88% female for the lead claimant. Any changes that sees reduced awards will disproportionately affect female claimants as they are the majority.</p> <p>Changes in the proposed scheme are not gender specific. The same income threshold and discounts apply to all claimants.</p> <p>Childcare could be a potential barrier for a single parent looking to secure employment or increase their hours and may disproportionately affect woman.</p> <p>By disregarding the childcare element of UC the proposed scheme will support claimants and this may proportionately benefit female claimants.</p> <p>Childcare payments made through the childcare element of Child Tax Credits cannot be disregarded in the proposed scheme. This creates an inequitable approach with childcare elements disregarded for UC and not for existing legacy benefits.</p>	<p>adversely affected by the proposed changes:</p> <ul style="list-style-type: none"> • Resident consultation <p>Consulting residents about the proposed changes and asking for their views on how to mitigate any impact.</p> <p>Public forums will be available to residents at various locations for face to face surgeries.</p> <ul style="list-style-type: none"> • Council Tax Discretionary relief (CTDR) <p>Maintaining a discretionary Council hardship fund open for applications from all residents and ensuring this is promoted so residents are aware of the scheme.</p> <p>(Section 13A of the Local Government Finance act 1992).</p> <ul style="list-style-type: none"> • Government funded hardship schemes and local welfare assistance <p>If applicable - Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary schemes, including Council funded schemes, to support the wider costs of living for vulnerable residents, helping to assist with financial support and therefore the payment and collection of Council Tax.</p>
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COMMUNITY AND EQUALITY IMPACT ASSESSMENT

			<p>The full migration of the remaining legacy benefit claims to UC will remove this inequality.</p> <p>Woman are also more likely to be carers, either unpaid or in receipt of Carers Allowance. The proposed scheme will disregard the Carer element of Universal Credit which will help to support these claimants.</p> <p>There is no disregard for Carers Allowance benefit in the current scheme or the proposed scheme.</p> <p>The loss of carer premiums through receipt of Carers Allowance may detrimentally affect legacy benefit claimants under the new scheme.</p> <p>Premiums are not contained within UC and therefore claimants in receipt of this type of benefit will not be affected.</p> <p>Pension age claimants are protected and will continue to receive full support, inclusive of outreach services.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people because of their sex or gender.</p>	<ul style="list-style-type: none"> • The Homes & Money HUB & Welfare Service <p>Services supporting vulnerable residents to maximise their income including welfare benefit take up, advice and support on debts and budgeting</p> <ul style="list-style-type: none"> • Applying the Council's debt management policy <p>Ensuring the fair and ethical collection of Council Tax and assisting residents who are experiencing financial difficulty.</p>
Sexual orientation		X	<p>There is no CTS data held for this specific category.</p> <p>The proposed changes to the CTS scheme will not have a differential impact on people because of their sexual orientation.</p>	<p>No impact.</p> <p>No mitigations are required.</p>

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

<p>Socio-economic Disadvantage</p>	<p>X</p>	<p>X</p>	<p>X</p> <p>Working age claimants will be affected by the proposed replacement scheme. Some claimants may have increased awards, some claimants may see reduced awards and some claimants will see their awards unchanged.</p> <p>Any differences in entitlement will be as a result of factors such as differences between the current means test and the new proposed income band thresholds, or the introduction of a flat rate non-dependant charge.</p> <p>1,501 (14%) households have lower awards in the model (2024/25).</p> <p>1,597 (14%) households have higher awards in the model.</p> <p>7,631 (72%) households will see their awards remain unchanged.</p> <p>The proposed scheme is as an average more beneficial for claimants on UC than existing legacy benefits, recognising the planned migration for all remaining legacy benefits to UC in 2024.</p> <p>There remains a risk that any delay to managed migration to UC would see some legacy benefit claimants lose support until migrated to UC.</p> <p>Some claims will retain lower levels of support even after migration to UC.</p> <p>There are currently 2,807 households with a non-dependant deduction under the current scheme 2023/24.</p> <p>1,570 households remain exempt from the charge due to receipt of</p>	<p>It is not feasible to mitigate any potential adverse impacts on the basis of socio-economic disadvantage alone.</p> <p>The following mitigations are in place to support claimants adversely affected by the proposed changes:</p> <ul style="list-style-type: none"> Resident consultation <p>Consulting residents about the proposed changes and asking for their views on how to mitigate any impact.</p> <p>Public forums will be available to residents at various locations for face to face surgeries.</p> <ul style="list-style-type: none"> Council Tax Discretionary relief (CTDR) <p>If applicable maintaining a discretionary Council hardship fund open for applications from all residents and ensuring this is promoted so residents are aware of the scheme.</p> <p>Section 13A of the Local Government Finance act 1992.</p> <ul style="list-style-type: none"> Government funded hardship schemes and local welfare assistance <p>If applicable - Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary schemes, including Council funded</p>
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		<p>disability benefits. This will be mirrored under the proposed scheme and this protection will remain.</p> <p>Of the remaining 1,237 households 890 will have higher deductions from the introduction of a flat rate deduction and 347 will have lower deductions.</p> <p>Flat rate non-dependant deduction changes will affect all household types and economic status.</p> <p>The overall impact of the scheme change is positive with 86% retaining the same level or an increased level of support but there remains some households who will lose support, and some will lose up 100% of their current award.</p> <p>No scheme changes are proposed for the pension age scheme which remains centrally prescribed.</p> <p>Pension age claimants are protected and will continue to receive full support, inclusive of outreach services.</p>	<p>schemes, to support the wider costs of living for vulnerable residents, helping to assist with financial support and therefore the payment and collection of Council Tax.</p> <ul style="list-style-type: none"> • The Homes & Money HUB & Welfare Service <p>Services supporting vulnerable residents to maximise their income including welfare benefit take up, advice and support on debts and budgeting</p> <ul style="list-style-type: none"> • Applying the Council's debt management policy <p>Ensuring the fair and ethical collection of Council Tax and assisting residents who are experiencing financial difficulty.</p>
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Appendix 1 provides analysis of the impact of the proposed replacement CTS scheme.

CTS is in the main targeted at low income households that are financially disadvantaged to support the payment of Council Tax and therefore any change to the scheme will impact these households with some gaining support and some losing support.

Model 1 is a banded income discount scheme which takes into account all household income and household size (restricted to 2 children).

The scheme considers the total income of the household to calculate the level of Council Tax discount applied.

Some incomes are disregarded from overall household income and are not counted such as Disability Living Allowance, Personal Independence Payment and some elements of Universal Credit such as Limited Capacity for work, Carer Element, Disabled Child Element and Child Care Element. Child Benefit and war pensions are also not counted as income.

These incomes must be deducted from the household income used to calculate the band and discount. An additional allowance is granted for children in the household. In line with national welfare policy this is restricted to a maximum of +2 children. Any household with more than +2 children will not receive any additional allowances which will be restricted to a maximum of +2 children.

Non-dependant adults in the household are charged a flat rate deduction of £7.50 per adult irrespective of their status or income. This reflects that most non-dependants have income either through employment or welfare benefits. It also reduces the requirement for applicants to provide evidence of the status of household members.

Current protections against non-dependant deductions for disabled households in receipt of Personal Independence Payments and Disability living Allowance (for care at the middle or higher rate) remain resulting in no deductions being applied for these households.

Non-dependant partners and full-time students will also not be subject to a deduction mirroring the current scheme.

A capital limit of £6,000 is being proposed. This reduces the limit from £10,000 under the current scheme. Any resident with capital over £6,000 will not be eligible for the scheme.

The scheme proposes the following income thresholds (bands) £.

Income banding table

Band	Discount	Single (Weekly net income)	Couple (Weekly net income)	Single 1+ children addition	Single 2+ children addition	Couple 1+ children addition	Couple 2+ children addition
1	85%	£0-£96	£0-£164	£0 - £184	£0 - £284	£0 - £252	£0 - £352
2	70%	£96 - £140	£164 - £208	£184 - £228	£284 - £338	£252 - £296	£352 - £406
3	55%	£140 - £168	£208 - £238	£228 - £262	£338 - £382	£296 - £334	£406 - £456
4	40%	£168 - £188	£238 - £260	£262 - £296	£382 - £426	£334 - £370	£456 - £506
5	25%	£188 - £208	£260 - £282	£296 - £320	£426 - £460	£370 - £396	£506 - £542
6	15%	£208 - £240	£282 - £316	£320 - £376	£460 - £506	£396 - £452	£542 - £605

The impact of the proposed model as a comparison with the current scheme if retained into 2024/25

Band	No. households	% households	Average weekly CTS Model 1 2024/25	Average weekly CTS Current scheme in 2024/25
1	8,829	82.3	£22.22	£22.10
2	301	2.8	£19.17	£15.60
3	556	5.2	£16.15	£11.03
4	489	4.6	£11.42	£9.68
5	213	2.0	£7.24	£10.22
6	150	1.4	£4.39	£11.89

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

No longer eligible	169	1.6	£0	£14.55
Total	10,729			

The model increases the average level of support for 10,175 households (94%) of the caseload demonstrating its overall positive impact between bands 1-4 for residents with the lowest incomes.

The main reductions in support are for those claimants in higher bands (5-6) with higher household incomes. These see more significant drops in support.

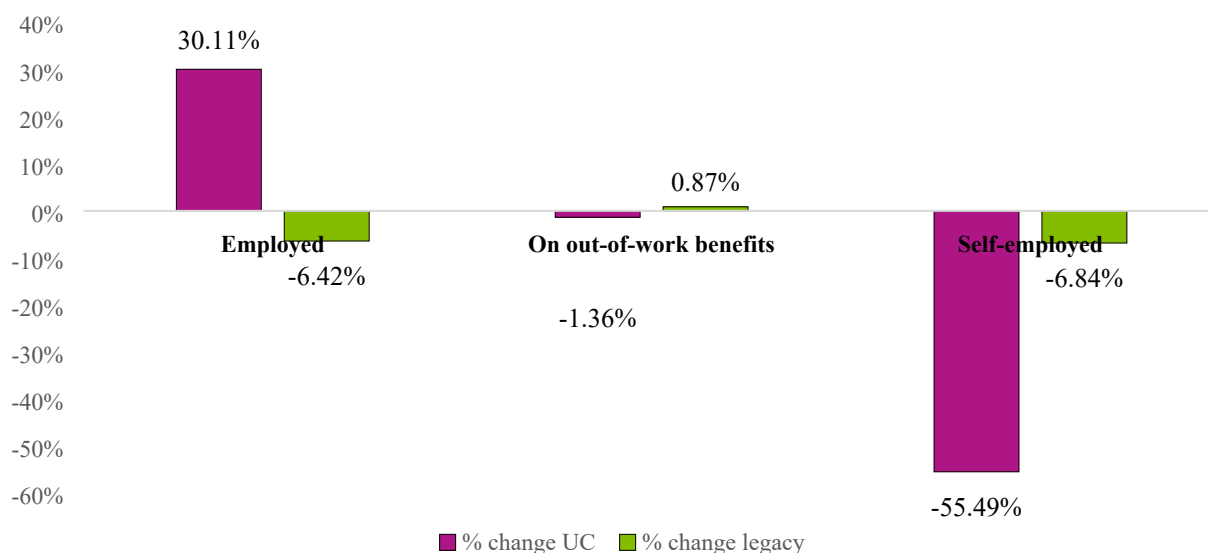
169 households lose 100% of their current award. This will be a substantial impact for these claimants with potentially large financial losses.

For households that lose out the majority are due to falling into income bands that give an award lower than the earnings taper in the current scheme (employed), as well as due to the introduction of flat rate non-dependant deductions.

The restriction of the children addition to two children will also impact households with larger families and result in lower awards.

This impact can also be modelled against employment status:

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by economic status



This modelling demonstrates a positive impact of the new scheme on UC claimants in employment against the retention of the current scheme.

Employed households under the old legacy benefits lose out. This is because of a different calculation of household income under the income band for these cases and may also be due to non-dependant deductions.

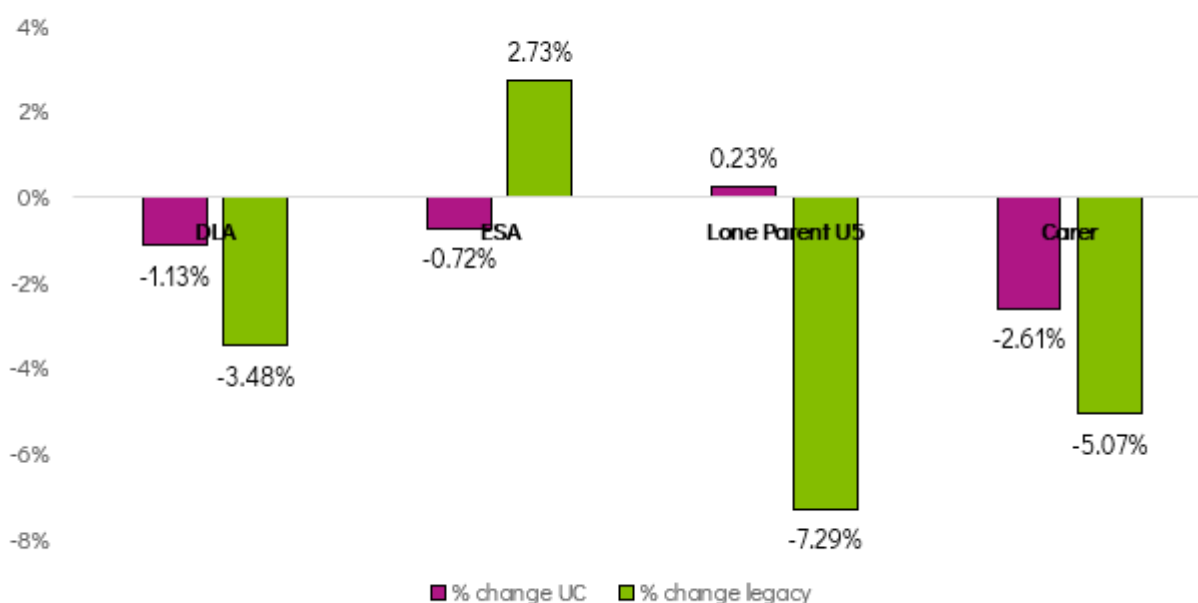
These awards are evened out in the model, meaning UC households gain more compared to the current scheme in 2024/25.

The proposed scheme provides better support for employed earners on UC than the current scheme and therefore supports employment and does not disincentivise work.

This is important in the context of managed migration of the remaining legacy benefit case load to UC which is due to commence in 2024.

The data set identified for self-employed claims on UC is very small due to the way UC is reported. The large drop in support for these households is skewed by the small sample size and is not taken as representative.

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by barriers to work



Modelled scheme: change in average CTS award, by barriers to work

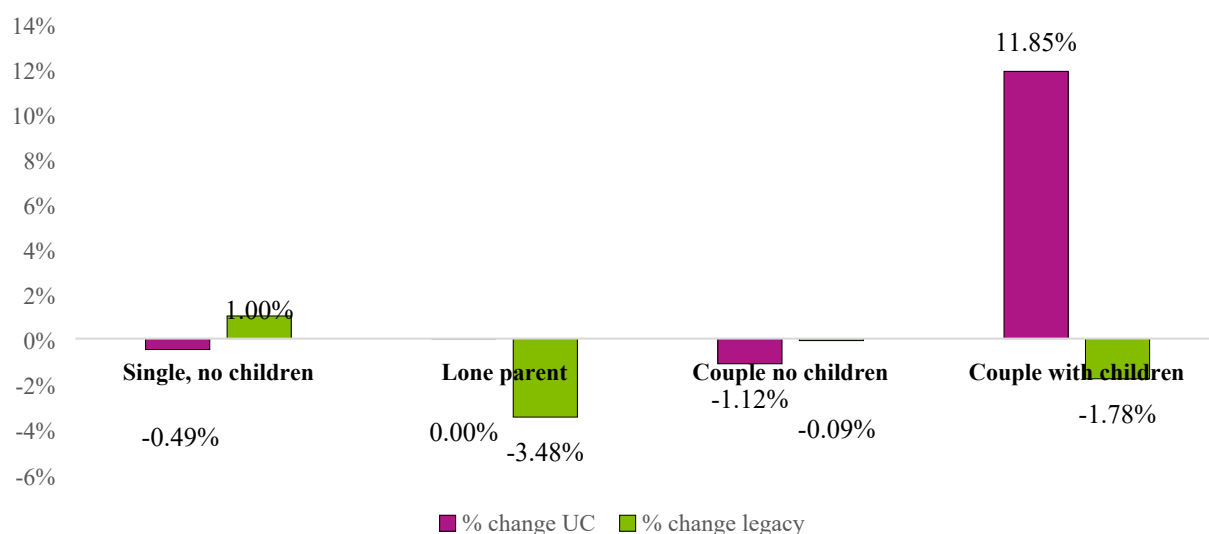
Disabled claimants (DLA) see a slight reduction as an average. This can be attributed to a loss of disability premiums from the current scheme that are not contained in Model 1 and a difference of support from the income band threshold against the current means test.

The proposed scheme protects the level of support (band 1) where some claimants with barriers to work fall, compared to the current scheme.

Reductions in support can also be attributed to non-dependant deductions for households not in receipt of qualifying disability benefits that were not previously payable now being applied due to the change to a flat rate deduction.

Legacy benefits are again more adversely affected than UC maintaining this trend as an average.

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by household type



The modelling demonstrates a broadly flat impact on most households with small variations as an average percentage change to the CTS award.

Couples with children on UC are benefiting. These households tend to be in employment and will benefit from more generous awards as UC employed.

A scheme that better supports UC claimants is recommended due to the managed migration of the remaining legacy benefit case load to UC, due to commence in 2024. However should the migration be delayed some legacy benefit claimants may see reduced awards.

The proposed scheme mirrors welfare reform and UC by restricting the allowance for dependant children to two.

The Welfare Reform bill implemented a two child restriction from the 6 April 2017 where families were limited to financial support to their first two children.

The government’s reasoning for limiting support to the first two children in a family is that those claiming benefits should face the same financial choices about having children as families who are supporting themselves solely through work.

The current scheme currently treats legacy benefit claimants differently to UC claimants. Restrictions on the child allowance applied within the UC award are also applied within the means test restricting the allowance unless exemptions are granted within the UC award.

Legacy benefit claimants do not currently have any restriction and are granted an allowance for all household dependants.

This has created an inequitable system where claimants are treated differently depending on the type of benefit they receive in the current scheme.

A restriction of the allowance to the first two children will disproportionately affect remaining legacy benefit claimants who are not subject to the restriction however this will align the scheme to how UC claimants are currently treated.

Children allowances have been set at £88 for the first child and £100 for the second child. A higher amount of Child Benefit is awarded for the first child and is disregarded in the scheme. Reducing the allowance for the first child and increasing it for the second child aligns the overall incomes received consistently.

The child element in UC is currently £62.26 per week. By setting the children allowances at a higher level although restricted to two children for one child the allowance is higher and for two children is equivalent to three children within a UC award.

This alleviates some of the impact of restricting the allowance to two children.

Barking & Dagenham has demographics in which 34.9% of households have four or more people in the household.

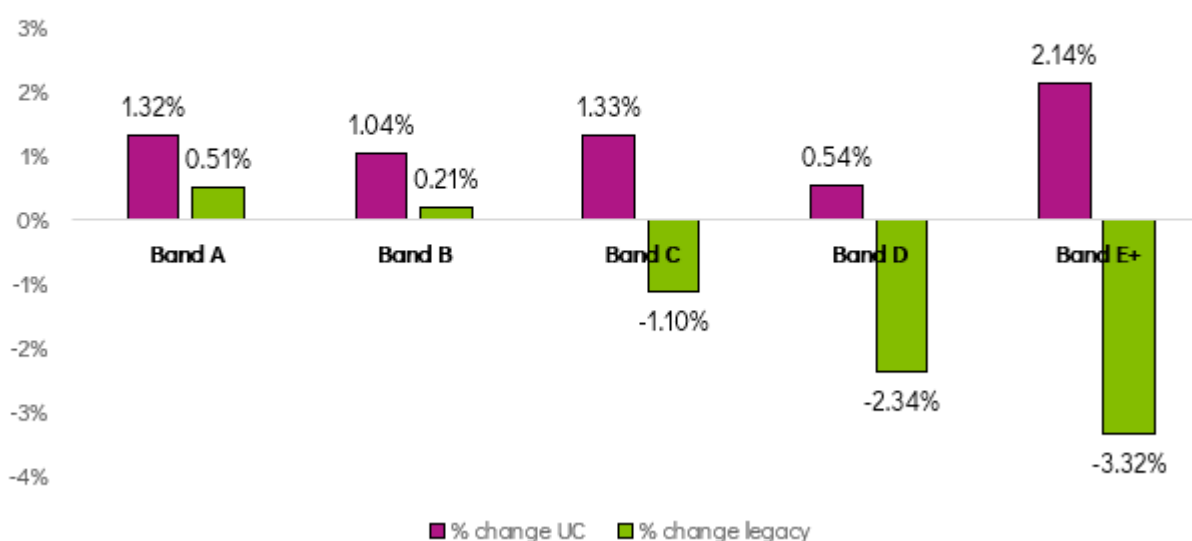
However the average household size in Barking & Dagenham is 2.96 residents per household which remains lower than the restriction to a couple and two children (four person).

It is acknowledged that due to a number of larger families in the borough that are not currently subject to a restriction through receipt of legacy benefits there may be an impact through lower awards due to this restriction being applied, and this may also impact larger families on UC as an ongoing concern.

Some household with three of more children may see significant losses of awards, in some cases this may result in 100% of an award being lost and is raised as a risk.

A removal of this restriction would have significant financial implications for the overall affordability of the proposed scheme.

Percentage change in weekly CTR compared to current scheme retained into 2024/25, by council tax band



Legacy benefit claimants lose out based on their Council Tax band which reflects overall lower levels of support for legacy benefit claimants.

UC claimants see a positive impact.

Introducing flat rate non-dependant deductions

The current practice of means-testing all non-dependants is inefficient with significant amounts of information required from claimants, and ongoing reviews to ensure accuracy and changes in circumstances are applied.

Introducing a flat rate non-dependant charge reduces administration by simplifying the process and requires less information from the resident.

Currently households with non-dependants in receipt of UC (without earnings) have no deduction while non-dependants in receipt of comparable legacy benefits have a deduction creating an inequitable system. A change to the scheme requiring a fair contribution is recommended.

A majority of households that currently have a non-dependant charge have no deduction or a minimum deduction of £4.60. Deductions are prescribed and applied in line with yearly regulatory updates to the current 'default' CTS scheme and have not been set by the Council.

Any increase in the minimum deduction will therefore affect a majority of the deductions currently applied.

As a majority of deductions are at the minimum rate a means test to establish the correct deduction rate is only required for a smaller number of claims.

As a consequence the means testing of non-dependant income is significantly inefficient in its administration of the scheme.

There are 2,807 households in the caseload that have at least one non-dependant. Of these 1,570 are exempt from non-dependant deductions as they receive a qualifying disability benefit. The scheme will continue to disregard these deductions where a claimant or partner are in receipt of DLA or PIP at the middle or higher rates as a qualifying benefit, ensuring the protections that were previously in place will remain.

Protections also remain for non-dependants who are full time students and partners of a non-dependant are also not charged a separate deduction. This mirrors the current scheme.

Of the remaining 1,237 households, 890 households will have higher deductions and 324 will have lower deductions after the introduction of a flat rate deduction of £7.50 per week.

The average increase in deductions is £5.60 per week, whilst the average decrease in deductions is £5.49 per week.

Total number of new deductions

Weekly non-dependant deduction	Number of households
£7.50	985
£15	216
£22.50	34
£30	2

Households with an increase in deduction of £5 per week or more:

Household type	Number of households
Couple with children	46
Couple without children	38
Lone parent	171
Single	194

Economic status	Number of households
Employed	75
out of work benefits	352
Self-employed	22

The implementation of flat rate non-dependant charges will see a majority have increased charges and will affect all household types and economic status.

Single claimants and out of work households are the largest demographic type to see an increase in deductions.

Households losing out

Working age claimants will be affected by the proposed replacement scheme. Some claimants may have increased awards and some claimants may see reduced awards. Many claimants will see their award unchanged.

Any differences in entitlement will be as a result of factors such as differences between the current means test and the new proposed income band thresholds, or the introduction of a flat rate non-dependant charge.

1,501 households have lower awards in the proposed model than the current scheme in 2024/25 (with a tolerance of a difference in award of 10p).

749 households lose support due to having higher non-dependant deductions.

There are currently 10,729 households resulting in 14% of households losing support.

169 households lose all support with 51 of these due to having capital over the reduced capital threshold of £6,000.

Economic status	Number of households	Average loss of support £ per week
Employed	557	£7.18
Out of work	770	£6.62
Self-employed	174	£8.06

The largest majority of households that will lose support are households out of work.

Of the households losing out that are employed, the majority lose out due to falling into income bands that give an award lower than the earnings taper in the current scheme, as well as due to the introduction of flat rate non-dependant deductions.

Of those out of work, the majority is due to the introduction of flat rate non-dependant deductions.

Household type	Number of households	Average loss of support £ per week
Couple with children	341	£8.07
Couple without children	105	£8.57
Lone parent	609	£6.92
Single	446	£5.90

Lone parent households are the largest household overall that loses support.

169 households losing all support (100% of their current award)

Economic status	Number of households	Average loss of support £ per week
Employed	105	£11.28
Out of work	49	£20.20
Self-employed	15	£18.97

Household type	Number of households	Average loss of support £ per week
Couple with children	39	£15.03
Couple without children	15	£14.43
Lone parent	72	£13.79
Single	43	£15.41

The impact of losing all support is considerable and should be noted.

Employed households are the largest household to lose all support.

However this represents only 1.57% of the total case load.

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

The implementation of an income banded CTS scheme in replacement for the current means tested scheme will always result in winners and losers. It is not possible to exactly replicate a means tested scheme while removing the element of means testing.

Income band thresholds and the discounts granted will differ resulting in differences in the new CTS award.

The council has sought to mitigate the impact of the change through the design of the scheme to reduce the overall number of claimants who will lose against their current award.

The highest level of discount (band 1) has been protected at 85% to continue to ensure the lowest income households retain the highest level of support compared to the current scheme.

A total of 1,597 households will benefit from an increased award with an average weekly increase of £7.03.

This is balanced against 1,501 household who lose on average £6.99 per week.

Based on this outcome the scheme change will be neutral or beneficial to 86% of the current case load.

Any community issues identified for this location?		X		No issues recognised	No impact
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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

Prior to the implementation of any change to the CTS scheme the Council is required to consult with the residents of the borough. The guiding principles that have been established through case law for fair consultation are as follows:

- The consultation must be carried out at an early stage when the proposals are still at a formative stage.
- Sufficient information on the reasons for the decision must be provided to enable the consultees to carry out a reasonable consideration of the issues and to respond.
- Adequate time must be given for consideration and responses to be made.
- The results of the consultation must be properly taken into account in finalising any decision.

There is also a duty to consult with the major precept authorities who are statutory consultees.

The aims of any consultation should be to:

- Inform residents and help them understand the impact of the proposals.
- Confirm why the proposals are being made.
- Detail any alternative proposals.
- Give purposeful consideration to realistic alternative proposals presented.
- Obtain feedback on whether residents support the proposals.

The Council will be required to consult extensively on the proposals to change the CTS scheme due to the significant change to the scheme proposed.

The consultation will be primarily web based through an online survey form.

The survey will inform residents of the proposals to change the scheme and ask residents and stakeholders their opinions and views on:

- Replacing the current scheme with an income banded discount scheme for 2024/25 (Model 1)
- Retaining the current scheme unchanged.
- Any other comments

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

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 survey will be run through the Citizens Alliance website and will require promotion across the Council webpages, social media channels, E-newsletter, press releases & CTS award notification letters.

Current CTS claimants affected by the proposals will be contacted directly to explain possible changes to their award (before/after) due to the changed scheme for 2024/25, to invite consultation and feedback on the proposed changes.

It is also anticipated that public workshops will be held at various sites throughout the borough, supported by outreach officers, to enable residents and stakeholders to engage with the proposals in person and these sessions will need to be widely promoted to ensure visibility and attendance.

Consideration will be given to the communication strategy for inclusion to ensure all residents have equal access and uptake given the links between exclusion in respect to communication given the link between exclusion and poor health (e.g. digital exclusion, non-English speakers, those engaged with community groups but not statutory authorities, etc.).

Direct engagement with voluntary partners and stakeholders will be required with the support of the relevant internal teams to ensure a broad section of these partners are engaged in the consultation process.

CTS scheme consultations historically have poor response rates from residents and the Council will need to ensure it widely promotes the consultation to ensure engagement in the proposals.

The outcome of the consultation will be reported to Cabinet.

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?
Impact of change monitoring by reviewing Council Tax collection rates and the number of CTS claims made and ongoing expenditure against the CTS scheme.	Ongoing	James Johnston
Regular monitoring based on performance frameworks	Ongoing	James Johnston

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 current CTS scheme has numerous ongoing issues with its administration that highlights the need for the Council to consider a replacement scheme in order to effectively administer and provide support to residents through the core support of the CTS scheme.

The requirement to consider a replacement CTS scheme means the Council should now consider the implementation of an income banded discount CTS scheme to address some of the issues that arise with the retention of the current CTS scheme.

An income banded discount scheme provides support based on bands of income and provides a percentage discount off the Council Tax bill (the CTS award). The number of discount bands, the level of discount and income thresholds can all be varied. Income banded discount schemes can be designed to be as simple or as complex as desired, can be made more or less generous and designed to support protected groups if required. Re-assessment of cases will only be required if income crosses one of the income band thresholds.

An income banded CTS scheme can be designed to assist households with low incomes and ensure that their Council Tax liability is manageable and fair.

It is difficult to vary the current CTS scheme to adopt or target different levels of support at a range of applicants. An income banded discount scheme gives the Council the opportunity to vary support based on a targeted approach to residents in line with Council objectives and Borough manifestos.

The draft proposed replacement income banded discount CTS scheme for 2024/25 can be summarised to have the following equality impacts on current CTS claimants:

- **Age** - Scheme changes will affect all working age claimants but are not related to a person's age beyond the criteria to be working age.
- **Disability** – Some claimants will be better off and some worse off. Legacy benefit claimants are more likely to be affected. Protections against non-dependant deductions remain. The EIA highlights negative impacts on this group.
- **Gender re-assignment** – No impact
- **Marriage and civil partnership** – No impact
- **Pregnancy and maternity** – No impact
- **Race (including Gypsies, Roma and Travellers)** – No impact
- **Religion or belief** – No impact
- **Sex** – Impacts may differ by sex but the calculation of CTS is not related to a persons gender.
- **Sexual orientation** – No impact
- **Socio-economic Disadvantage** – Some claimants will see increased awards, some

reduced award and some will see awards unchanged. All types of household and income status will be affected. The impact of the changes will not always be consistent.

The replacement CTS scheme will help the Council to meet key objectives contained in its corporate plan 2023 to 2026 which can be summarised as follows:

- **Putting residents at the heart of what we do**
 - Delivery on a new CTS scheme
 - Creates a scheme that remains fair and equitable to all residents, requiring a fair contribution towards Council Tax from those who can pay while protecting the most vulnerable.
 - Simplifies the scheme making it easy for residents to understand and access when/if required.
 - Looking at our risk management while we consider replacing our scheme
 - Making every contact count (reducing avoidable contact & providing better customer service)
 - Innovation to meet the challenges of today and tomorrow
 - Provides the borough with a CTS scheme that has recognised the need for change and provided a scheme that is fit for purpose into the future
 - Building service capacity for the future and Improving the efficiency of support available
 - Making it easier to get support
 - Being evidence lead and data driven on why we are changing our scheme
 - Providing value for money in how we administer our scheme
 - Cost neutral helping to support our medium term financial strategy and wider Council budgets and therefore does not require cuts to additional services to fund its cost.
 - Help to improve Council Tax collection rates
 - Reductions in printing/post costings

- **Support the big issues of poverty, unemployment, debt & inequalities**
 - Provides and protects the maximum level of support for all low income households.
 - Supporting residents through the cost of living crisis
 - Better financial resilience, stability and security
 - Support against unsustainable debt
 - Supporting the most vulnerable residents
 - Supporting, encouraging & incentivising employment and a return to employment
 - Help to live independent lives

- **Equality, diversity and inclusion at heart of decision making.**
 - Fundamental to how we approach a change in our scheme with a responsibility to the Equality Act.
 - Completing an EIA to assess the impact of our decisions on those with protected characteristics and to implement mitigations for adverse impacts where possible. EIA at the heart of decision making.

This EIA demonstrates a variable impact of the proposed draft CTS scheme change against

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

equalities, diversity and the protected characteristics from the Equalities Act.

Some groups with protected characteristics will be affected and lose support.

Some low income groups will be affected and lose all support.

The level of losses is variable on each case.

Some groups will be better off from the change and this will benefit all types of characteristics.

Overall the impact of the scheme for 86% of current claimants is either neutral or positive.

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
Donna Radley	Head of Welfare	28/09/2023

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CABINET**17 October 2023**

Title: Gascoigne East Phase 3A (Block J) – Approval of Disposal, Head Lease and Loan Facility Agreement	
Report of the Cabinet Member for Regeneration and Economic Development	
Open Report	For Decision
Wards Affected: Gascoigne	Key Decision: Yes
Report Author: Uju Eneh, Programme Manager – Place and Development, Inclusive Growth	Contact Details: Uju.Eneh@lbbd.gov.uk
Commissioning Lead: Rebecca Ellsmore, Strategic Head of Place and Development	
Accountable Executive Team Director: James Coulstock, Interim Strategic Director of Inclusive Growth	
<p>Summary</p> <p>Following two reports presented to Cabinet (June and July 2023) that secured approvals for loans and leases to allow 960 new homes to transfer into the Reside portfolio, this report lists a further 124 new homes, on Gascoigne East Phase 3A Block J, that are proposed to also transfer to Reside.</p> <p>The properties have been delivered within the Council’s Investment and Acquisitions Strategy (IAS) which was most recently presented to Cabinet in November 2022.</p> <p>This report seeks delegated approval to complete the documents required to dispose of the properties by way of a lease to the appropriate Reside entities, alongside a loan to enable this disposal.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <p>(i) Approve, in principle, the disposal of the scheme below by the granting of long leases to the appropriate Reside entity (either Barking and Dagenham Homes Ltd (company no. 12090374) or B&D Reside Weavers LLP (registered no. OC416198);</p> <p>Gascoigne East Phase 3A Block J</p> <ul style="list-style-type: none"> • Farrimond House, 1 St Mary’s, Barking, IG11 7SN • Farrimond House, 6 St Mary’s, Barking, IG11 7PH • Farrimond House, 10 St Mary’s, Barking, IG11 7PH • Farrimond House, 13 King Edwards Road, Barking, IG11 7ZZ • 2, 4, 6 and, 8 Fisherman Street, Barking, IG11 7AA 	

<ul style="list-style-type: none"> (ii) Approve, in principle, the draft Heads of Terms and loans for Gascoigne East Phase 3A Block J to the appropriate Reside entity, as set out in section 2 of the report; (iii) Delegate authority to the Strategic Director, Finance and Investment, in consultation with the Strategic Director, Inclusive Growth, to agree and finalise the terms of the loans, leases and any other associated documents, and to take any steps necessary to ensure compliance with s123 of the Local Government Act 1972 and the Subsidy Control Act 2022; and (iv) Delegate authority to the Head of Legal Services, in consultation with the Strategic Director, Inclusive Growth, to execute all the legal agreements, contracts, and other documents on behalf of the Council in order to implement the arrangements
<p>Reason(s)</p> <p>The decisions are required to enable the disposal of Gascoigne East Phase 3A Block J to the relevant B&D Reside companies, helping to meet the Council’s aim to increase the supply of affordable housing options for residents and to ensure efficient property management.</p>

1. Introduction and Background

- 1.1 Since June 2023, Cabinet has approved arrangements for 960 new homes built across the borough to transfer to Reside entities. Reports presented to Cabinet on 20 June 2023 (Minute 8) and 18 July 2023 (Minute 24) advised that similar reports would follow in the future. This report seeks approval for a further 124 new homes that are being built by Be First – the regeneration arm of the Council.
- 1.2 Gascoigne East Phase 3A Block J is part of the Gascoigne Estate Renewal Programme and the Council’s Investment and Acquisitions Strategy. It is anticipated that Block J will achieve Practical Completion in November 2023. The block is entirely made up on affordable tenures - demonstrating the Council’s commitment to building new, affordable homes. We anticipate a further 63 new homes will be delivered in the remainder of this financial year.
- 1.3 In order to ensure the efficient management of the new properties the Council set up several companies and limited liability partnerships (LLPs) under the ‘Reside’ banner, together with Barking and Dagenham Homes, which is a company limited by guarantee and owned by the Council. It is intended that properties delivered by the Investment and Acquisition Strategy will be transferred into Reside companies and LLPs by way of leases, with the specific Reside vehicle being identified for each site depending on the type of units and tenures included in the scheme. Details on the legal status and ownership of each of the Reside entities is contained in section 3 below.
- 1.4 This report updates Members on the estimated practical completion and handover to the Council of scheme Gascoigne East Phase 3A (Block J) which was approved by Cabinet as part of the Gascoigne Estate Renewal Programme in various reports between 2010 and 2016. It then seeks approval for the disposal of these properties

by granting long leases to companies within the group of Reside entities. The length of the leases and loan amounts are set out in paragraphs 2.5.

2. Proposal and Issues

- 2.1 The Investment and Acquisition Strategy funds development and recovers borrowing costs from the income generated. The combination of grants, lease premiums and the repayment of the loans set out below will cover the Council's borrowing on the schemes. As the lease premium and loan amount is directly related to the final cost of the scheme there may be some minor changes to the premium and loan amounts. The recommendation therefore seeks delegated authority to the Strategic Director Finance and Investment to finalise the loan terms, including the final lease premium and loan amount, to reflect this.

Best Consideration

- 2.2 To comply with section 123 of the Local Government Act 1972, the scheme in this report must be disposed of at best consideration reasonably obtained evidenced by professional valuation. To ensure that we comply with this legislation, we will obtain a Red Book valuation and the recommendations will only be enacted should the S151 Officer be satisfied that Best Consideration has been achieved.

Subsidy Control

- 2.3 Work is ongoing to ensure that the implications of the Subsidy Control Act 2022 is understood, and that this disposal is compliant with this new legislation. This report requests delegated authority to the S151 Officer to proceed with the recommendations once they are satisfied that compliance has been demonstrated.

Scheme and proposed lease

- 2.4 The disposal of Gascoigne East Phase 3A Block J will happen by the way of long leases and linked loans. The following sections set out the proposals for the loans, headlease and loan facility agreement:

2.5 Block J (London Affordable Rent homes)

Unit and tenures	66 London Affordable Rent units
PC date	Estimated November 2023
Reside entity	Barking & Dagenham Homes Ltd (Company No:12090374)
Draft Heads of Terms	
Lease commencement date	TBC
Lease Length	150 years
Lease Premium	£26,368,674 subject to final accounts on costs
Grant Funding and Amount:	GLA: £6,600,000 Private Wire Network Income: £209,830 HRA: £4,950,132
Loan	£14,608,712 subject to final accounts on costs

2.6 Block J (Affordable Rent homes)

Unit and tenures	58 Affordable Rent units
PC date	Estimated November 2023
Reside entity	B&D Reside Weavers LLP (OC416198)
Draft Heads of Terms	
Lease commencement date	TBC
Lease Length	130 years
Lease Premium	£21,526,274 subject to final accounts on costs
Grant Funding:	Right to buy
Grant Amount:	£8,610,509
Loan:	£12,915,764 subject to final accounts on costs

3. Company / LLP information

- 3.1 The Reside entities mentioned above are part of a larger scheme of Reside companies and LLPs. The relevant information regarding each entity is detailed below:
- 3.2 Barking and Dagenham Homes Ltd (Co No:12090374) is a company Limited by guarantee with one member, the Council, which wholly owns it.
- 3.3 Barking and Dagenham Homes Ltd is in the process of becoming a Registered Provider with the Regulator of Social Housing. It is anticipated that this process will be complete by the end of 2023.
- 3.4 B&D Reside Weavers LLP (OC416198) is a limited liability partnership owned by (1) Barking and Dagenham Giving, which is a company limited by guarantee and a registered charity (Co No: 09922379, charity:1166335) and (2) B&D Reside Regeneration LLP (OC400585).
- 3.5 B&D Reside Regeneration LLP is jointly owned by (1) Barking and Dagenham Reside Regeneration Ltd (Co No: 09512728) and (2) London Borough Of Barking And Dagenham.
- 3.6 B&D Reside Weavers LLP is owned 90% by Barking and Dagenham Giving and 10% by B&D Reside Regeneration LLP. The Council does not wholly own or control B&D Reside Weavers LLP; it is controlled by the charity Barking and Dagenham Giving. The Council cannot therefore make any decisions as member or partner to give direction to it in the way that it can direct its wholly owned vehicles.

4. Options Appraisal

- 4.1 **Do nothing:** The Council's Investment and Acquisitions strategy highlights the importance of collaborating with Be First and Barking & Dagenham Reside to ensure the correct mix of tenure is agreed and built. If the Council does not now

dispose of these completed homes to the stated entities the Council will need to manage and let the properties directly.

4.2 **Dispose to a third party:** If the Council decides to dispose of these new homes to a third party there is a risk the Council could lose control of new housing stock which has been built to benefit local residents and address the borough's housing needs.

4.3 **Dispose to the entities stated in the report as per the recommendations:** By disposing of these new homes by the way of a leases to the proposed entities, the Council will see the benefit of rental income as the turnover will come back to the Council from the homes held in B&D Weavers LLP. In addition to this, this option will enable transparency and the ability of the Council to influence how homes are let and managed in B&D Homes Ltd and B&D Weavers. Finally, B&D Homes Ltd have charitable objectives in place post registration which ensure that the surplus that they generate are used to benefit the residents of the London Borough of Barking and Dagenham.

5. Consultation

5.1 These proposals are in line with the Council's Investment and Acquisitions Strategy. The decision to approve the IAS was taken in public by Cabinet in November 2022. All relevant stakeholders are in agreement with the terms set out in this report.

6. Financial Implications

Implications completed by: David Dickinson, Investment Fund Manager

6.1 This report seeks Cabinet approval for the disposals of completed developments by granting long leases to Barking and Dagenham Homes Ltd, Company Number: 12090374 and B&D Reside Weavers LLP, Registered number: OC416198 as set out in the body of the report.

6.2 The total development cost has been used to produce the lease premiums, with the loan amount then reduced by any grant to produce the loan amount. Each loan will be for 52 years, with the first two years being interest only followed by a 50-year debt repayment schedule. At the end of the 52 years the net costs to build each property will be fully paid off. The repayment schedule matches the Minimum Revenue Provision that the Council needs to be allocate from its revenue budget to cover the net development costs for each scheme.

6.3 A fixed interest rate for the 52-year loan period has been set for each loan based on tenure type. The loan rates were agreed by Cabinet in April 2022 as part of the Investment and Acquisition Strategy report. A lower rate has been agreed for social housing, which reflects the viability pressure of this much lower rent tenure. Interest rates are fixed at the time of construction and confirmed at handover to allow certainty over the schemes costs and ensure they remain viable when they are transferred to Reside. When rates are agreed then borrowing is allocated to the scheme and is linked to long term borrowing, predominantly from the Public Works Loan Board (PLWB).

- 6.4 Interest rates have increased significantly over the past year and the interest rate for pre-gateway 4 schemes and schemes agreed in 2022, are at a higher rate than these schemes and reflect the increased borrowing cost to the Council.
- 6.5 As part of finalising the loan agreements, advice on the valuation and Subsidy will be sought. In addition, the figures in this report are subject to minor amendments as final costs for some of the schemes are still being confirmed but it is expected that changes will be minimal.

7. Legal Implications

Implications completed by: Dr Paul Feild, Principal Standards and Governance Solicitor

- 7.1 The general power of competence in section 1 of the Localism Act 2011 provides sufficient power for the Council to participate in the transactions 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.
- 7.2 The Council participating in the proposals as a local authority is an emanation of the state, and as such the Council must comply with the Subsidy Control Act 2022. This means that local authorities cannot subsidise commercial undertakings or confer upon them an unfair economic advantage. The report does not identify any specific aspect of the proposed disposals by lease to the Councils Company detailed as other than as a commercial transaction and it is understood a valuation will take place. The situation regarding the loan agreements is that if the lending is to be on other than a commercial basis it must be compliant with the UK Subsidy Control Regime. Being new legislation while guidance has been issued, there is no case law yet established setting out the application in real circumstances. For this reason, professional advice in the form of legal opinion is being procured as obviously the Council needs to get this transaction right first time. Nevertheless, as there is no intention in the structure of the Investment and Acquisition Scheme to operate other than on a commercial going concern, then the lease disposals terms should reflect that.
- 7.3 The Council companies proposed to take the leasehold interests are detailed in paragraph 3 above.
- 7.4 The leases will be on commercial terms for the periods set out in paragraph 2 above. The reason for the use of leases rather than outright disposal is that the head lease will give the Council greater control over the stewardship of the site than would be the case with freehold disposal because obligations on the leaseholder will be contractually binding for the life of the lease and any sub-leases in due course will also be so bound.
- 7.5 As a long leasehold is an interest in land and more than seven years the sites must be disposed in accordance with the Local Government Act 1972 Section 123(2) at best consideration reasonably obtained. This is to be evidenced by professional valuation. Furthermore, appropriate due diligence should be carried out regarding

title and that the necessary appropriation steps be carried out with each site as may be required.

Public Background Papers Used in the Preparation of the Report:

- Treasury Management 2022/23 Mid-Year Review, November 2022 Cabinet report (<https://modgov.lbbd.gov.uk/Internet/ieListDocuments.aspx?CId=180&Mid=12608&Ver>)

List of appendices: None

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CABINET**17 October 2023**

Title: Parking Proposals - Amendment to Controlled Parking Zone (CPZ) Policy	
Report of the Cabinet Member for Enforcement and Community Safety	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Daniel Connelly, Parking Design Manager	Contact Details: E-mail: daniel.connelly@lbbd.gov.uk
Accountable Director: Gary Jones, Operational Director, Enforcement and Community Safety	
Accountable Executive Team Director: Fiona Taylor, Chief Executive	
<p>Summary</p> <p>Following the most recent round of Controlled Parking Zone (CPZ) consultations it has become more apparent that residents feel unclear as to exactly how any feedback they provide during consultation impacts on the overall decision as to whether a CPZ is introduced or not.</p> <p>This report aims to provide clarity on this issue in a way that is fair and transparent but also considers the Council's priority of ensuring "Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods". This is achieved by reducing car ownership, improving air quality, creating safer roads and reducing parking related congestion and access issues.</p> <p>The report also outlines proposals relating to permit issuance process and the review of CPZs.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Agree amendments to the CPZ decision-making criteria and, in particular, the Resident feedback section of the Implementation of Controlled Parking Zones (CPZ) Residents Parking Policy, as set out in Appendix 1 to the report; (ii) Agree the restrictions on parking permit issuance within a CPZ, as set out in section 2.4 of the report; and (iii) Agree the revised arrangements regarding reviews of implemented CPZ schemes, as set out in section 2.3 of the report. 	

Reason(s)

To provide a clearer and more transparent CPZ decision making criteria, CPZ review and permit issuance process which assists the Council in achieving its priorities in that “Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods”.

1. Introduction and Background

- 1.1 In September 2018 cabinet approved a report entitled “Controlled Parking Zones - Consultation and Decision Making Process which set out proposals for consulting on and implementing controlled parking zones (CPZs) across the borough. This report included the application of a scoring matrix in the determination of whether or not a scheme had sufficient support / merit to progress following consultation. The scoring matrix considered three factors: identified need, level of resident support and ward councillor support. Depending on how each factor was met a score of -1, 0, +1 or +2 is applied. Where a proposal was high scoring (+4 to +6) the scheme would be implemented. If a low score was achieved (-4 to 0) the scheme would not be introduced. In the scenario where a score of +1 to +3 was achieved, the final decision would rest with the at the time Director of Governance and Law in consultation with the lead Cabinet Member. Full criteria can be found at [CPZ Criteria Report \(lbbd.gov.uk\)](http://lbbd.gov.uk). It should be noted that when referring to CPZ consultation in this report this refers to the informal process and not the statutory Traffic Management Order (TMO) process which is a legal and statutory requirement and remains unchanged by this report.
- 1.2 However, in May 2019 and following stakeholder feedback from the initial round of consultation on areas A – D a Cabinet report entitled “Controlled Parking Zone Programme – Update and Funding” was drafted and agreed. Para 2.5 of this particular report set out the need to review the criteria and streamline the decision-making process. This essentially resulted in the scoring element of the criteria being removed as it was felt this wasn’t robust enough to ensure a balanced outcome and was open to challenge. It should be noted however that the key factors (identified need, resident support and ward councillor support) were retained and continue to be an essential part of the decision-making criteria today. As well as those factors, it was recognised there may be occasions where safety or congestion concerns related to parking are identified and the implementation of a scheme could be justified irrespective of the outcome of the consultation and any other factors considered. This is especially relevant when concerns are raised by the emergency services. This again remains to be the case for the current criteria which is in place and is outlined in more detail below. The full report can be found at [CPZ Capital Funding Report \(lbbd.gov.uk\)](http://lbbd.gov.uk).
- 1.3 The current CPZ decision making criteria has been in place since then and can be found in Appendix 1 which for ease also shows the proposed changes which are detailed within Para 2 Proposal and Issue section of this report - As mentioned this policy continues to place emphasis on the following 3 key areas:
- Identified Need
 - Resident Feedback
 - Ward Councillor Feedback

Identified Need

- 1.4 This section of the policy considers a number of factors which are identified by the Council as well as those received by external colleagues such as the emergency services and TfL. These are categorised as follows:

Safety	<ul style="list-style-type: none"> - Schools located within the zone - Reported road traffic accidents - Concerns identified by Emergency Services / TfL
Congestion	<ul style="list-style-type: none"> - Community Hubs & shopping parades within zone - Schools traffic - Transport Hubs (trains & buses) - Displacement parking from neighbouring CPZ - Access issues - Commercial vehicle parking
Air Pollution	<ul style="list-style-type: none"> - Proximity to boroughs most polluting roads - Mayors Ultra Low Emissions Zone (ULEZ) - Mayors Manifesto - LBBD Parking Strategy (area-based approach to parking control)

- 1.5 Not only do these considerations help in determining what areas need to be prioritised for consultation but they play a key role in decided whether a scheme should be introduced. It should be noted that no specific weighting is applied to this element but is instead considered alongside ward councillor and residents' feedback and feeds directly into priority 6. The only exception to this is if safety concerns are raised by the emergency services or TFL which need to be addressed to ensure the lives of pedestrians and road users isn't impacted.
- 1.6 The Parking Service remains committed to the vision to achieve all the benefits CPZ provides, which is often accomplished via our emissions-based permit pricing structure, which discourages "gas guzzlers" and unnecessary journeys being made. This vision includes:

- Improved access to parking for residents, visitors, businesses and blue badge holders
- Improved road safety, particularly around schools and community hubs which are used by the borough most vulnerable residents and visitors.
- Improved Air Quality (Net zero ambitions) - In line with the requirements of the Mayor of London's Transport Initiatives and Manifesto we have been encouraging members of the public to choose healthier and more sustainable methods of transport including, walking, cycling and public transport.
- Reduced Traffic Congestion and improved access for the emergency services and Councils refuse collection team
- Improved Access for pedestrians - Parking bays and yellow lines help to ensure pedestrians can safely use the footway which is especially needed for vulnerable residents such as wheelchair users and those who are partially sighted.

Residents Feedback

- 1.7 Resident feedback is the most challenging part of the criteria and is therefore where this report focuses specifically in trying to make it more transparent and clearer to all stakeholders on how resident feedback or low or non-response impacts on whether a scheme will or will not be introduced. The most challenging aspect of resident feedback is the misconception that if a scheme is not supported (voted) by the majority of those consulted, then by default the scheme should not be implemented. However as already mentioned all factors must be considered when determining the outcome of the scheme and residents feedback forms just part of this.
- 1.8 The most common types of objection feedback received during consultation includes:
- The CPZ is being imposed to make additional income for the Council - this forms approximately 75% of all feedback received.
 - Concerns over visitor parking i.e. family members or carers visiting a resident at home.
 - Impact to local business (less customers).
 - Request for changes to the scheme proposal i.e. operating times.
- 1.9 The most common types of supporting feedback includes:
- Inconsiderate parking is causing access issues for the emergency services or other.
 - Too many parked vehicles on street and multiple vehicle ownership.
 - Increased parking pressures from new housing developments.
 - Dropped kerb obstruction.
 - Parking of commercial vehicles.
- 1.10 Since the beginning of the CPZ project in 2018, there have been many occasions where feedback from residents and ward councillors has helped shape a scheme proposal from a range of aspects, including design, type and location of parking bays, posts and signs as well as the operating period of a scheme, which has all come from comprehensive consultation with these stakeholders.
- 1.11 To ensure residents are fully aware of our proposals and that consultation is fully inclusive to all members of the community we consult in a variety of ways including:
- Letter drop to all affected residents with follow-up reminders letters being issued.
 - Include all proposals online and with London Gazette and within other local publications.
 - Placing public notices (Notice of Intent) on street furniture as required.
- 1.12 We encourage feedback via:
- One Borough Voice online
 - Automated telephone line
 - Parking customer care team over the phone

- Public Meetings
- Libraries
- Door to door engagement
- Email

1.13 In addition:

- Where possible we make use of the new “community hubs” throughout all stages of the process as these will often be ideally located within the zone in question and can provide an additional route for residents to get information and provide feedback.
- Consider alternative methods of engagement through digital media and the communications team, one borough newsletter and other LBBB literature, libraries, community groups etc.

Ward Councillor Feedback

1.14 The views of ward councillors as elected representatives is a key consideration in the consultation process. Incorporating the views of ward councillors as part of the design, consultation and decision-making process provides councillors the opportunity to fully engage in the decision-making process and voice the views of the community they represent. In all cases ward members are consulted at the initial CPZ design/proposal stage (before residents are consulted) and again after consultation with residents when the CPZ decision is being made. Feedback received from ward councillors is considered in conjunction with identified need and residents’ feedback as outlined above.

2. Proposal and Issues

2.1 The proposed changes focus specifically on the following areas:

- (i) Agree amendments to the CPZ decision making criteria and in particular the Resident feedback section of the Implementation of Controlled Parking Zones (CPZ) Residents Parking Policy (see Appendix 1)
- (ii) Agree terms to restrict parking permit issuance within a CPZ (as required)
- (iii) Agree terms for CPZ Review

2.2 CPZ Decision Making Criteria - Changes to Resident Feedback

2.2.1 As already mentioned in this report there is a need to provide more clarity when it comes to what impact residents’ feedback has upon the introduction of a CPZ and also what consideration is given to the nature of feedback and non-response.

Resident Feedback Threshold

2.2.2 Therefore its proposed that a threshold be applied which residents would be clearly advised of at the consultation stage. It is recommended that a realistic and fair response rate to affect the outcome should be set at a minimum of 30% in line with local government elections rates and based on previous consultations. When looking at our most recent consultations, CPZ consultation response rates vary between 11 to 61% (individual response rates are set out within the table below) and average out around the 25.6% which roughly aligns with local election turnout.

With the additional consultation engagement activity now being undertaken around CPZ's and clearer defined thresholds we envisage response rates to increase and for this threshold to be representative.

Previous Response Rates

Scheme	Ward	Response Rate
Area S6 (Zone STR)	Parsloes and Mayesbrook	17%
Area S7 (Zone STR)	Parsloes and Mayesbrook	11%
Area S8 (Zone WB)	Heath	22%
Area S10 (Zone MG)	Chadwell Heath	23%
Area S11 (Zone RCS)	Whalebone	31%
Area S14 (Zone RCS)	Heath	11%
Area S15 (Zone EBS)	Eastbrook and Rush Green	61%
Area S16 (Zone CH)	Becontree	26%
Area S20 (Zone EBS)	Eastbrook and Rush Green	29%

2.2.3 In instances where the minimum 30% response rate is met a level would need to be set to determine whether or not the majority of those residents who have responded to either support or object to the proposal. It is suggested this rate should be set at a minimum 66% as this provides a two thirds majority and would then be used as a deciding factor as to whether the scheme is formally introduced or withdrawn, subject to paras 2.2.3 and 2.2.4.

2.2.4 If the minimum 30% threshold is not met consideration focusses only on the other two factors, identified need and member's feedback. Although Resident feedback will be considered to ensure the best outcome is achieved i.e., improvement to scheme design or regarding small changes to the scheme, resident feedback will no longer be considered at this stage as a factor to determine whether the scheme is implemented or not.

Nature of Feedback and Breakdown by Road or Area

2.2.5 In addition to the threshold outlined above it is prudent to further breakdown the nature of the feedback received as it may be possible to mitigate some elements of concerns or objection reason being raised during consultation. Some examples of this may include but not limited to:

- Don't want to pay for visitors to park – The Council is now offering 10 free visitor sessions for new scheme rollouts.
- The operating period is too long – in the past we have been able to reduce operating periods where this is common feedback theme.
- It will affect local business – we are now extending the free parking period offered in secondary shopping parades from 30 minutes to 1hr and from 1 hour to 2 hours in council car parks.
- The proposal is an initiative designed to generate income for the Council – It should be noted that all income received for on street parking is ringfenced under section 55 of the Road Traffic Regulation Act 1984 and as such may not be used for general fund purposes, but to ensure parking services is self-financed and is able to provide the necessary enforcement and back-office support of such zones.

- 2.2.6 In instances where constructive changes to the scheme can be made or resolution to a formal objection is identified and clearly demonstrated to ward councillors then flexibility should be applied to the original objection and potential removal of the objection from the overall feedback response figures may be considered.
- 2.2.7 Given the rationale as to why the scheme is being proposed in the first place, specific consideration will be given to feedback relating to safety, congestion, air quality and commercial vehicle parking.
- 2.2.8 When analysing feedback, it is also helpful to look at feedback by road or area as it maybe that the above threshold of 30% response rate and two third majority is reached, resulting in a clear mandate to introduce a scheme based on this factor alone. Again, this needs to be considered in conjunction with all factors covered in paragraphs 2.2.5 – 2.2.11.

Overriding factors

- 2.2.9 For those instances where the recommendation is based on other factors such as serious safety concerns, severe congestion and/or the concerns of the emergency services, the matter will be referred to the relevant Director for a second-tier review and final determination, in consultation with the relevant Cabinet Member. It is recognised that there may be occasions that concerns related to parking restrictions are so severe that the case for implementing a scheme can be justified irrespective of the outcome of the consultation. Such a situation would be, for example, where there are serious safety concerns or congestion is so severe that it is endangering the lives of pedestrians or other road users. This is especially relevant when concerns are raised by the emergency services or Transport for London. In previous consultations the London Fire brigade are quite active in raising any concerns they have about access for obvious reasons caused by parked vehicles and as a local authority we have a duty of care to act and resolve these concerns. Its therefore recommended this element of the policy remains unchanged.
- 2.2.10 It maybe that such issues are raised about the entire CPZ proposal or are very specific issues raised about a small part of the zone i.e. one or two roads. When deciding whether a scheme is introduced in only a specific road or location, we must consider the impact this has on the wider area. For example, if the concerns relate to poor parking or high volumes of parking its likely a reduced CPZ to resolve this issue will only displace parking into neighbouring roads, leading to new access and safety issues arising. Considering the severity of the issues being raised its typically our approach to apply an area-based approach and therefore the nature of the issue must be considered carefully.
- 2.2.11 It should be noted that these overriding factors could overrule feedback received as part of the consultation process. This applies even in circumstances where the above resident feedback thresholds are met as set out in paragraphs 2.2.2 – 2.2.4, especially where safety and congestion related issues are identified.

Non-response

- 2.2.12 By establishing a clear threshold this provides a clear transparency to how non-responses will be considered, which is to say we will only consider actual feedback

received and base recommendations on this. The revised decision-making criteria can be found in Appendix 1

2.3 CPZ Reviews

- 2.3.1 Over the course of the CPZ project there have been a few occasions where a request to review a CPZ has been received, which impacts the consultation of new CPZ's which already form part of the approved CPZ programme. These requests relate to wholesale change which requires full scheme re-consultation. An example of this is a change to operating periods or reconfirming public opinion.
- 2.3.2 It is proposed that, as a general principle, no further reviews will be carried out until the completion of the agreed CPZ programme, which is currently scheduled for Autumn 2025. A review will be undertaken in exceptional circumstances, as and when justified, such as due to severe increases in parking demand, or serious safety or access issues being raised. There may be individual circumstances where tweaks to the scheme are requested such as installation of a disabled bay or request for additional yellow lines for example.

2.4 Restriction on Parking Permit Issuance

- 2.4.1 In the event there is over subscription of permits within a given CPZ this will be managed via the permits terms and conditions process and will be site specific. For example, within locations where parking is very limited such as William Street Quarter we are currently operating only 1 permit per household so that the available spaces and ability to park is shared out evenly. Whereas other large zones across the borough where access to parking is much more widespread and accessible such as the Heathway (HW) zone for example is not restricted. The ratio of parking spaces and number of vehicles wishing to park will continue to be closely monitored both on street via the Civil Enforcement Team as well as via complaints in the customer care team and wider parking service. As part of the permit terms and conditions we reserve the right to restrict, or revoke permits to ensure parking needs are met safely and fairly.
- 2.4.2 The issue of oversubscribing is not prevalent in the borough and only really relates to locations where ongoing development is taking place and parking spaces have reduced and the Gascoigne estate is an example of this. Also where new housing development has resulted in increased numbers of local residents now looking to park their vehicle. Although we currently have a policy in place which prohibits residents (motorists) residing in car free or car lite development from obtaining a permit to park it is unfortunately common for parking demand to increase which then becomes an enforcement issue managed by the Civil Enforcement Officers.
- 2.4.3 In the case of new housing developments which arrives within or adjacent to an existing CPZ, which are not car free and are therefore eligible to permits then it is recommended that a restriction to only 1 permit per property is to manage the impact of parking demand within the area.

3. Options Appraisal

CPZ Decision Making Criteria

- 3.1 **Make no change** – the main consideration of this paper in respects of CPZ criteria review is to provide more clarity as to what impact residents feedback has upon the introduction of a CPZ and also what consideration is given to the nature of feedback and non-response. As CPZ expansion has increased across the borough this element of the criteria is being challenged more regularly. Therefore, making no change may be seen as a missed opportunity to provide a more transparent, fair and representative decision-making criteria.
- 3.2 **Apply Scoring Criteria across all three elements** of the criteria including identified need, residents' feedback and member feedback – This option was rejected because this is a very similar approach to what was originally in place back in 2018 but was very quickly amended to the current criteria.
- 3.3 **Undertake Statutory Consultation Only (Traffic Management Order Process)** – This would mean that the Council meet only its statutory obligation in respect of the TMO process which essentially means a proposal is simply published in the local newspaper and London Gazette, and a formal 21-day objection period applies. Any comments or objections received are then resolved, and scheme is then taken forward following resolution of any outstanding issues. All informal consultation methods i.e., letters to residents is not carried out in this case. This option is not recommended because although it meets legal and statutory process it restricts the ability for residents to fully voice any concerns, they have in a fully inclusive and accessible way. Moreover, as already mentioned it is beneficial to have an open and comprehensive dialogues with consultees to ensure the best outcome is achieved.
- 3.4 **Non-implementation of scheme based solely on resident feedback alone (Popular Vote)** - Pursuing this option would mean other factors such as identified need and those raised by emergency services and TfL would not be considered. This option was rejected because not only could this lead to serious access and safety concerns not being addressed, but it will also impact the ability for the Council to meets is priority of “ensuring residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods”. We remain committed to the key principles of the project which are to:
- Reduce car ownership and the amount of motor vehicles journeys being made
 - Encourage active travel and use of public transport.
 - Improve air quality (Net zero ambitions)
 - Improve emergency access

4. Consultation

- 4.1 The proposals in this report are to be considered by the Executive Management Team at its meeting on 14 September 2023.

5. Financial Implications

Implications completed by: Afzal Hussain, Accountant

- 5.1 There are no direct financial implications arising from this report as it relates to the amendment to the CPZ decision making criteria and in particular the Resident feedback section of the Implementation of Controlled Parking Zones (CPZ) Residents Parking Policy. However, the costs of a full consultation will be contained within existing resources.

6. Legal Implications

Implications completed by: Dr. Paul Feild, Principal Standards & Governance Lawyer

- 6.1 The power to create Controlled Parking Zones is set out in section 45 of the Road Traffic Regulation Act 1984 (RTRA). The revenue generated by charges for on-street and off-street parking is subject to the requirement that it be placed within a ring-fenced account, operating in accordance with section 55 of the Road Traffic Regulation Act 1984.
- 6.2 The power to charge and the purposes for which the money may be used has been tested in the courts. They have determined that the power is not to be used as a source of generating revenue, instead the charging regime ought to seek to be self-financing including covering earlier deficits and when a surplus is generated the purpose to which it may be allocated is set out in statute. That does not mean that finances should be on a knife-edge as it is quite lawful to be prudent and to budget for a surplus to allow for unforeseen expenses, shortfalls in other years, and payment of capital charges/debts.
- 6.3 With these considerations in mind any new strategy and charging regime will inevitably take time to settle down. This report follows a review of the current CPZ regime with a view to better take account of feed-back from the community. As ever the scheme must be both viable and compliant with statutory obligations.

7. Other Implications

- 7.1 **Corporate Policy and Equality Impact** – An Equalities Impact Assessment (EIA) has been carried out and is attached at Appendix 2.
- 7.2 **Health Issues** – The parking team remain committed to promoting cleaner air, reduced car ownership, journeys, road safety and emergency access which all has a positive impact on health within the borough as more people will choose healthier and active forms of travel.

Public Background Papers Used in the Preparation of the Report:

- “Controlled Parking Zones – Consultation and Decision-Making Process” report to Cabinet, 18 September 2018
(<https://modgov.lbbd.gov.uk/internet/documents/s125848/CPZ%20Criteria%20Report.pdf>)

- “Controlled Parking Zone Programme – Update and Funding” report to Cabinet, 21 May 2019
(<https://modgov.lbbd.gov.uk/internet/documents/s131075/CPZ%20Capital%20Funding%20Report.pdf>)
- Controlled Parking Strategy 2022-25” report to Cabinet, 12 July 2022
(<https://modgov.lbbd.gov.uk/internet/documents/s155023/Parking%20Strategy%20Report.pdf>)

List of appendices:

- **Appendix 1** – Decision-Making Criteria, Resident Implementation of Controlled Parking Zones Residents Parking Policy (revised) – amendments shown in green and via strikethrough
- **Appendix 2** - Equality Impact Assessment

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Revised Decision-Making Criteria (Resident Implementation of Controlled Parking Zones Residents Parking Policy)

The following key factors form the essential part of the decision-making criteria.

- Identified need
- Resident feedback and
- Ward Councillor feedback

Identified needs considered	
<ul style="list-style-type: none"> • Safety 	<ul style="list-style-type: none"> - Schools located within the zone - Reported road traffic accident - Concerns identified by Emergency Services / TfL
<ul style="list-style-type: none"> • Congestion 	<ul style="list-style-type: none"> - Community Hubs & shopping parades within zone - Schools traffic - Transport Hubs (trains & buses) - Displacement parking from neighbouring CPZ - Access issues - Commercial vehicle parking
<ul style="list-style-type: none"> • Air Pollution 	<ul style="list-style-type: none"> - Proximity to boroughs most polluting roads - Mayors Ultra Low Emissions Zone (ULEZ) - Mayors Manifesto - LBBD Parking Strategy (area-based approach to parking control)
Resident Feedback Threshold	
<p>Minimum response rate – 30% of which at least 66% (two thirds) must support of object to proposal for scheme to go ahead or be withdrawn based on feedback alone*</p>	
<p>*Specific consideration given to the breakdown of resident’s feedback based upon:</p> <ul style="list-style-type: none"> - Safety - Congestion - Air Quality - Commercial Vehicles parking in road 	
<p>Feedback broken down by:</p> <ul style="list-style-type: none"> a) All properties consulted, of which non-response and/or support, object and comments b) Actual feedback received of which support, object or provided comments only 	
Local Councillors feedback	

Decision Making	<p>Consultation outcome report detailing the above criteria given to the relevant Operational Director to determine decision whether to proceed with scheme.</p> <p>For those instances where the recommendation is based on other factors such as serious safety concerns, severe congestion and/or the concerns of the emergency services, the matter will be referred to the relevant Director for a second-tier review and final determination, in consultation with the relevant Cabinet Member.</p>
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As well as these factors, it is recognised that there may be occasions that concerns related to parking restrictions are so severe that the case for implementing a scheme can be justified irrespective of the outcome of the consultation. Such a situation would be, for example, where there are serious safety concerns or congestion is so severe that it is endangering the lives of pedestrians or other road users. This is especially relevant when concerns are raised by the emergency services or Transport for London.

Community and Equality Impact Assessment

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

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

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

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

About the service or policy development

Name of service or policy	Parking Enforcement Services
Lead Officer	Daniel Connelly – Parking Design Manager
Contact Details	Email – daniel.connelly@lbbd.gov.uk

Why is this service or policy development/review needed?

This aim of this paper is to provide a clearer and more transparent CPZ decision making criteria, CPZ review and permit issuance process.

- (i) Amending the CPZ decision making criteria, and in particular the Resident feedback section of the Implementation of Controlled Parking Zones (CPZ) Residents Parking Policy
- (ii) Agree terms to restrict parking permit issuance within a CPZ (as required)
- (iii) Agree terms for CPZ Review

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

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

Consider:

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

In July 2022 cabinet approved the CPZ strategy for 2022 – 25 which has the following main aims;

- Improved access to parking for residents, visitors, businesses and blue badge holders
- Improved road safety, particularly around schools and community hubs which are used by the borough most vulnerable residents and visitors.
- Improved Air Quality (Net zero ambitions) - In line with the requirements of the Mayor of London’s Transport Initiatives and Manifesto we have been encouraging members of the public to choose healthier and more sustainable methods of transport including, walking, cycling and public transport.
- Reduced Traffic Congestion and improved access for the emergency services and Councils refuse collection team
- Improved Access for pedestrians - Parking bays and yellow lines help to ensure pedestrians can safely use the footway which is especially needed for vulnerable

residents such as wheelchair users and those who are partially sighted.

The parking team have been consulting for many years regarding the introduction of new CPZ's and more recently we have been receiving feedback from residents and ward members that we need to provide a clearer and more transparent CPZ decision making criteria, CPZ review and permit issuance process.

Amending the CPZ decision making criteria, and in particular the Resident feedback section of the Implementation of Controlled Parking Zones (CPZ) Residents Parking Policy

There is a need to provide more clarity when it comes to what impact residents feedback has upon the introduction of a CPZ and also what consideration is given to the nature of feedback and non response. Therefore its proposed that a threshold be applied which residents would be clearly advised of at the consultation stage. Its recommended that a realistic and fair response rate to affect change should be set at a minimum of 30% in line with local government elections rates.

When looking at previous consultations, CPZ consultation response rates vary between 10 to 60 percent but average out around the 30% range which aligns with local election turnout. In instances where the minimum 30% response rate is met a threshold would need to be set to determine whether or not the majority of those residents who have responded to either support or object to the proposal. Its suggested this rate should be set at a minimum 66% as this provides a two thirds majority and would then be used as a deciding factor as to whether the scheme is formally introduced or withdrawn

Agree terms to restrict parking permit issuance within a CPZ (as required)

In the event there is over subscription of permits within a given CPZ this will be managed via the permits terms and conditions process and will be site specific. For example within locations where parking is very limited we are currently operating only 1 permit per household so that the available spaces and ability to park is shared out evenly, with exceptional circumstances being afforded to blue badge holder. Whereas other large zones across the borough where access to parking is much more widespread and available such as the Heathway (HW) zone for example is not restricted. The ratio of parking spaces and number of vehicles wishing to park will continue to be closer monitored both on street via the Civil Enforcement Team aswell as via complaints in the customer care team and wider parking service. As part of the permit terms and conditions we reserve the right to restrict or revoke permits accordingly to ensure parking needs are met safety and fairly.

Blue badge holders are able to park within CPZ for free and disabled bays are introduced both proactively as part of new CPZ rollouts and when applications are made through the disabled bay application process. [Apply for disabled parking | London Borough of Barking and Dagenham \(lbbd.gov.uk\)](https://www.lbbd.gov.uk)

Agree terms for CPZ Review

Over the course of the CPZ project there have been a few occasions where request a request to review a CPZ has been received, which impacts the consultation of new CPZ's which forms part of the approved CPZ programme. Therefore, its proposed that no further review will be carried out until the completion of the entire CPZ programme which is currently schedules to

be completed in Autumn 2025. A review will be undertaken in exceptional circumstances and when justified such as due to severe increases in parking demand, or serious safety or access issues being raised. There may be individual circumstances where tweaks to the scheme are requested such as installation of a disabled bay or request for additional yellow lines for example. The above mentioned review relates to wholesale change where full scheme consultation is required such a change to operating periods.

Demographics

Barking and Dagenham has:

- There are 218,900 residents
- (26.1%) of residents aged under 16
- There are 73,900 households
- 62.4% households in Barking & Dagenham were deprived –highest in England
- 41.3% of Barking & Dagenham residents were born outside of the UK – 16th highest in England
- Barking & Dagenham had the greatest increase in ethnic diversity of all English & Welsh local authorities between the 2011 and 2021 censuses

Of all English and Welsh local authorities, in terms of people aged 16 and over, Barking & Dagenham had the:

- 7th highest proportion who were unemployed (including full-time students) (5.6%)
- 4th highest proportion who were economically inactive due to looking after home or family (8.2%)
- 8th highest proportion who were economically inactive due to other reasons (4.8%)
- 9th lowest proportion who were retired (10.5%)

Of all English and Welsh local authorities, in terms of households, Barking & Dagenham has the:

- 3rd highest proportion who rent their home from the Council/Local Authority (24.5%)
- 13th highest proportion who live in terraced accommodation (41.6%)
- 2nd highest proportion living in a property without enough bedrooms (17.8%)
- 7th highest proportion living in a property without enough rooms (20.4%)
 - Just over a third (34.8%) of Barking & Dagenham households did not have access to a car or van
 - 9 in 10 Barking & Dagenham residents' gender identity was the same as sex registered at birth (90.4%)
 - Nearly 9 in 10 Barking & Dagenham residents described their sexual orientation as Straight or Heterosexual (88.6%)
 - Barking & Dagenham (2.29) has the lowest Qualification Index score of all London boroughs
 - 22.7% residents aged 16 and over had no qualifications - highest proportion of all London boroughs
 - Barking & Dagenham had the highest proportion of households in London where at least one person identified as disabled (29.8%)

Source

- Office of National Statistics Census 2021 (updated 5 April 2023)

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

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			<p>218,900 residents</p> <p>17.7% increase since Census 2011 (3rd highest in England & Wales)</p> <p>Amending the CPZ decision making criteria</p> <p>The main benefit of this element is it will provide greater clarity as to the impact of resident feedback and how this is measured. We are addressing these issues now given its becoming a more common theme as part of feedback received recently.</p> <p>CPZ and parking schemes in general are help us to achieve our key priorities to provide improvements to air quality, road safety, congestion and better access to parking in a variety of ways including, blue badge parking, residential parking, when visiting community hubs such as health centres, community centres aswell as shopping amenities.</p> <p>Its not envisaged there will be any major risk here to the local community given the criteria change is designed to provide a fairer and more transparent approach to the decision-making process.</p> <p>Agree terms to restrict parking permit issuance within a CPZ (as required)</p> <p>The main benefit of this is to ensure all residents have fair and consistent access to parking to ensure any community tensions are minimalised.</p>	<p>Benefits will be enhanced as residents will feel ore empowered in the decision making process.</p> <p>Its likely a restriction on permits will not often be required and will only apply to location were parking is very limited.</p>

			<p>The negative impact here is that they may be some instances where there is a genuine need for parking restrictions to be more flexibly applied such as request for disabled bays for blue badge holders.</p> <p>CPZ Review</p> <p>The main benefit of not reviewing a CPZ that has just recently been introduced is this will allow the team to focus on the consultation and implementation of new schemes across the borough to achieve all the benefits CPZ offers.</p> <p>Its likely that some members of the community will feel that a review should be undertaken because the scheme isn't working for them. Although with previous schemes its expected this will be limited to small numbers.</p>	<p>The review process applies to major changes only such as operating times etc... Flexibility will be applied where individual issues are being raised about the design of the scheme such as the location of a parking bay or other tweaks to parking design and infrastructure.</p>
<p>Age</p>	<p>X</p>		<p>Highest proportion (26.1%) of residents aged under 16 in England & Wales</p> <p>Amending the CPZ decision making criteria</p> <p>The amended criteria will provide a fairer and more transparent way for people of all ages to provide feedback and clearly understand how this impacts a decision being made.</p> <p>Agree terms to restrict parking permit issuance within a CPZ (as required)</p> <p>Restricting permits where required could have positive or negative impact with respect of age. For example, only allowing one permit per property will</p>	<p>Issues of multiple vehicles parkgin is mitigated in that we want to reduce</p>

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

			<p>provide a fair opportunity to park for all ages, however this may be seen as restrictive to some household that want to park multiple vehicles.</p> <p>There will be no restriction on this protected characteristic. It should be mentioned that within the UK you can apply for a provisional driving licence when you're 15 years and 9 months old. You can start driving a car when you're 17. You can drive a car when you are 16 if you get, or have applied for, the enhanced rate of the mobility component of Personal Independence Payment (PIP).</p>	<p>car ownership in the borough and restricting permits is one way of achieving this.</p>
Disability	X		<p>Barking & Dagenham had the highest proportion of households in London where at least one person identified as disabled (29.8%)</p> <p>Amending the CPZ decision making criteria</p> <p>Its not envisaged that a negative impact will be realised in respect of amending the criteria. The only risk relates to if a scheme is not ultimately introduced as we wont be able to formalise parking in a way that provided accessible and safe parking. An example of this is the introduction of parking bays on the footway which ensure motorist park in a way that wheelchair users and pedestrians who are blind or partially sighted can safely navigate the footway.</p> <p>Agree terms to restrict parking permit issuance within a CPZ (as required)</p> <p>Again residents including those who have additional need will benefit by restriction on parking permits in that parking provision will be fairly allocated. Resident with additional need (blue badge holders for example) will be able to park for free within CPZ and will be assessed on a case-by-case basis for a designated disabled bays and or how many permits they can obtain.</p>	<p>When we introduce a new scheme we formally write to affected residents and advise them how to obtain permits and all the support that is on offer for them to do so. This of course includes resident with disabilities, and we offer additional support via the parking customer care team (telephone line)</p> <p>On all of our correspondence we include a paragraph which asks if information is required in a different language, larger font or braille to contact us directly and we can assist. This service is also offered via local libraries to ensure</p>

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

			<p>CPZ Review</p> <p>There will be no restriction on this protected characteristic</p>	<p>those who may not have English as their first language can fully understand.</p> <p>Although wholesale CPZ review would not be considered, tweaks to a scheme which meet the individual or additional needs of a residents will be considered carefully. Examples may be introduction of a disabled bay, or changes to parking bay design to ensure safe and accessible parking</p>
Gender reassignment		X	<p>9 in 10 Barking & Dagenham residents' gender identity was the same as sex registered at birth (90.4%)</p> <p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals on those people with gender reassignment. There will be no restriction on this protected characteristic.</p>	
Marriage and civil partnership		X	<p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals based upon this protected characteristic. There will be no restriction on this protected characteristic</p>	
Pregnancy and maternity		X	<p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals based on pregnancy or maternity related.</p> <p>There will be no restriction on this protected characteristic</p>	
Race (including Gypsies,		X	<p>41.3% of Barking & Dagenham residents were born outside of the UK – 16th highest in England</p>	<p>On all of our correspondence we include a paragraph which</p>

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

Roma and Travellers)			<p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals based on race. There will be no restriction on this protected characteristic to benefit from the extended free parking period or when applying for the 10 free visitor parking sessions for their specific zone..</p>	<p>asks if information is required in a different language, larger font or braille to contact us directly and we can assist. This service is also offered via local libraries to ensure those who may not have English as their first language can fully understand.</p>
Religion or belief		X	<p>Just under a quarter of Barking & Dagenham residents are Muslim (24.4%) - 10th highest proportion of all English and Welsh local authorities</p> <p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals on those people differing religions or beliefs.</p> <p>There will be no restriction on this protected characteristic</p>	
Sex		X	<p>There is no evidence to suggest a differential impact (direct or indirect) based on sex</p> <p>There will be no restriction on this protected characteristic.</p>	
Sexual orientation		X	<p>Nearly 9 in 10 Barking & Dagenham residents described their sexual orientation as Straight or Heterosexual (88.6%)</p> <p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals on those people based on sexual orientation.</p> <p>There will be no restriction on this protected characteristic.</p>	
Socio-economic Disadvantage		x	<p>62.4% households in Barking & Dagenham were deprived –highest in England</p> <p>There is no evidence to suggest a differential impact (direct or indirect) of</p>	

			<p>the proposals on those people based on economic disadvantage.</p> <p>If a CPZ is ultimately introduced there will be a requirement to obtain a parking permit inline which our permit fees and charges Parking permit terms and conditions London Borough of Barking and Dagenham (lbbd.gov.uk).</p> <p>However this has always been the case, this particular report simply aims to provide more transparency around the decision making criteria.</p> <p>As part of a recent parking cost of living report for which an EIA was completed the following to proposals were agreed and form part of new CPZ rollouts which specifically considers the economic impact to residents.</p> <p>Provide ten free visitor parking sessions which would otherwise cost £13.80. The introduction of 10 free permits sessions will "ease" residents both financially and operationally into the new arrangement.</p> <p>In general terms the additional cost to resident who live within CPZ's will be felt more by those who are socio-economically disadvantaged and where its felt the additional free parking being offered will be most felt residents.</p>	
<p>Any community issues identified for this location?</p>		<p>X</p>	<p>Applies to many locations across the borough including schools, community hubs and local shopping amenities. School safety is a particular concern given the vulnerabilities of young children attending school and contending with the motor vehicle.</p> <p>With regards to free visitor permits again this would only apply to new schemes so those residents who live in existing CPZ may fell this is unfair.</p>	

2. Consultation.

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

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

Before CPZ's or changes to permit arrangements are introduced we consult with all affected stakeholders including portfolio holder, ward members, local residents, schools, businesses and other community hubs.

Statutory consultation involves public notices displayed on-street and within local publications.

When introducing a CPZ, the principals of the parking strategy are applied in respect of the hierarchy of needs and the following factors;

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

To ensure consultation is fully inclusive to all members of the community we consult in a variety of ways including;

- Letter drop to all affected residents with follow up reminders letters being issued,
- Include all proposals online and with London Gazette and within other local publications

We encourage feedback via;

- One Borough Voice online
- Automated telephone line
- Parking customer care team over the phone
- Library staff
- Door to door engagement
- Email

In addition

- Where possible we make use of the new "community hubs" throughout all stages of the process as these will often be ideally located within the zone in question and can provide an additional route for residents to get information and provide feedback.
- Consider alternative methods of engagement through digital media and the communications team, one borough newsletter and other LBBDD literature, libraries, community groups etc
- Attend local public meetings

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?
<p>There will be a need to continually monitor the new threshold being provided and to ensure permits issuance and CPZ reviews are considered carefully. By doing this we can ensure CPZ are introduced, reviewed and permits issued fairly and consistently and continue to discourage the use of the motor vehicle so that our key priorities are achieved but also in a way that is sympathetic with the ongoing cost of living crisis and the strain this put upon local residents, especially given 62.4% households in Barking & Dagenham were deprived at the time of the 2021 census which is the highest in England.</p>	<p>Ongoing</p>	<p>The Parking Service</p>

4. Next steps

Implications/ Customer Impact

The impact of our proposals has been outlined above and will have many positive benefits particularly in terms of providing clarity and transparency to residents so they are clear on what is required of them and how they can affect the outcome of a CPZ proposal when consulted.

We continue to promote our the key CPZ priorities which are

- Improved access to parking for residents, visitors, businesses and blue badge holders
- Improved road safety, particularly around schools and community hubs which are used by the borough most vulnerable residents and visitors.
- Improved Air Quality (Net zero ambitions) - In line with the requirements of the Mayor of London’s Transport Initiatives and Manifesto we have been encouraging members of the public to choose healthier and more sustainable methods of transport including, walking, cycling and public transport.
- Reduced Traffic Congestion and improved access for the emergency services and Councils refuse collection team

In addition, we must remain committed to the priorities of the Council, most notably ensuring residents are supported during the cost of living crisis but at the same time ensure residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods.

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
Alison Stuart	Chief Legal Officer and Monitoring Officer	

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CABINET

17 October 2023

Title: Adult Social Care – CQC Assurance and Improvement Update	
Report of the Cabinet Member for Adult Social Care and Health Integration	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Joanne Starkie, CQC Assurance Programme Lead	Contact Details: E-mail: joanne.starkie@lbbd.gov.uk
Accountable Director: Susanne Knoerr, Interim Operational Director of Adult Social Care	
Accountable Executive Team Director: Elaine Allegretti, Strategic Director, Children and Adults	
<p>Summary</p> <p>The Care Quality Commission (CQC) is now able to assess local authority performance in delivering adult social care responsibilities. The CQC is aiming to assess all local authorities in England over a two-year period, starting later this year.</p> <p>To prepare for CQC assurance, a full self-assessment, summary self-assessment and improvement plan have been developed and are presented in for sign-off:</p> <ul style="list-style-type: none"> - The full self-assessment (Appendix 1) sets out in detail where we are doing well and how we know this, where need to improve and the plans in place to address this. The full self-assessment will be given to the CQC in the event of inspection. - The summary self-assessment (Appendix 2) is intended to be a more accessible, condensed version of this for stakeholders and residents. - The improvement plan (Appendix 3) sets out the outcomes we want to achieve in adult social care in future and the actions to be taken over the next 3-5 years to move towards this and address areas identified in the self-assessment. <p>The self-assessment and improvement plan are structured around the four themes the CQC will look at as part of their assessment, and both have been informed by the view and experiences of staff, people who need care, carers, partners and providers along with performance data and benchmarking insights.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <p>(i) Agree the Adult Social Care full self-assessment and summary self-assessment, set out at Appendices 1 and 2 to the report respectively, as an accurate reflection of the Council's Adult Social Care service; and</p>	

- (ii) Agree the Adult Social Care Improvement Plan, as set out at Appendix 3 to the report.

Reason(s)

The adult social care self-assessment and improvement plan are in accordance with the following Council principles:

- 'Work in partnership'. The improvement plan includes actions to strengthen this.
- 'Engage and facilitate co-production'. Engagement has been carried out to develop the self-assessment and improvement plan, and the improvement plan includes commitments to strengthen co-production.
- 'Be evidence-led and data driven'. The self-assessment has been informed by evidence and data.
- 'Focus on prevention and early intervention'. The improvement plan includes commitments to prioritise prevention.
- 'Strengthen risk management and compliance'. The self-assessment and improvement plan aim to articulate and better manage risk and compliance with the 2014 Care Act.

CQC assurance is providing a framework through which to drive improvement in adult social care in Barking and Dagenham. This, in turn, is included to contribute towards the Council priority, 'residents and safe, protected and supported at their most vulnerable' and 'residents live healthier, happier, independent lives for longer'.

1. Introduction and Background

- 1.1. The Care Quality Commission (CQC) is now able to review and assess local authority performance in delivering adult social care responsibilities. They are aiming to assess all local authorities in England over a two-year period starting later this year following five pilot inspections over the summer.
- 1.2. The CQC have published an [assessment framework](#) that will be updated again following the pilots. The assessment framework is made up of four themes and nine 'quality statements' against which local authorities will be assessed. These are set out in Appendix 4. To reach a judgement, the CQC will:
- Gather feedback from staff, stakeholder, partners and people who use social care.
 - Look at evidence of processes and outcomes.
 - Carry out case tracking on a small number of cases.
- 1.3 The CQC will request the self-assessment and accompanying evidence in advance of inspection. The self-assessment is intended to describe to the CQC where we are doing well, how we know this, what improvements are needed and what plans are in place to address this. No template has been provided by CQC for this, but guidance is for it to be no longer than 20 pages. The Local Government Association has issued guidance on how to complete the self-assessment, which as informed the final draft presented here (Appendix 1).

- 1.4 The self-assessment (Appendix 1) starts with a two-page summary of adult social care and an overview of Barking and Dagenham and health and wellbeing in the borough. The remainder of the self-assessment is structured around each of the nine quality statements. The primary audience for the self-assessment is the CQC. A more accessible, condensed summary aimed at stakeholders and residents has also been developed (Appendix 2).
- 1.5 An improvement plan for adult social care (Appendix 3) has been written in light of the self-assessment and wider feedback. It is structured around the four CQC themes and describes the outcomes we want to achieve and the actions we will take to do this over the next 3-5 years. The lead for each action in the improvement plan and the deadline for completion is being finalised.
- 1.6 Both the self-assessment and improvement plan have been informed by the views and experiences of staff, people who need care, carers, partners and providers, along with performance data and benchmarking insights. The engagement carried out is described in Section 4.
- 1.7 The self-assessment and improvement plan was discussed at Overview and Scrutiny Committee on 13 September 2023. Changes have been made in light of this, including confirmation in the self-assessment of our whistleblowing policy and additional information on health inequalities.

2. Proposal and Issues

- 2.1 Cabinet is asked to comment on and agree the self-assessment (Appendix 1), summary self-assessment (Appendix 2) and improvement plan (Appendix 3).
- 2.2 Some of the main areas of good practice highlighted in the self-assessment are as follows:
 - There is a timely and robust approach to assessments and reviews, driven by strengths-based practice.
 - Choice and independence is promoted through use of direct payments and technology-enabled care.
 - There is a strong commitment to supporting unpaid carers, and satisfaction levels are comparatively high.
 - There is strong relationship with providers, underpinned by engagement, support and quality assurance.
 - Joint work with health is strong in a number of areas and integration is progressing at a strategic level.
 - Safeguarding is practice-led and there is good practice in relation to complex cases and self-neglect.
 - Our workforce is committed, responsive and stable.
 - A learning, self-aware organisational culture enables continuous improvement.
- 2.3 Some of the main areas of improvement in the self-assessment being addressed in the improvement plan are as follows:
 - Improving communication and information related to adult social care.
 - Moving to a more cohesive, targeted offer of prevention in every local area.

- Developing our offer of reablement and short-term support
- Improving our response to adults at risk of abuse or neglect by developing a Multi-Agency Safeguarding Hub.
- Improving how we work with working-age adults with a disability by re-designing the service.
- Planning for more bed-based capacity in the borough to meet the demands of a growing, changing, ageing population.
- Having a clear articulation of what we do in policy and procedure.
- Moving from engagement towards co-production with people who need support and carers.

2.4 In addition, the self-assessment and improvement plan seek to address how the key risks in adult social care are being managed. Our most significant risks are around our capacity to manage a future increase in demand and complex needs and financial risks arising from budget pressures. The self-assessment concludes that our success has been to manage these risks whilst continuing to provide good support.

2.5 It should be noted that the self-assessment will continue to be updated with new insights. Once agreed, it will be updated every six months, or more frequently if needed.

2.6 Key insights from the self-assessment and improvement plan are intended to be reflected in all key strategic documents, including the next Market Position Statement and Safeguarding Adults Board Annual Report.

2.7 The primary audience for the full self-assessment is both the CQC, and the secondary audience is adult social care staff. To ensure that accessible information is available for residents and other key stakeholders who may not have the technical knowledge of adult social care, a stakeholder and resident-facing summary of the self-assessment has been drafted (Appendix 2). The intention is to finalise and publish this after the full self-assessment has been approved.

3. Options Appraisal

3.1 Option to not have a self-assessment or improvement plan: This is not recommended as it risks leaving Barking and Dagenham under-prepared for CQC assessment.

3.2 Option to agree or amend the self-assessment and improvement plan: This is recommended. We are expecting it to be a requirement of CQC assessments that a self-assessment be submitted. This alongside the improvement plan provides an opportunity to improve on key areas in adult social care, to the benefit of people who need support and carers.

4. Consultation

4.1 Whilst no formal consultation has taken place, a detailed programme of engagement has occurred and continues to take place.

4.2 To date, this has included:

- A series of staff workshops in adult social care, including a Development Day on 27 July 2023 attended by over 100 practitioners.
- A series of meetings with people who need care and carers. This includes with the Forward Together group (for adults with a learning disability) and the Carer Forum. An analysis of existing feedback has already been carried out.
- Ongoing engagement with Care Provider Voice, Healthwatch and the B&D Collective. A provider focus group took place in July 2023 with Care Provider Voice and discussions at an all-provider event took place in September 2023.
- A workshop with partners in relation to the Safeguarding Adults Board and CQC assurance.
- Engagement with health partners via the Executive Group, reporting to the committee-in-common of the Health and Wellbeing Board and Integrated Care Board sub-committee.

- 4.3 Further engagement is planned, including with people who need support, carers and residents. A series of focus groups is being planned across the remainder of 2023 with a view to shaping the delivery of the improvement plan. Further engagement will also be held with Care Provider Voice, Healthwatch and the B&D Collective.
- 4.4 Ongoing engagement with neighbouring boroughs is also taking place to share good practice. A North East London CQC Assurance Leads group meets fortnightly, reporting to the North East London Directors Group. A pan-London group is also enabling good practice and information-sharing at a regional level.
- 4.5 The proposals in this report were considered and endorsed by the Adults Improvement Board and Cabinet Member for Health and Social Care Integration in July 2023 and by the Executive Management Team at its meeting on 17 August 2023.
- 4.6 As mentioned in Section 1.7, the self-assessment and improvement plan was discussed at Overview and Scrutiny Committee on 13 September 2023. Changes have been made in light of this, including confirmation in the self-assessment of our whistleblowing policy and additional information on health inequalities.

5. Financial Implications

Implications completed by: Paul Durrant, Finance Business Partner

- 5.1 There are no direct financial implications arising from this report. The actions in the improvement plan can be met through existing and/or agreed resources and do not require additional resources.
- 5.2 It is possible that local authorities who receive a poor rating following CQC assessment will need to consider further expenditure to take corrective action on issues found.

6. Legal Implications

Implications completed by: Nicola Monerville, Principal Solicitor

- 6.1 This report is for review and consideration and Cabinet is recommended to agree.

- (i) the adult social care full self-assessment (Appendix 1) and summary self-assessment (Appendix 2) as an accurate reflection of where we are doing well, how we know this, where we need to improve and the plans in place to address this.
- (ii) the adult social care improvement plan (Appendix 3).

6.2 The Health and Care Act 2022 has given the CQC new powers which allow assessment of care at local authority level. As part of the assessment, the CQC looks at how well local authorities meet their duties under the Care Act 2014.

6.3 Between April and December 2023, the outcome of assessments will not be published but form part of an annual statutory State of Care report to Parliament.

6.4 From early 2024 formal assessments will take place, the findings of which will be reported and however each individual local authority rating will also be published.

7. Other Implications

7.1 **Risk Management** - There is a reputational risk associated with CQC assessment if the local authority were to receive a poor inspection outcome. The self-assessment and improvement plan are intended to minimise this risk. There is a risk of intervention if the local authority were to receive a poor inspection outcome, in line with [recently published government guidance](#). The self-assessment and improvement plan are intended to minimise this risk.

7.2 **Staffing Issues** – CQC assurance preparation is currently being led by a one-year fixed-term postholder. A new Safeguarding and Quality Assurance team has been approved within adult social care: Part of the team will include a Quality Assurance and CQC Lead. The permanent postholder will ensure that the self-assessment is continually updated and will continue to oversee delivery of the improvement plan.

7.3 **Corporate Policy and Equality Impact** - The self-assessment includes analysis on what works well and where improvements are needed in relation to the CQC quality statement on 'equity in experience and outcomes'. It also includes analysis on workforce equality. The improvement plan then sets out actions to address issues identified in the self-assessment. The actions in the improvement plan in relation to equalities are:

- Improve recording of protected characteristics on Liquid Logic.
- Carry out annual insight work to understand inequalities in adult social care (access, experience, outcomes), including safeguarding.
- Agree clear objectives to promote equality, diversity and inclusion in adult social care and review progress each year.
- Develop and agree the Workforce Race Equality Standard action plan.

7.4 **Safeguarding Adults and Children** - The self-assessment includes analysis on what works well and where improvements are needed in relation to the CQC quality statement on safeguarding. The improvement plan then sets out actions to improve the safety and wellbeing of adults at risk in the borough: These are listed under the 'ensuring safety' theme in Appendix 3.

- 7.5 **Health Issues** - The improvement plan aims to have a positive impact on the health and wellbeing of residents through, for example, prioritising the prevention of health and care needs and promoting integrated working with health.

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

List of appendices:

- Appendix 1: Self-assessment of adult social care in Barking and Dagenham
- Appendix 2: Summary of the self-assessment.
- Appendix 3: Adult Social Care Improvement Plan
- Appendix 4: Overview of CQC themes and quality statements

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Self-Assessment of Adult Social Care

Adults in Barking and Dagenham who need support are enabled by an exceptionally committed, responsive and stable workforce to lead fulfilling lives and be as independent as possible.

There is a timely and robust approach to social care needs assessments and reviews, driven by strengths-based practice. People who need support do not have to wait for assessments or reviews in a number of areas, and conversations focus on people's stories. A high proportion of people exercise choice by using a direct payment to organise their care. Innovative use of care technology helps people to live independent lives. Communities in Barking and Dagenham can access a range of support to prevent, reduce and delay the need for care and support. Our commitment and support to unpaid carers is clear in our Carer Charter.

People benefit from the support we give to the care market. Robust quality assurance enables good quality support that makes a positive difference to people's lives. Collaboration with health and with the community and voluntary sector is strong and we are on a journey toward integrating with health where it makes sense to do so. We are committed to tackling inequality and are developing robust plans in social care to address this for our workforce and communities.

People are supported to be safe, including through robust support when people are discharged from hospital. Excellent work to safeguard people with complex needs and tackle self-neglect in the borough helps ensure that the needs of our communities are addressed.

A strong organisational learning culture enables collaboration and innovation so that care and support continually improves.

We have operated for a number of years with significant financial pressures, and both the Covid-19 pandemic and cost-of-living crisis have had a big impact on our services and the communities we serve. We face risks around market sustainability whilst trying to meet the increasingly complex needs of a changing and ageing population. Our success has been to manage these risks whilst continuing to provide good support.

Our most significant risks are around our capacity to manage a future increase in demand and complex needs and financial risks arising from budget pressures. The areas we are working to improve and to manage these risks include:

- Moving to a more targeted offer of prevention in every local area.
- Developing our offer of reablement and short-term support.
- Moving from engagement towards co-production, being community-led in all we do.
- Improving our response to adults at risk of abuse or neglect by developing a Multi-Agency Safeguarding Hub.
- Improving how we work with working-age adults with a disability who need support by redesigning the service.
- Planning for more bed-based capacity in the borough to meet the demands of a growing, changing and ageing population.

Facts and Figures

- 2,845 adults received long-term support throughout 2021-22.
- 8,000 people work in adult social care in 2021-22.
- 44% of people received homecare, 21% of people received support in a care home and 29% of people organised support with a direct payment.
- We have 10 care homes for older people and 11 care homes mainly for adults with a learning disability, mental health or substance misuse issue.
- 113 homecare providers were registered in the borough as of June 2023. 13 providers are on our commissioning framework.
- 64.5% of survey respondents in the 2022-23 Service User Survey reported being extremely or very satisfied with their care and support.
- 246 carer assessments were completed in 2022-23. 1,000 carers were supported.
- 6419 contacts were made with the Adult Intake Team in 2022-23, of which 26% led to an adult social care or safeguarding referral.
- 1239 referrals to adult social care were made in 2022-23
- 1511 safeguarding concerns were raised in 2022-23. 252 enquiries started.
- In 90% of cases, the risk was reduced or removed following a safeguarding enquiry.
- We support a higher proportion of our older residents versus the London average, impacted by high deprivation levels.
- The cost of support per person getting support in Barking and Dagenham is lower than the London average.

This self-assessment explains in more detail what we do well in adult social care and where improvements are needed, how we know this, and our future to maintain or improve this. The next section provides an overview of the borough to put this in context.

1.2 About Barking and Dagenham

Barking and Dagenham is a fast-growing, vibrant, innovative, and diverse borough in East London. Approximately 219,000ⁱ people live here - an increase of 18% in ten years - and the population is expected to continue to grow in future.

We are one of the most ethnically and culturally diverse communities in England: 16% of the population are of a Black African ethnic background – the highest proportion in England – and 10% of residents are of an Asian Bangladeshi ethnic background. 45% of our residents are Christian and 24% are Muslim. A comparatively high proportion of residents have a gender identity different to the identity assigned to them at birth.

Barking and Dagenham is a comparatively young borough, with over a quarter of the population aged under 16ⁱⁱ. Our older population is comparatively small: 9% of residents are aged 65 and over. The diversity of the borough changes with age: 29% of those aged 16-64 are of a White British ethnic background, compared with 71% of those aged 65 or over.

The borough faces some significant challenges. Residents experience some of the highest levels of deprivation in the country: The borough ranks 17 out of 152 local authorities in England on overall deprivationⁱⁱⁱ. This picture is interwoven with high unemployment rates, fuel poverty and debt. There are also high levels of domestic abuse in Barking and Dagenham, and tackling this is a priority for the local authority.

We have high levels of population ‘churn’ and a significant number of residents arrive in Barking and Dagenham after seeking asylum or via refugee schemes^{iv}. This can impact on people’s understanding and trust of the support available to them – something we continually try to address.

Our plan for the future of our borough aims to address challenges and build on opportunities. The vision is to make Barking and Dagenham a place people are proud of and where they want to live, work, study and stay. Our 2023 Corporate Plan sets seven priorities to meet this vision, available [here](#).

1.3 Health and wellbeing in Barking and Dagenham

There are significant health inequalities and challenges in the borough. Healthy life expectancy from birth was 58 years for men and 60 years for women in 2018-20, compared to a London average of 63.5 and 64 years respectively. This is impacted by deprivation levels and other wider determinants. Levels of physical inactivity, the proportion of adults living with overweight or obesity, and air pollution levels are all significant issues for adults.

The self-reported health of the population is worse than most places in England, and 30% of households have at least one person who identifies as disabled – the highest proportion in London^v. Barking and Dagenham ranked first in 2019 in terms of prevalence rates for heart disease, COPD, lung cancer and strokes for all London boroughs. The modelled prevalence of common mental health disorders is higher than the national average, whilst GP recorded prevalence and the proportion of adults in contact with mental health services is below the national average^{vi}. The prevalence of multiple unhealthy behaviours and health conditions makes supporting individuals more complex.

The local health and care system is working to address health inequalities and challenges, as described in strategic plans. Our [North East London Integrated Care Strategy](#) describes six cross-cutting themes that align to our local plans^{vii}. These include themes on tackling health inequalities, putting a greater focus on prevention and co-production with local people. The 2023-28 Barking and Dagenham [Joint Health and Wellbeing Strategy](#) focuses on three themes: Best start in life, living well and ageing well^{viii}. The priorities in the strategy include improving outcomes for people with long-term conditions, addressing unhealthy weight and smoking, preventing and addressing domestic abuse and addressing wider determinants of health.

Section 2: Working with People

2.1 Assessing needs

Support is being made easier for people to find and access.

People who need support can phone our Adult Intake Team via a single phone number, [email](#) or speak to staff in two local 'community hubs'^{ix}. Carers can also contact our [Carer Centre](#). The Adult Intake team support a high number of residents: 6,400 got in contact in 2022-23. Feedback is that staff are responsive, but we have also heard feedback from residents and partners that it can be difficult to get hold of the right person or team after initial contact. We are making improvements to how people find and request support as a result: The 'front door' of social care in the Adult Intake team will be reshaped so teams are easier to get hold of, there is more joint working with health and a bigger focus on prevention. We are developing an online self-assessment option over the next year. We will also promote and have more community hubs in every local area to make it easier for residents to get help and advice on their doorstep.

Eligibility thresholds are communicated and applied in a largely clear and consistent way.

People can find clear online information explaining the [assessment process](#), what to expect, people's [rights](#) and how to appeal against a decision via our complaints process. Staff explain this to people in-person. We are going to make this information more accessible by producing printed information, including in easy read and in community languages. Largely consistent use of eligibility thresholds is enabled through staff training and supervision. This was a theme of good practice in 65 case file evaluations carried out in early 2023. Staff use of eligibility thresholds continues to be monitored through supervision and routine case file evaluations.

Assessments are comparatively timely, and work is underway to further improve this.

Comparatively few people wait for a social care assessment, and we continue to monitor this^x. 88 people waited for a social care assessment in 2022-23 - lower than the England average described in a [2022 ADASS report](#). Our Crisis Intervention Service and Discharge-to-Assess approach mean no-one is left without support whilst waiting. People who need an Occupational Therapy assessment are more likely to wait, impacted by recruitment pressures and high demand. There were 626 outstanding assessments as of June 2023. A project is aims to address this by developing more trusted assessors and a bigger focus on prevention.

We put an emphasis on people's wellbeing and strengths and stories.

People's wellbeing, self-determination and strengths is a core focus. Our approach to 'strengths-based practice' and applying the 'wellbeing principle' is described in our Practice Standards^{xi} and is supplemented with training^{xii}. The Adults Strengths-based Practice Social Work Forum^{xiii} enables Social Workers to share good practice and to act on insights. Supervision and our case file evaluations look at the application of Practice Standards on an ongoing basis. Our future plans are to revise and further embed our Practice Standards in how we work and do more in future to understand the impact of our approach on people.

Care and support plans are regularly reviewed.

78% of people getting long-term support over 2021-22 had a review of their care and support, well over the London average of 59%. We continuously work to monitor and improve this. In 2022-23, support did not change for 73% of people after a review. Care increased for 7% and decreased for 21%^{xiv}. We have recently heard from people who need support that reviews over the phone do not make it easy to have a meaningful conversation^{xv} and have reaffirmed with staff the expectation that annual reviews be face-to-face.

People who need support work with well-trained staff.

We prioritise staff learning and development so people are supported in the best way possible. 42 training courses were attended by 864 adult social care staff in 2022-23^{xvi} on topics including positive risk-taking, trauma-informed approach and behaviours that challenge. 69% of staff who provided feedback strongly agreed and 31% agreed that they gained skills or knowledge through training positively influence the way they carry out their jobs^{xvii}. The annual learning and development offer is agreed with managers, using areas for development and local priorities to agree this.

People are supported through advocacy to speak out on how they are supported.

Advocacy is offered and well-used in Barking and Dagenham. 240 people used advocates in Care Act assessments in 2022-23, and a further 129 used independent mental health advocates^{xviii}. Case file evaluations in early 2023 identified advocacy as an area of good practice.

Co-production and gathering feedback is an area for improvement.

Every assessment and support plan should be co-produced with people who need care and support. Our Practice Standards set out our approach to this. 96% of people getting homecare or a direct payment contacted over 2022-23 said they were very involved in deciding their care plan^{xix}. We need to improve how we monitor this through supervision, case file evaluations and consistently gathering feedback on people's experiences. This will be set out in a planned Co-production Plan.

People can appeal against an assessment decision by speaking staff or making a formal complaint.

Our [website](#) and staff explain people can ask for an assessment decision to be reconsidered through speaking to the practitioner and/or by [making a complaint](#). One person made a complaint about the outcome of a reassessment in 2022-23. Complaints and lessons learned are monitored at Operational Management Team meetings and our Adults Improvement Board.

Carers are recognised and supported.

Carers are offered separate carer assessments by practitioners or via a referral from the Carer Centre. 246 carers had an assessment in 2022-23: Activity is monitored through performance reports^{xx}, case file evaluations and supervision. 69% of respondents in the last Carer Survey reported always or usually being involved in discussion about the person they care for, above the London average of 61%. There is always more to do to reach more carers. The 2022-25 Carer Charter [Action Plan](#) is our plan to continue to identify and support carers and is described more in Section 5.1.

People are supported to have choice and control over their care and support.

Many people report having good levels of choice over support: 66% of respondents in our last service user survey said this, higher than the London average of 61%. A high proportion of people organise their support through a direct payment: 29% of people in living in the community had this in 2022-23^{xxi}, above the London average of 25%. A review into client contributions in 2022 found issues with how some people understood direct payment roles and responsibilities. This led to a full review of the system informed by feedback from staff, Personal Assistants and providers. We redesigned our Direct Payment Support Service as a result to reflect what people told us was most important: Simplicity, transparency, hands-on support and comprehensive reviews. The Direct Payment Support Service is currently out for tender^{xxii}: The new service addresses issues found in the review and prioritises support to direct payment holders, with an emphasis on recruitment support. New resident information on direct payments and new staff training is now available and more is being developed.

An accessible and transparent framework is used to charge people for care and is being reviewed.

People are informed of our approach to charging via staff and via our accessible online [policy](#). The policy explains that people can speak to the Financial Assessment team or make a complaint to appeal against a charging decision. In 2022-23, 54 complaints were raised in adult social care overall^{xxiii}. The charging policy is being reviewed and an updated policy is due to be in place by 1 April 2024. Developing new, printed information to residents on charging will be reviewed at the same time following feedback from partners and carers that communication on charging is an area for improvement. In the meantime, we are improving communication on what people can expect to pay by working on an online calculator that is due to be published in autumn 2023.

We are improving how we work with adults with a disability by reconfiguring the service.

Improvements are being made to the service supporting working-age adults with a disability. The service has moved from being an all-age service to a separate service for adults to ensure good levels of management capacity and oversight. We have increased staff capacity in the team overall and are recruiting a permanent team after relatively high use of agency staff. A desktop review of cases and practice was carried out in June 2023: This recommended improvements on how information is recorded on our Liquid Logic system and improvements on how reviews are carried out. These are being taken forward through a Disability Service Improvement Plan.

2.2 Supporting people to live healthier lives

Information and advice related to support is improving.

People can phone, go [online](#), visit local [Community Hubs](#) or a range of VCS and partner services to get information and advice related to social care^{xxiv}. Innovative [Community Hubs](#) run from local buildings, enabling residents to get in-person information on social care, housing, benefits and more. Council staff work alongside partners to offer holistic support. Our Community Hub model was commended in a 2022 peer review^{xxv} and the impact can start to be seen in feedback: 63% of respondents in the last service user survey said information and advice is easy to find – better than the year before and in line with the London average. Feedback is that not everyone is aware of Community Hubs^{xxvi} and we continue to raise awareness. We will expand the number so there is one in each of our 19 wards and strengthen joint working with health. Hubs are central to our aim of developing community-led support in each local area so residents can connect with each other and with services to get help at an early stage. We are also improving resident printed information following feedback that this is sometimes preferred, and improving how easily people can get hold of the right person or team by phone.

People get effective and holistic information and advice at the ‘front door’ of adult social care.

When people who need support contact our Adult Intake Team, staff use our innovative OneView system to support residents in a holistic way: The system brings together data from five service areas including housing, benefits and adult social care. It provides a single view of a person that enables staff to support residents in a truly person-centred way^{xxvii}. The effectiveness of this approach is in quarterly monitoring reports: In 2022-23, 69% of those in contact with the Adult Intake Team resulted in signposting, information and advice; 15% resulted in a referral to adult social care^{xxviii}. We are working with health to create a shared set of data and hope to have this in place by next year. Insights from data will then be used to target interventions at those at risk of developing care needs.

Carers can access a range of information, advice, and support to stay well.

New and existing carers of all ages are supported to stay well through respite, direct payments, information, advice, training and peer support. 1000 carers accessed this in 2021-22^{xxix}. Our most recent Carer Survey compares positively with London averages on the proportion of carers who are positive about control over their lives, looking after themselves and feeling safe^{xxx}. Much of the preventative support offered to carers of all ages is provided through our local [Carer Centre](#), working closely with health partners. We will continue to work with partners to identify and support more carers at an early stage: The 2022-25 [Carer Charter](#) and [Action Plan](#) is our plan to address this.

Many activities are available to support healthier lives, but they are not always known or targeted.

People have access to a wide range of good quality, universal [activities and services](#) that support healthier lives. The activities address issues identified in our [JSNA](#), such as support with physical activity and healthy eating, and are often provided by our vibrant voluntary and community sector (described more in Section 4.2). Staff feedback and case file evaluations tell us these activities aren't always well-understood, and people aren't always connected with them in assessments and reviews, partly as they aren't articulated in one place. Activities are now being mapped^{xxxi}, alongside work to improve the consistency of information and advice given to communities. We will work across the partnership to target activities at groups identified through insights and our [JSNA](#) to be more at risk of poor health and/or developing care needs, ensuring activities are in each local area.

We understand social isolation in the borough and are taking action to improve this.

Our [JSNA](#) describes social isolation needs and how this is community concern. 25% of respondents to our last carer survey reported feeling socially isolated, 15% of respondents to our last survey to people with support needs reported often or always feeling lonely, and loneliness a common concern in interviews carried out with 16 people leaving hospital in 2021^{xxxii}. A range of initiatives to tackle social isolation are provided through our voluntary and community sector. We fund befriending and community activities and are starting a pilot with the community and voluntary sector to proactively contact 100 people at risk of social isolation. The impact of this commitment can start to be seen in feedback: The proportion of people with care needs who have as much social contact as they want has risen over the last two years to 42%, above the London and England average for 2021-22.

Equipment and adaptations aim to reduce or delay the need for care and support.

People can access a clear and comprehensive offer to support them to live independently at home. This includes our [handyperson scheme](#), our offer of [equipment](#) in the home and our approach to major

adaptations, articulated in our [Aids and Adaptations Policy](#). The policy allows us to enact six new additional grants to the current mandatory Grant usage, enabling more residents with disabilities to stay in their own home, in an environment that is better adapted to meet their needs. Our new care technology offer strengthens this approach: It is described next and is part of a wider move toward evidence-based, proactive, and targeted interventions to reduce and delaying care needs.

People are supported to live independently through technology-enabled care.

People have access to a wider range of innovative technology that supports their independence. Over the last year we have changed from offering only Careline to offering a wider range technology-enabled care focused on data-led prevention. Our [offer](#) now includes sensors, alerts and voice-activated technology: 627 new residents have been connected, and over 3,000 residents are being support overall^{xxxiii}. Residents receive a call to get feedback: 79% reported equipment improved their independence at home, 80% said it improved their quality of life and 79% said it had improved the quality of life for family and/or carers as of May 2023. A culture of 'technology first' is promoted, and 164 staff completing care technology training in 2022-23. We are prioritising predicative analytics, gathering data from technology to enable proactive interventions to prevent things like falls and ill-health from extreme weather. Our aim is to integrate data and insights from care technology into OneView, enhancing holistic support to residents. Our [procurement proposal](#) and [service specification](#) and our digital roadmap describe these plans^{xxxiv}.

We are developing a more cohesive prevention plan.

We have a range of preventative initiatives that are well-used (for example, 4,600 referrals from GPs to social prescribers were made in 2021-22). We are now pulling these together and will articulate our approach in a more cohesive plan to prevent, reduce and delay care needs. As previously mentioned, preventative activity is currently not targeted at the groups most at risk and the outcomes of activity are not always clear. Our future approach will address this and is being developed with health partners. It will be articulated in an Adult and Communities Partnership Plan owned by our Adult Delivery Group^{xxxv}, part of our place-based partnership.

We are developing a new approach to reablement.

We focus on creating a 'reablement ethos' across everything we do, empowering people to maximise their independence. The Crisis Intervention Service has been our main short-term support: A six-week service to ensure everyone in immediate need of support gets this. We know the outcomes for people getting support from the service could improve: In 2022-23, 55% of people completing short-term support had less or no support, compared to a London average of 73%, and 81% older people were at home 91 days after hospital discharge to crisis intervention^{xxxvi} (these metrics are likely also influenced by our Crisis Intervention Service being open to all). We are developing a reablement short-term service focused on empowerment and helping people get back on their feet as a result. We piloted an integrated reablement service between January and March 2023, and over 70% of people supported did not require ongoing care.^{xxxvii} The pilot has been extended to March 2024 to enable further analysis. A 'reablement ethos' across services will continue, including in the new homecare retender and in support available to people following hospital discharge^{xxxviii}.

Adults with a learning disability are well-supported to live independently in the community.

Adults with a learning disability and carers are supported through a range of services to live independent lives. The proportion of adults aged 18-64 with a learning disability living on their own or with friends and family is comparatively high at 89% for 2022-23, above the London average of 77.5%. This continues to be monitored to ensure performance is maintained. We want to support more adults with a learning disability into employment: A dedicated employment worker is supporting this.

Work is underway to understand the increasing proportion of older people moving to care homes.

The proportion of older people moving into care homes is going up, with 821 admissions per 100,000 of the older population in 2022-23^{xxxix} compared to a London average of 401 in 2021-22. Staff feedback is that a similar trend is happening across London, influenced by increasingly complexity and acuity post-Covid-19, pressure on unpaid carers and the prioritisation of getting people discharged from hospital via the Hospital Discharge Fund. To address this, we are developing a more robust approach to reablement, described earlier in this section. We plan to provide intensive, wraparound homecare as an alternative to residential care for those discharged from hospital^{xl} and are also developing a pilot reablement model in residential care. Work will be carried out to understand and address the drivers behind these trends in more detail.

2.3 Equity in experiences and outcomes

There are strong Council-wide commitments to equality that we apply to adult social care.

People are supported by staff committed to equality and diversity. Our [2023 Corporate Plan](#) describes our commitment to put this at the heart of everything we do. It sets three equality objectives: Addressing structural inequality, providing leadership in the community and fair and transparent services. Progress against objectives is regularly reviewed and will be reviewed again in the next year^{xli}. Our commitment is reflected in what we expect from the organisations we commission, described in Service Specifications^{xlii}. It is also reflected in our approach to our workforce: We were one of seven local authorities across London to pilot the [Workforce Race Equality Standard](#) in 2020, and are developing a programme of work to continue to develop this. Our 2022 Anti-Racist Framework^{xliii} articulates the commitment across social care, public health and education to promoting equality for our workforce and residents. New staff are required to complete training on equality and diversity, mental health awareness, sexual orientation and trans and non-binary awareness; existing staff must complete equality and diversity training every three years. Some of the impact of this work can be seen in our annual Residents Survey: In 2021, 82% of respondents said their local area is a place where people from different backgrounds get on well together – up from 72% in 2017.

We have recently developed objectives that are specific tackling inequalities for people who need care and support over the next year following analysis of where inequalities are experienced.

Inequality in Barking and Dagenham is well-understood.

People are supported by a council that has a detailed understanding of local communities. Our [analysis of the 2021 Census](#) sets out that we are a young and diverse borough with a high levels of population 'churn', as detailed in Section 1. Our understanding of health inequalities is described in our [JSNA](#) and annual Public Health Director Report^{xliv}: The wider determinants of health including income, work and housing are challenges facing many in our communities. The risk of long-term conditions increases with age and with deprivation, and people of South Asian or Black ethnic backgrounds are at a higher risk of developing many long-term conditions and experiencing worse outcomes compared to people of White ethnic backgrounds. In mental health, people of African and Caribbean descent are over-represented at all levels of the psychiatric process. Life expectancy is lower than average for people with serious mental health issues and for people with a learning disability.

We understand equality of access in some local health and care services. The Public Health Director report^{xlv}, for example, describes the profile of people accessing local health checks, weight management and stop smoking services; and sets out actions to target underrepresented groups. We will deepen our understanding of inequalities in adult social care in terms of access, experience and outcomes in future, as described in our Adult Social Care Improvement Plan.

Barriers to getting care and support are understood and are being addressed.

We use research and insights to understand barriers to support. Research indicates that barriers include lack of information, perceptions of cultural inappropriateness and normative expectations of care^{xlvi} – particularly impacting people of Asian, Black or minority ethnic backgrounds and people who identify as LGBT+.

As noted in Section 1, we have high levels of population 'churn' and a significant number of residents arrive in Barking and Dagenham after seeking asylum or via refugee schemes. Staff feedback is that people new to the borough may have less awareness of where to get support and that people fleeing harm in their country of origin can mistrust statutory services. We recognise that this mistrust may be exacerbated by the political history in the borough, by the findings of the [recent review](#) into the Met Police and the Stephen Port inquest. Feedback is that residents often first go to community, voluntary and faith groups for support and advice. We are working with local groups and individuals to address this and help build trust, including working with our [B&D Collective](#).

The support we commission is informed by our understanding of inequality.

People get support that has been designed with inequalities in mind. Service specifications^{xlvii} describe the support that we commission: These set out the needs of our local communities and how support will be provided in a way that is inclusive. Service specifications and procurement reports are accompanied by Equality Impact Assessments^{xlviii}. Providers are expected to have Equality and Diversity in Service Delivery policies and provide support that is accessible and inclusive^{xlix}. Our next Market Position

Statement will describe in more detail how the diverse needs of people will drive the future design of care and support in the borough.

Work to make care and support more inclusive is developing.

People who need support can contact us in-person at one a local [Community Hubs](#), over the phone or online. Community Hubs in particular are designed to reach the most marginalised, including people who are digitally excluded. Residents and partners tell us that mistrust of public services can be a barrier to getting in contact: One of the ways we are tackling this is through working with the community and voluntary sector via the [B&D Collective](#). Residents tell us that not having English as a first language can be a barrier, so we have both an interpreting offer (via a contract valued at an [estimated £175,000 per year](#))ⁱ and a strong offer to [support people with English skills](#). Residents tell us that sight or hearing loss can also be a barrier, and our contract with the [Language Shop Limited](#) supports residents in this area. Through the B&D Collective, a local organisation was appointed to lead on resources to better support residents who have No Recourse to Public Funds and did so by engaging with 157 local residents with lived experience of this.

Support is more inclusive through having a workforce that reflects the diversity of our communities: In 2021-22, 78% of the Barking and Dagenham workforce was of a Black, Asian or minority ethnic background, 74% were female and 26% were male, whilst the average age was 45ⁱⁱ.

The barriers to support that people experience are addressed in assessments and plans.

People who need care and support drive their assessments and plans, and discussions include considerations of protected characteristics. Support plans are tailored around these discussions. Our case file evaluations seek assurance that information has been communicated in an accessible way, that there is evidence of anti-discriminatory practice and that protected characteristics have been considered in interventions and case work: Positive practice has been found in relation to thisⁱⁱⁱ.

We seek out insights on people's experience of equality and discrimination and act on these.

Staff ask people who need support about any experiences of discrimination, the extent to which diversity is respected and support is inclusive. This happens during staff visits to assess the quality of commissioned providersⁱⁱⁱ. Findings are written up and an action plan to address any issues is agreed with the provider and monitored. People are also asked during regular 'spot check' phone calls to people getting homecare or a direct payments: In 2022-23, 760 people were asked 'do you have any cultural needs?', and of the 21 that did, 19 said these were being fully met^{iv}.

Work has started to identify people more likely to receive poor care locally.

We have carried out work to understand equity in access, experience and outcomes in Barking and Dagenham. Analysis indicates that in 2022-23, there was a slight underrepresentation of people of an Asian/Asian British ethnic background for older people accessing adult social care and a more significant underrepresentation of people of an Asian/Asian British ethnic background and people of a 'White Other' ethnic background for working-age people. We are now working with our local Healthwatch to understand what might be causing this. Likewise in safeguarding: 2022-23 data indicates an underrepresentation of people of an Asian/Asian British and Black/Black British ethnic background in safeguarding concerns and enquiries, particularly pronounced when looking at adults aged 16-64.

We have gathered national insights on equity of experience and outcomes, including research that people of Black, Asian or minority ethnic backgrounds and people who identify as LGBT+ can experience poor care. We have agreed equality objectives and plans to address this. We will gather local insights on inequality and improve how the protected characteristics of people who need support is recorded on our Liquid Logic system. We will set this against our robust understanding of local communities and health inequalities to see the whole picture and take action.

We will improve how we listen to groups of people most likely to experience inequality.

We work well with people at an individual level to understand inequality – as evidenced through case file evaluations – but limited work is carried out to listen to groups of people most likely to experience inequality and those who are seldom-heard. This will be developed over the next 12-18 months through a planned Adult Social Care Co-production Plan. This and the insights described in the last section will be used to develop clear priorities and a plan to improve the experience and outcomes for people who are more likely to have poor care.

Section 3: Providing support

3.1 Care provision, integration and continuity

We have a detailed understanding of our communities.

As mentioned in Section 2.3, our understanding of the needs of our communities is detailed in our [analysis of the 2021 Census](#), in our [JSNA](#) and annual Public Health Director Report^{lv}. This informs the support that we commission, evidenced in Service Specifications^{lvi}. Our next Market Position Statement will describe how the diverse needs of people will drive future support in the borough in the medium to longer-term. We are developing plans for more community-led commissioning, focusing on what communities want and need and working with the voluntary and community sector to address this.

We engage on our commissioning plans with the people impacted by them.

People who need support, carers, health partners, housing and other stakeholders engage with us to design support. Plans for adults with a learning disability or autism, extra-care supported housing^{lvii}, for care technology^{lviii}, for direct payment support^{lix} and for community equipment^{lx} are examples of this, described in Service specifications and tender documentation. Work is underway to recommission homecare, develop reablement, further strengthen care technology and strengthen support to people when they leave hospital. Our planned Adult Social Care Co-production Toolkit and Plan will describe how we will move from engagement and consultation towards co-producing support in future.

A stable, supported workforce in the local authority helps ensure continuity of care.

Local authority staff are well-supported in their roles in a range of ways, as described in the latest Investors in People report and gold accreditation^{lxi}. This is explored in more detail in Section 5. As a result of this support, the workforce is stable and retention levels are good (the turnover rate in 2022-23 was 12%). Positive staff feedback is reflected in the most recent Social Work Health Check^{lxii}. We are now working towards platinum Investors in People accreditation^{lxiii}.

The care market is well-supported to provide continuity of care.

We understand and support our market well. Having identified a risk on the viability of providers, research on homecare sector viability^{lxiv} was commissioned in 2021. The research found that a significant amount of resource was being used by providers on recruitment. A Social Care Action Plan^{lxv} was developed from the research. We have partnered with [Care Provider Voice](#) to provide recruitment support to all providers in the borough: They find job applicants, match candidates and work with a local college to offer pre-employment training. The job brokerage resulted in nearly 300 job offers over the course of 2022-23 across Barking and Dagenham, Havering and Redbridge.

Career progression and retention is supported through training and access to the Care Certificate: Providers can access free e-learning and uptake is monitored.^{lxvi} Work is now starting to provide independent business advice to providers, and to promote flexible working options to support recruitment and retention^{lxvii}. The recruitment, retention and skills of Personal Assistants are supported through the Direct Payment Support Service, after research identified this as an area to improve^{lxviii}.

Overall and as a result of this work, data shows that whilst vacancy rates in Barking and Dagenham are similar to the London average, retention compares positively: The turnover rate in Barking and Dagenham adult social care sector in 2021-22 was 12% - the second lowest in London and well below the average of 25%^{lxix}. We will continue to implement the Social Care Action Plan going forwards.

The care market is supported to be financially sustainable.

Support to the sector to be financially sustainable is described in our [Market Sustainability Plan](#) and Uplift Policy^{lxx}. We increased our rates for 2023-24 for our older adult care market by 16.2% compared to the year before – one of the largest uplifts in northeast London. We are committed to paying London Living Wage and are implementing this. Direct payments were recently uplifted to ensure all Personal Assistants are paid at least the London Living Wage. We also supported the workforce in 2023 through the cost-of-living crisis: Local providers could bid for up to £1,500 per organisation to support staff with items including food vouchers and travel cards. 40 providers accessed funding benefitting 800 care workers. We will continue to work with partners over the coming year to identify funding opportunities to help support residents and providers.

One provider has handed back a contract in the last 12 months, explained more in Section 4.1.

We engage well with the market to provide support that promotes independence and choice.

We engage well with providers through [Care Provider Voice](#) and through local provider forums. In 2022-23, 85 providers attended our first bi-annual forum open to any provider registered in the borough. A forum specifically for providers of mental health and disability support will be established in the next year. A newsletter is regularly sent out. We engage with the community and voluntary sector more broadly through the [B&D Collective](#), collaborating to better support communities and residents. Our 2022 peer review commented on the trusting relationships between commissioners and providers, and feedback from providers is consistently positive about the level of engagement and the open, collaborative relationship between commissioners and providers. Providers are also represented via [Care Provider Voice](#) in policy decisions made by the committee-in-common of Barking and Dagenham Integrated Care Board Sub-Committee and Health and Wellbeing Board, described in Section 3.2.

Robust quality assurance helps people get good quality support.

Our approach to quality assurance includes reviewing data weekly, gathering fortnightly feedback from 20 people who get homecare or direct payments, and annual in-depth staff visits to assess the quality of commissioned providers (more frequently if needed). 58 visits to providers took place in 2022-23^{lxxxi}. Findings are written up based on this visit^{lxxii} and an action plan to address any issues is agreed with the provider and monitored^{lxxiii}. Monthly reports describing provider risk and concerns are reviewed at a Provider Risk and Concern meeting and any remedial action is agreed. Our approach was affirmed by the 2022 peer review that found 'strong quality assurance processes between commissioners and providers'^{lxxiv}. We will continue and develop this approach in future.

Over 2022-23, five providers were rated 'red' under our risk assessment process and were subject to an intensive improvement plan and heightened level of inspection. Four providers were rated red then suspended from taking new people. Three providers remain suspended as of June 2023^{lxxv}. Placement suspensions is shared with London ADASS, who share with relevant boroughs. The effectiveness of intensive improvement plans and support can be seen with Chaseview, which moved from an inadequate CQC rating in November 2022 to good in June 2023^{lxxvi}.

The quality of support is comparatively good.

The impact of the work described in this section is that the quality of care homes and extra-care supported housing is generally positive: A comparatively high proportion are rated good by CQC^{lxxvii}. The proportion of homecare providers overall who are rated good by CQC is lower than the London average^{lxxviii}, however, this is impacted by there being a comparatively high number of homecare providers overall in the borough (113 as of June 2023). 13 homecare providers are on our commissioning framework, of which three are registered in the borough. 12 of the 13 are rated good by CQC as of June 2023. In addition, we have a good level of supported housing in the borough and a small amount of shared lives provision^{lxxix}.

People who need support are comparatively positive about their experience of support.

The impact of the work is also reflected in the positive feedback on people's experience of care and support. 64.5% of survey respondents in the 2022-23 Service User Survey reported being extremely or very satisfied with their care and support: An increase on the year before and well above the London average for 2021-22 of 58%. Of the 806 homecare and direct payment users who received 'spot check' phone calls to gather feedback in 2022-23, overall satisfaction levels were above 90% and 97% said carers treat them with dignity and respect^{lxxx}. Carer satisfaction levels were below the London average in our last survey, and the Carer Charter and action plan seeks to address this.

We will look at developing more bed-based capacity in the borough.

We are highly likely to need more, local bed-based capacity in future given our growing and ageing population and the closure of Chaseview care home. This includes support to people with high and/or complex needs, and support for newer communities reaching older age. We will work with housing colleagues to plan for this and articulate these plans in a Vulnerable Housing Strategy.

There is more to do to understand the impact of different types of support on people who need it.

We understand the impact of support in some areas, but not all. In the last survey sent to people who need support, 89% said support helps them have a better quality of life and 79% said it helps them have control over daily life. We will improve how we gather and use data on the impact of support through collecting insights from care technology and from providers, analysing data on our innovative OneView platform and doing more to analyse the views and experiences of people who need support.

3.2 Partnerships and communities

Strong partnership working at a strategic level helps services work seamlessly for people.

Our governance and accountability structure enables strong partnership working, shared learning and collaboration. The Integrated Care Board [membership](#) includes our Cabinet Member for Health and Social Care Integration, representing outer north east London local authority partners. A committee-in-common of our Barking and Dagenham Integrated Care Board Sub and Health and Wellbeing Board met for the first time in June 2023, taking forward joint working in a coordinated way. Members include [Healthwatch](#) and [Care Provider Voice](#). The delegated decision-making and accountabilities of the committee-in-common are described in their respective Terms of Reference^{lxxxix}. The Barking and Dagenham Executive Group drives partnership priorities forward, and the Adults Delivery Group delivers these^{lxxxii}. A group to deliver shared priorities on long-term conditions and a group looking at proactive care has been established, reporting to the Adults Delivery Group^{lxxxiii}.

We collaborate with health on shared priorities.

The [North East London Integrated Care Strategy](#) describes six themes that align to our local adult social care improvement plan^{lxxxiv}. These include tackling health inequalities, putting a greater focus on prevention and co-production with local people. Locally, our [Joint Health and Wellbeing Strategy](#) has recently been refreshed and an Adult and Communities Partnership Plan for the Adult Delivery Group to deliver is being developed. Our Better Care Fund plan describes our shared objectives within the BCF framework and how these will be met^{lxxxv}. We work with health partners on a range of topics including hospital discharge, falls prevention and workforce planning and support (an example of this is described in below). Our new Director of Health and Care Integration post is leading work on this area and we are building up joint partnership capacity as well as an aligned structure between the Integrated Care System and our commissioning service on ageing well.

We work collaboratively with health to help people as well as possible.

Two examples demonstrate how people are benefitting from joint work with health. Firstly, we are piloting apprentice nursing associates in [Kallar Lodge](#) care home, working with Skills for Care and others, which will lead to apprentices becoming registered nursing associates^{lxxxvi}. This is supporting career development and staff retention, whilst enabling people at the home to get relevant health interventions quickly and easily. The second example is the [London Care Record](#): We worked with health and Kallar Lodge to pilot staff in the care home having access to people's health records: Feedback was that this led to more effective care planning, prevention and faster discharge from hospital. The pilot is now being rolled out across the borough.

Staff feedback is that collaborative working with health also takes place well in local areas (through our locality teams) and in the Emergency Duty Team. This includes joint working with primary care, mental health and community health services.

We work collaboratively with health on hospital discharge.

We work well with partners to discharge people safely from hospital. Hospital-based practitioners meet health colleagues daily to organise this and feedback is that there are minimal delayed transfers of care. We work with Havering, Redbridge and health to run an Integrated Discharge Hub for the three boroughs. Trusted assessors of care needs work in hospital wards to support people to be discharged from hospital without delay. Feedback from providers is that communication problems still sometimes happen when people are discharged from hospital, and we continue to work to improve this.

Our BCF plan describes the jointly funded services that support people following hospital discharge, including the 'Home, Settle and Support' service to support residents on their arrival home from hospital and integrated reablement pilot. Our jointly commissioned Home First approach means that people with support needs are discharged home if possible, with a range of support to help their recovery and rehabilitation. A full care assessment takes place between 4-6 weeks later in a person's home to make sure ongoing support needs are met. People who need nursing care to leave hospital can access this quickly, and we work with health and with Havering and Redbridge local authorities on this. People are supported in nursing care for six weeks to regain their independence. A full care assessment takes place at this point, as part of our 'discharge to assess' approach. People are often then supported to move back home or into residential care. This approach has been successful, and our plans are articulated in our BCF plan. We are also working with health to develop better information and advice to carers when people are discharged from hospital.

We are collaborating more with health partners to support working-age adults.

We work with health partners at a strategic level to highlight the needs of adults with mental health issues and adults with a learning disability, including the Transforming Care programme led by the Integrated Care System. An example of how we work together as a system whilst not being an integrated team is mental health: The estimated prevalence of common mental health disorders is high in the borough, yet the rate of hospital admissions is low as health and care put a focus on responsive, home-based treatment and support. We will continue to collaborate on key issues, including support for adults with autism. We will articulate our plans for future collaboration in the Adult and Communities Partnership Plan for the Adult Delivery Group. We will formalise joint working with health through a Section 75 agreement where it makes sense to do so (currently no Section 75 agreements are in place).

We work collaboratively with the community and voluntary sector to support people.

Our vibrant community and voluntary sector are an important part of our borough. There are 225 charities generating a turnover of £24.5 million, alongside around 5,000 formal or informal organisations with an estimated 46,000 members. The [B&D Collective](#) is one of the ways we engage with the sector, enabling collaboration and building capacity to better support residents. An example of this in practice is our innovative [Community Hubs](#) – as mentioned in Section 2.2 – whereby the council and CVS work well together to provide information and advice to residents. The [Collective](#) enables organisations looking at common issues to come together. They are leading on our Community Locality Leads programme, whereby a community-based infrastructure is being set up to help address health inequalities and the impact of the cost-of-living crisis on residents. To date, work has included over 1500 conversations with residents to discover who they turn to in a crisis, discovering and mapping all the connecting places in the borough, and prototyping with residents.

[Healthwatch](#), the [B&D Collective](#) and [Care Provider Voice](#) are valued partners. They provide insights on resident experiences and represent the CVS and local care providers on forums including our Integrated Care Board Sub-Committee, Adult Delivery Group and Safeguarding Adults Board.

Good partnership working with neighbouring boroughs improves the support people receive.

We work closely with our neighbouring boroughs, particularly Havering and Redbridge, with joint commissioning and quality assurance arrangements. We share a single major acute provider - Barking Havering and Redbridge University Trust - and a large community and mental health Trust, NELFT NHS Foundation Trust. Some of the support we commission is shared across the three boroughs, as set out in our BCF plan^{lxxxvii}. A significant number of out-of-borough placements are in these boroughs^{lxxxviii}. The three local authorities and Newham meet via the 'Quality Surveillance Group' to share learning on the quality of support across the area. We work collaboratively and with health partners on common priorities: For example, our Hospital Discharge Working Group oversees the management of discharge challenges, trouble-shooting and developments.

Revised protocols and agreements will clarify roles, responsibilities and pathways in writing.

We will review the protocols and agreements with health in each operational service area to articulate roles, responsibilities, and pathways in writing. Staff feedback is that joint working is strong and that good staff retention levels promote good relationships and consistent practice, however we recognise the need to ensure up-to-date protocols are in place. This review will be done over the next year.

There is more to do to understand and act on the impact of partnership working.

We will improve how we understand the impact of partnership working via data and insights, including the impact on people who need support. Falls prevention is an example of this: We ranked seventh of all London local authorities for the rate of falls in 2019, and are starting work with health to collect, analyse and use falls data to target preventative interventions. Future plans will be in the Adult and Communities Partnership Plan.

We will strengthen joint working with housing to meet people's accommodation needs in future.

Joint working with housing planners to plan for and address the housing needs of people who need care and support – now and in future – is an area for improvement that we are working on. A Vulnerable Housing Strategy will be agreed and implemented to address this.

Section 4: Ensuring safety

4.1 Safe systems, pathways and transitions

Safety and safeguarding adults is a priority in Barking and Dagenham.

People are supported by a local authority that prioritises safety. For example, we are prioritising [supporting people through the cost-of-living crisis](#), recognising the risks to wellbeing, neglect and safety arising from this. One of the six priorities in our 2023 Corporate Plan is: 'Residents are safe, protected, and supported at their most vulnerable'. We are working to embed safeguarding as a priority across the whole Council, including across housing services that are dispersed across the local authority.

People who need support benefit from robust planning for emergencies and critical incidents.

Our Corporate Resilience Group plans for emergencies and critical incidents including heatwaves, serious floods and largescale fires – all of which have happened in the borough in the last two years. Adult social care staff are an active part of planning, ensuring that the needs of those with lived experience of care and support are considered and acted upon.

We work as part of a wider system focused on safety.

We come together with health partners, the police, housing others through our Safeguarding Adults Board (described in Section 4.2), Community Safety Partnership Board^{lxxxix}, [Children's Safeguarding Partnership](#) and health partnerships (described in Section 3.2) to focus on safety: For example, tackling domestic abuse is a priority across the partnership and associated joint strategies. We address changes in the system that could impact on safety: For example, following the May 2023 Metropolitan Police announcement that they will shortly no longer attend 999 calls linked to mental health incidents unless there is a threat to life, we are both discussing with the police whilst preparing for what this change means for residents and demand for social care.^{xc}

There is a strong culture of learning that supports people to feel safe.

We continuously learn about and improve how we do things. Learning on safeguarding has been prioritised through peer reviews, external challenge, and external and internal case file evaluations. We have worked with partners to learn from Safeguarding Adult Reviews, Domestic Homicide Reviews and Learning Disability Mortality Reviews. For example, learning from one Safeguarding Adult Review was to establish a complex cases group^{xcj}, which is now in place. A second example is that learning from a Domestic Homicide Review led to a wider Domestic Abuse Commission^{xcii}, and in adult social care this has resulted in raised awareness amongst social workers and practitioners via a Domestic Abuse Quick Guide for Practitioners^{xciii}. A third example is case file evaluations: 65 safeguarding cases were reviewed by an external evaluator in spring 2023. Actions to address common themes^{xciv} are being taken forward in an action plan and we are now planning further case file evaluations with Safeguarding Adult Board partners. We share learning back with partners: For example, learning from Safeguarding Adults Reviews are shared at the provider forums described in Section 3.1.

People preparing for adulthood are supported to be safe.

Young people with support needs start to plan support and moving into adulthood at an early stage. Recognising that transition to adult social care can be a challenging period of change, two dedicated workers in learning disability and/or autism and in mental health services are in place co-ordinate and support people through this. Work is overseen by a Specialist Transitions Panel^{xcv}. As described in Section 2.1, we have moved from being an all-age disability service to a separate service for adults to ensure good levels of management capacity and oversight, and the dedicated workers continue to work across both areas.

People ready to leave hospital are supported to stay safe.

The [Home, Settle and Support service](#) aims to help people feel more safe and secure when they get home from hospital – particularly if they live alone - supporting with things like food shopping, travel and picking up prescriptions. Social work staff phone people discharged home from hospital in the first 24 hours to do a 'welfare check' and follow this up with a full assessment visit after 4-6 weeks. Interviews with 16 people in 2021 with people leaving King George and Queen's hospitals highlighted communication and care planning as two key issues: People did not always know about or feel involved in their care plan, were not always clear on what to expect or who to contact – particularly people with no support networks to help with this.^{xcvi}. As a result, people are now given clear, printed information^{xcvii}

on what to expect after being discharged from hospital and who to contact in the event of concerns or changes.

People moving between social care services are supported to be safe.

People who move out of Barking and Dagenham are supported to stay safe through our case transfer process. This involves a multi-disciplinary meeting and working with the person and the local authority area they are moving to. We have recently started analysing trends in out-of-borough placements overall^{xcviii} and will continue and develop this over the next year.

Safety is core to what we expect from commissioned providers.

Safeguarding is central to our Service Specifications, setting out expectations that providers are supported to meet. The review of the direct payment system – described in Section 2.1 – identified the need to improve safety assurances for those organising their care through a direct payment. The newly designed Direct Payment Support Service^{xcix} will ensure new Personal Assistants registered on a system we are setting up will have undertaken safeguarding training (existing Personal Assistants will have access to the same training). The service will help people undertake ‘right to work’ and DBS checks. As described in Section 3.1, we provide a robust, free training offer to providers as part of our approach to ensuring safety. Our Safeguarding Adults Board is looking at developing and assuring a robust safeguarding learning and development offer to all stakeholders in the borough.

Safety is robustly monitored and assured.

‘Safeguarding failures’ is one of 13 risks on our Corporate Risk Register and is monitored through our risk management approach. The Safeguarding Adults Board monitors risk across the partnership and scrutinises quality and performance data via the Performance and Quality Assurance Sub-group. In summer 2023, for example, this led to the Board requesting information and assurance on the quality of care. The Safeguarding Adults Board will develop a risk register over the next 12 months.

As described in Section 2.1, we have a robust approach to assuring the quality of support that was commended in a 2022 peer review on ensuring safety. Safety is the core criteria through which providers are risk assessed (for example: providers rated ‘amber’ are meet the following: ‘people who use the service are safe, but care provision may not always meet safety and quality standards’). Information is monitored in-borough at Provider Risk and Concern meetings and with neighbouring boroughs in Quality Surveillance Group meetings. Section 2.1 explains the outcome of this. Safeguarding in practice is monitored via supervision and case file evaluations: Common themes in case file evaluations are being addressed through the Adults Improvement Plan. We are developing how we identify and address any trends in relation to safeguarding and Personal Assistants.

Safety is maintained in the event of a provider closing and the process is explained in our local policy.

Our Provider Failure Policy^c sets out clear processes to ensure people get continuity of care in the event of a provider closing. The policy was last implemented in summer 2023 following [Chaseview care home](#) – run by HC-One - informing the local authority of its intention to close in April 2023, citing financial and resourcing issues. Chaseview was the largest care home in the borough, supporting older people and people living with dementia. We worked closely with residents, families, HC-One, health partners and other relevant councils to agree alternative homes for residents impacted by closure and to ensure their safety and received positive feedback on our approach.

We have a robust approach to whistleblowing.

Our approach to whistleblowing is set out in our Whistleblowing Policy, last updated in 2022 and applicable to both Council employees and those employed by commissioned providers. It is part of the employee code of conduct and staff induction. Safeguarding concerns about a person in a position of trust have another layer of assurance, articulated in our Persons in Positions of Trust Practice Guidance. This includes the response of the relevant employer being reviewed by the Safeguarding Adults Board.

People are comparatively positive about feeling safe and the impact of support.

The impact of the work described in this section is reflected in the positive feedback received on how safe people with support needs feel in Barking and Dagenham: 70% of survey respondents reported feeling safe in 2022-23, above the 2021-22 London average of 65%. 83% of respondents said support helped them feel safe and secure: An increase on the previous year and similar to the 2021-22 London average of 82%. Similarly, in the last carer survey, 82% of respondents reported having no concerns about their personal safety compared to a London average of 76%.

4.2 Safeguarding

We will raise awareness, so more residents know what safeguarding is and how to raise a concern. People are informed about what safeguarding is and how to raise concerns is on our [website](#) and by staff explaining this (for example, in [Community Hubs](#)). Feedback from a group of people with lived experience of safeguarding from across London is that there is more to do to raise awareness of safeguarding, and local feedback is that mistrust of services can be a barrier to people coming forward. We will develop more information and will raise awareness overall, targeting seldom heard groups and working with community and faith groups. Our Safeguarding Adults Board will progress this and is planning a Safeguarding Conference in October 2023 that will be open to everyone.

We are improving the response when a safeguarding concern is raised by developing a MASH. Safeguarding concerns are usually first raised with our Adult Intake Team, part of the Community Solutions service. This is a clear and accessible 'front door' for people to raise concerns. 1510 concerns were raised in 2022-23, representing 23% of all contacts that year^{ci}. A theme from 65 case file evaluations in 2023 was that concerns are promptly considered and sent to relevant teams^{cii}. However, a theme in our 2022 peer review^{ciii} and in 2023 Partners in Care and Health findings^{civ} is that the process of concerns being triaged by the Adult Intake Team and reviewed again by another team when referred risks being disjointed. Partly as a result, in summer 2023, we looked in-depth at 32 safeguarding concerns to understand in detail what is influencing the low conversion rate from concerns to enquiries, which was 17% in 2022-23^{cv}. We found some recording issues whereby some staff are carrying out safeguarding enquiry work but recording these as concerns only and are now working to improve our system and recording to address this. We are now looking at developing a Multi-Agency Safeguarding Hub as a new 'front door' for safeguarding concerns to further improve our response. We expect this to be in place over the next 12-18 months.

People subject to safeguarding concerns and enquiries are supported in a timely way. A theme from 65 safeguarding case file evaluations in 2023 was that the majority of cases were addressed within policy and procedure timescales^{cvi}.

Deprivation of Liberty Safeguarding (DoLs) applications are timely compared to the London average. We partnered with University of Bournemouth to increase the number of trained Best Interest Assessors in our workforce, and as a result have no backlog of people in residential or hospital settings waiting for DoLs assessments. We are working to make the same improvements for people in community settings. The proportion of DoLs applications completed in 21 days was 29% in 2022-23, compared to a London average of 24% for 2021-22. Assessments often take longer due to complex cases and waiting for partner information, and timescales are a common challenge across England.

We concentrate on improving lives and protecting the right to live in safety through our practice. People are supported through safeguarding concerns and enquiries by staff that are responsive and practice-led, improving people's lives whilst protecting their right to live in safety. This has been a common theme in case file evaluations, 2022 peer review^{cvii} and in 2023 Partners in Care and Health work^{cviii}. Our Principal Social Worker works with Safeguarding Adult Managers across adult social care, and safeguarding is everyone's business. Good staff retention levels and good policy, procedure ([pan-London](#) and local^{cx}), practice standards support this – all of which were commended in our 2022 peer review. Case file evaluations have found inconsistent staff practice on safeguarding that could impact people's experiences and outcomes. Staff training, supervision and plan to develop a MASH service aim to address this. As noted in the last section, learning from case file evaluations^{cx} is being taken forward in an action plan: This includes developing staff legal literacy and changing our Liquid Logic IT system to improve the recording of practice.

People with complex needs are safeguarded effectively following learning. We have reviewed our approach to supporting people with complex needs who are subject to safeguarding concerns in response to learning from a Safeguarding Adult Review. A Safeguarding Adults [Complex Cases Group](#) meets to support staff to safeguard people with complex needs, including young people transitioning to adult services. The group enables effective information sharing between partners and it identifies, monitors and reviews risks related to people with the most challenging needs. Our 2022 peer review^{cx} found the group works well and is an example of good practice, and that the response to high-risk safeguarding cases was rapid and responsive. Likewise, the 2023 Partners in Care and Health work^{cxii} highlighted that the approach to complex cases is valued.

The approach to tackling self-neglect and hoarding has improved after work with partners.

We strengthened our approach to safeguarding people at risk of self-neglect and/or hoarding in response to partner feedback, themes arising from Safeguarding Adult Reviews and because neglect or acts of omission are the biggest single risk type in safeguarding enquiries. The Safeguarding Adults Board analysed the characteristics of people involved in self-neglect enquiries in February 2022 and subsequently included a description of risk factors and characteristics in the recently updated Self-Neglect Policy and Hoarding approach. Staff training on this is offered, and in 2022-23, 21 staff completed training on the law and good practice on self-neglect and hoarding. The impact of this can be seen in the proportion of safeguarding enquiries with self-neglect as the main risk, dropping from 12% in 2021-22 to 8% in 2022-23. We continue to monitor practice through case file evaluations.

People are supported to participate in safeguarding processes, and we continue to develop this.

People are supported through advocacy to participate in safeguarding processes: Between 2020-23, 100% of people who lacked capacity had an advocate available during safeguarding enquiries^{cxiii}. A common theme in the 65 case files evaluated in 2023 was that the views of the adult at risk of abuse or neglect was consistently sought and recorded^{cxiv}. In 2022-23, 93% of people going through a safeguarding enquiry were asked if they would like to express their desired outcome^{cxv}: This is higher than the London average of 86%, but work continues to improve this so that everyone is asked.

Joint working with partners happens to improve safeguarding.

We work with partners on the best way to safeguard adults at risk. Partnership working is underpinned by clear, multi-agency [policy and procedures](#) and information sharing agreements^{cxvi}. Safeguarding strategy meetings involve partners wherever needed, and our complex needs group includes partner agencies. As previously mentioned, we are developing more joint working when people first raise a safeguarding concern by developing a MASH.

People are supported to feel safe through safeguarding enquiries, and risks are managed.

The effectiveness of work to safeguard adults can be seen – to an extent – in our performance. In 90% of cases, the risk was reduced or removed; likewise, 95% of people achieved their desired outcomes when a safeguarding enquiry was concluded in 2022-23, similar to the 2021-22 London average of 84%. In 2022-23, 9% of safeguarding enquiries were repeat enquiries from the preceding 6 months^{cxvii}. We think this reflects the good practice described in this section, although staff feedback is that the complexities of safeguarding can be difficult to demonstrate or explain in data.

There is more to do to understand the views of people who have been through safeguarding.

At an individual level, we will do more to ask people about the impact of the safeguarding enquiry from their perspective, and act on this information. At a strategic level, our Co-production Toolkit and Plan will set out how we will support the Safeguarding Adults Board to carry out more engagement with people, finding out what being safe means to people and how we will move toward co-production.

There is more to do to ensure people are informed of safeguarding outcomes.

A common theme from our 2022 peer review^{cxviii}, from case file evaluations and from people who need care and support is that we need to improve how we inform people and partner organisations of safeguarding outcomes when a concern or enquiry has started. We are looking at this in more detail to understand where the communication breakdown is taking place and how we can best address this.

We work in partnership with our Safeguarding Adults Board to safeguard people.

Our [Safeguarding Adults Board](#) seeks assurance that local safeguarding arrangements and partners act to help and protect adults at risk. [Members](#) are drawn from across the partnership and levels of engagement are good. The Board has three sub-committees looking at safeguarding adults reviews, at performance and quality assurance and at complex cases. The SAR sub-group oversees the learning from [safeguarding adult reviews](#) in Barking and Dagenham, ensuring that SAR action plans^{cxix} are delivered. The Board is currently refreshing its [Strategic Plan](#) and finalising the 2022-23 [Annual Report](#). Feedback from Safeguarding Board partners in June 2023^{cxx} was that the Board works well together, that learning from Safeguarding Adults Reviews is positive, that the response to the cost-of-living crisis has been positive and that domestic abuse resources have improved. Feedback was for the Board to prioritise prevention and community awareness-raising, hearing the voice of the person with lived experience, safeguarding training for staff and stakeholders and tackling the inequalities described in Section 2.3. The Board is considering this in the next strategic plan.

Section 5: Leadership

5.1 Governance, management and sustainability

Strong leadership and political engagement drive responsive, sustainable care.

The leadership of adult social care is stable and experienced, promoting a culture of responsiveness, learning and openness. Our 2021 Investors in People Gold report found staff had a high level of respect for – and confidence in – leaders, managers and each other; and that we continue to invest in building leadership capability across the council^{cxxi}. Our 2022 peer review found strong, committed, engaged leadership in adult social care, and good management supervision and support. We are committed to increasing the diversity of our leaders and are developing a plan to develop work on the Workforce Race Equality Standard, described later in this section. We have started succession planning^{cxxii}. We have strong political leadership with a highly experienced Cabinet Member for Health and Social Care Integration.

Our organisational values reflect how we work.

Our [DRIVE values](#) are the guiding principles and standards that staff bring to their working life every day. These are: Deliver, respond, inspire, value and engage. Our 2021 Investors in People Gold report found a strong and clearly defined set of core values which underpin our vision and organisational culture, drive our ways of working across the local authority and are being 'lived and breathed' by people across the organisation. To move towards platinum, we are now working to create an environment where people feel genuinely confident about directly challenging colleagues who they believe are not demonstrating behaviours in line with the DRIVE values.

Effective governance enables good management, assurance, and openness.

Our governance structure puts our values in practice. Adult social care is part of the People and Resilience Directorate, covering adult social care, commissioning, children's social care, education and public health. The core component of our governance structure^{cxxiii} is our People and Resilience Management Group, chaired by our Director of Adult Social Service to ensure effective delivery of Care Act duties and the [2023 Corporate Plan](#)^{cxxiv}. The group is accountable to the Executive Board chaired by the Chief Executive. Operational Management Team^{cxxv} meetings govern adult social care and commissioning respectively, coming together frequently and reporting to the People and Resilience Management Group. Regular portfolio meetings take place between senior managers and our Cabinet Member for Health and Social Care Integration. The structure and culture of the organisation encourages learning and collaboration, not a culture of silo working.

The Adult Intake Team – the 'front door' for adult social care described in Section 2.1 - is part of the Community Solutions Directorate. We organised external reviews^{cxxvi, cxxvii} on the impact of this structure and are considering moving the adult social care functions back into the People and Resilience Directorate as part of a developing Multi-Agency Safeguarding Hub, so that there are clearer accountabilities and more effective governance. Section 2.1 also describes how we have moved from being an all-age disability service to a separate service for adults to ensure good levels of management capacity and oversight.

Comprehensive performance information is understood and acted on to improve care and support.

A dashboard with performance indicators, targets and information on outcomes and pathways is reviewed at quarterly Adult Social Care Performance and Assurance meetings, and at portfolio meetings with our Cabinet Member for Health and Social Care Integration. Information is monitored and action is taken as a result. For example, the number of adults with a learning disability in employment was identified as an area for improvement. A dedicated learning disability supported employment worker was recruited as a result and is now working to support more people into work. Partnership and local authority information on safeguarding is collated and reported to the Performance and Quality Assurance sub-group of the Safeguarding Adults Board.

Our 2021 Investors in People Gold report found clear alignment between individual, team and organisational performance objectives and KPIs, supporting effective performance management at all levels.

We have developed our approach to articulating and managing risk at a service level.
Our Corporate Risk Register^{cxxviii} articulates our key risks and our risk management approach^{cxxix}. Strengthening risk management and compliance is one of the principles articulated in our [2023 Corporate Plan](#). We have recently developed a departmental adult care and support risk register to articulate the core risks in adult social care and how these are being managed, and these are being overseen by our Adults Improvement Board. As described in Section 3.1, there is a robust approach to managing provider risks. Risk is well-managed at an individual level by staff working with people who need support.

Budget management supports adult social care to be sustainable.

There is a thorough oversight of budget activity to help ensure social care is sustainable. We focus on providing value-for-money in the broadest sense: For example, each contract with providers is required to outline what it contributes to the wider fabric of our community as part of our commitment to social value. The amount spent per person in receipt of adult social care in 2021-22 was slightly below the London average^{cxxx} and our spend on short-term care has been considerably below the London average for the last two years^{cxxxi}. Short-term spend trends is partly due to recording issues, and partially reflective of not having a comprehensive reablement offer. The reablement offer is now being strengthened. No savings have been taken from adult social care over the last 12 months^{cxxxii}.

We have a stable, supported workforce and continue to prioritise this.

Good staff retention levels and good management support enable good quality support. Our 2022 peer review commented on our stable, committed workforce and good management supervision and support. Our 2021 Investors in People Gold report^{cxxxiii} found that staff feel well supported in their roles, that the council is genuinely committed to the welfare and ongoing development of its workforce, that the way in which people's skills are actively managed and developed allows individuals to realise their full potential and ensures the organisation retains and nurtures talent. Investors in People commented on the significant numbers of people who talked positively about the career development and progression opportunities at the council.

The diversity of our workforce – reflecting our communities – is our strength, and we are committed to improving the experience of staff from a Black, Asian or minority ethnic background and increasing the diversity of our leadership. We were one of seven local authorities across London to pilot the [Workforce Race Equality Standard](#) in 2020, and are developing a programme of work to continue to develop this. Our 2022 Anti-Racist Framework^{cxxxiv} articulates our commitment to promoting equality for our workforce and residents.

We are committed to supporting carers and have a clear plan to put these commitments into place.

The [Carers Charter 2022-25](#) describe health and social care commitments to support unpaid carers. The Charter is formed of 'I' statements that were co-produced with carers and stakeholders. An accompanying Carer [Action Plan](#) is being carried out, monitored by a Carer Strategy Group. Our 2022 peer review found excellent joint work with carers and carer providers on co-produced support.

One of the main objectives in the action plan is to promote the identification of hidden carers, following feedback and data from the last Census that 14,200 residents identify as carers. Health and social care have improved the identification of unpaid carers by promoting support services in GP surgeries. Staff training on identifying hidden carers was run across partnership organisations in 2022 and is running again in 2023. In 2022-23, this led to 579 new carers identified and recorded at GP practices and 406 new carers being identified via Carer of Barking and Dagenham.

Carers reported a better quality of life than the London average in a number of areas in the last Carer Survey (control over daily life, feeling safe and social contact) but there is still work to do in these and other areas through the Carer Action Plan. Recent feedback is that the availability of respite beds to enable carers to have a break has reduced over the last year, impacted by an increase in the number of people going into a care home overall: Work is underway to develop the respite market in light of this.

5.2 Learning, improvement and innovation

There is an excellent learning culture in Barking and Dagenham.

Continuous learning is core to our organisational culture and enables continuous improvement. Robust staff training is reviewed every year^{cxxxv} and is based on the needs of our communities and best practice. Trauma-informed practice, no recourse to public funds and cultural competency are all part of the 2023-24 training offer. Our training budget for adult social care is £68,000 – higher than the £65,000 budget in 2021-22.

We invite external challenge and use this to improve what we do. We were the pilot site for a new model of London ADASS peer reviews in 2022. The review recommended the introduction of a new case file evaluation tool. We implemented this and now routinely use them to improve practice and inform things like staff learning and development. A second example is that in early 2023 – following the peer review – we organised for 65 safeguarding cases to be reviewed by an external evaluator in spring 2023. Actions to address common themes^{cxxxvi} are now being taken forward in an action plan and our Adult Improvement Plan. A third example is that in early 2023, we invited Partners in Care and Health to support us to identify good practice and areas for improvement in relation to safeguarding: Recommendations are being taken forward through our Adult Improvement Plan.

Section 4.1 describes learning with partners on safety. Section 3.2 describes the structure through which learning is carried out and shared with health partners, which continues to develop.

Our approach to learning is recognised by others. Our 2021 Investors in People Gold report commended our emphasis on collaboration and inter-team working to deliver excellent services and support continuous improvement, and our 2023 Partners in Care and Health work commented that we are a self-aware organisation.

We engage in sector-led improvement.

We are active in London and national ADASS work programmes, including in London ADASS Branch meetings. We shared learning back to the sector on peer reviews after being the pilot site in London for a new model. Our DASS will be leading a peer review over 2023-24. Our Principal Social Worker co-chairs the London PSW Network: Through this network we developed and now use a case file evaluation tool and continually share good practice. The [ADASS roadmap](#) is now informing future plans and Improvement Plan. Our work with neighbouring boroughs to drive improvement is described in Section 3.2.

A culture of innovation is encouraged and supported.

Our innovation is reflected in our care technology work, in our Community Hub model and in OneView work to enable a holistic view of a person who needs care and support (as describe in Section 2.2). Our 2021 Investors in People Gold commended the way in which the council embraces change and sees this as an opportunity to innovate and continuously move forward.

A current example on innovation is our ‘New Town Culture’ work to strengthen cultural and creative practice in adult social care. The work is focused around three themes: The voice of lived experience, professional curiosity and direct practice, and aims to develop practice over 2023-24 through continuing professional development and through research and evaluation – partnering with Goldsmiths, University of London.

Feedback from providers, the community and voluntary sector is that they are keen to innovate and reimagine care and support in partnership with us^{cxxxvii}. We are continuing to progress work on this.

We gather and use insights to make positive changes and are continuing to develop this.

We use insights from research and best practice, benchmarking, risk, feedback, and information on performance and outcomes to inform our plans. Section 2.1 describes how insights and research on direct payments led to improvements and a new Direct Payment Support Service. Section 2.2 and 4.1 describes how insights on people’s experience of hospital discharge has led to communication improvements and new work to tackle social isolation. Section describes Section 3.1 describes how insights on homecare sector viability has led to work that has improved recruitment and retention in the sector. We have partnered with others to gather these insights (for example, with [Care City](#) and Red Cross) and share learning and plans with others.

There is a clear vision for the local authority in the [2023 Corporate Plan](#). We are developing a single vision for adult social care over the next six months, co-produced with staff, people who need care and support and stakeholders.

We will improve how we gather, learn and act on people's feedback.

We gather feedback from people who use care and support through the surveys we send out to people who need care every year and from the carers every two years. We gather and view trends on complaints. Our Provider, Quality and Improvement team have volunteers who gain feedback from people who use direct payments and homecare via 20 spot-check phone calls a fortnight. We also routinely gather feedback from people on different types of support, including on care technology.

We are going to do more to systemically gather these insights together, analyse and act on them. We will start gathering and reporting compliments as well as complaints. We will implement new ways of gathering feedback more systematically on people's experiences of assessments, reviews, and safeguarding.

We will develop an approach to co-production in adult social care.

There are good examples of engagement and consultation across the service. Our Service Specifications are informed through engaging with the people impacted by them. Our recent extra care sheltered housing tender went through a large consultation process with residents and a resident was on the tender panel. Likewise, two direct payment users will be on the Direct Payment Support Service tender panel. We engage with groups around the borough, including with [Healthwatch](#) and with the Forward Together group supported by the [Independent Living Agency](#), and have worked with Red Cross to engage with people on their experience of hospital discharge. We act on insights from engagement and consultation to improve what we do, as described in this section.

Work on the Carer Charter and Action Plan was co-produced with carers and stakeholders and is an example of good practice and we aim to replicate in other areas. Indeed, our 2022 peer review found good co-production in places and a commitment to strengthening this further.

Overall, we want to develop how we engage with people who need care and support and with carers. We are developing an Adult Social Care Co-production Toolkit and Plan to articulate this.

Document control

Version	1.8
Last updated	15 September 2023
Status	Draft
Author	Joanne.starkie@lbbd.gov.uk

- i 2021 Census
- ii 2021 Census: 26.1% aged 16 or under - the highest proportion in England and Wales
- iii Indices of Deprivation (IMD), 2019
- iv As of June 2023, there are an estimated 590 people seeking asylum in LBB, 350 Homes for Ukraine refugees and an estimated 500 arrivals through other schemes. We support an average of 80 individuals subject to NRPF at any given time.
- v 2021 Census
- vi JSNA 2022
- vii Adult Social Care Improvement Plan 2023 (draft)

- ix Adult intake process map
- x 2022-23 performance report
- xi Practice Standards
- xii 2022-23 staff training details
- xiii Adults Strengths-based Practice Social Work Forum
- xiv 2022-23 performance report
- xv Forward Together views, June 2023
- xvi 2022-23 Adult Training Numbers
- xvii 2022-23 Adult Training Feedback Form responses
- xviii Advocacy levels (referrals minus those ineligible) for 2022-23
- xix Spot-check spreadsheet 2022-23
- xx 2022-23 performance report
- xxi 2022-23 performance report
- xxii Direct Payment Support Service Specification
- xxiii 2022-23 adult social care complaint report (in development)
- xxiv Approach to information and advice, September 2023
- xxv London ADASS peer review, May 2022
- xxvi Feedback from Forward Together, June 2023
- xxvii Description of OneView
- xxviii 2022-23 performance report
- xxix SALT return: [Social care activity](#)
- xxx Carer Survey results 2022
- xxxi Current list of healthy lives activities in LBB
- xxxii 2021 Red Cross Patient Experience Interviews
- xxxiii Care Technology Programme Update, May 2023
- xxxiv To follow in July 2023
- xxxv Adult Delivery Group terms of reference
- xxxvi 2022-23 performance report
- xxxvii 2023-25 Better Care Fund Plan
- xxxviii Homecare tender and hospital discharge fund plans
- xxxix 2022-23 performance report
- xl 2023-25 Better Care Fund Plans
- xli Progress against equality objectives, August 2021
- xlii Service specification for extra care, service specification for all-age technology service
- xliii 2022 Anti-Racist Framework
- xliiv Annual Director of Public Health Report, 2022
- xliv Annual Director of Public Health Report, 2022
- xlvi Ageing and Society journal, 2016
- xlvii All-Age Care Technology Service Specification
- xlviii Example: [All-age care technology](#) Cabinet papers
- xlix Example: Extra-care service specification

- li [My local area \(skillsforcare.org.uk\)](#)
- lii Case file evaluation tools and results
- liii PAMMS Provider Checklist & Criteria
- liiv Provider Q&I Team spot check spreadsheet 2022-23
- liv Annual Director of Public Health Report, 2022
- lv All-Age Care Technology Service Specification
- lvii ECSR [Cabinet report 1](#) and [Cabinet report 2](#)
- lviii All-Age Care Technology Service Specification
- lix Direct payment support service procurement strategy and service specification
- lx CES [Cabinet report](#) and Service Specification
- lxi Investors in People report.
- lxii 'The Standards for Employers of Social Work' standards / Social Work Health Check results, 2022
- lxiii Tbc – our approach to having a workforce strategy – i.e. Social Care Action Plan, ADASS strategy, planned ICS strategy
- lxiv Providing a viable domiciliary care sector in LBB, Care City, 2021
- lxv Health and Social Care Sector Action Plan 2021-24 and Care Sector Action Plan update, February 2023
- lxvi Grey Matter Learning
- lxvii Timewise Social Care pioneers report and Timewise Social Care Flexible Job Design training content
- lxviii Personal Assistants and Direct Payments Research Report

- lxix [Skills for Care Adult Social Care Workforce Data Set, 2021-22](#)
- lxx Uplift Policy and Direct Payments Uplift Report to Executive Group (agreed option 2)
- lxxi SAB Quality of Care report, June 2023
- lxxii PAMMS Provider Report
- lxxiii PAMM Provider Action Plan
- lxxiv London ADASS peer review, 2022
- lxxv SAB Quality of Care report, June 2023
- lxxvi CQC ChaseView report, June 2023
- lxxvii LG Inform, as of May 2023
- lxxviii LG Inform, as of May 2023
- lxxix As of July 2023, there were 5 long-term and 1 respite shared lives placements in the borough. The Grace Eyre Foundation is commissioned to run this.
- lxxx Provider Q&I Team spot check spreadsheet 2022-23
- lxxxi Terms of Reference for Health and Wellbeing Board / ICB sub-committee / committee-in-common
- lxxxii Terms of Reference for Executive Group and Adult Delivery Group
- lxxxiii Terms of Reference for LTC group and pro-active care group
- lxxxiv Adult Social Care Improvement Plan 2023 (draft)
- lxxxv 2023-25 Better Care Fund Plan
- lxxxvi Nursing Associates information
- lxxxvii 2023-25 Better Care Fund Plan
- lxxxviii Out of borough placement trend report to Adult Improvement Board, September 2023
- lxxxix 2023-26 Community Safety Partnership Plan
- xc Sir Mark Rowley Letter briefing, June 2023
- xcii Complex Cases Terms of Reference
- xciii Domestic Abuse Commission
- xciv Domestic Abuse Quick Guide for Practitioners
- xcv Safeguarding case file evaluation findings, May 2023
- xcvi Specialist Transitions Panel ToR
- xcvii 2021 Red Cross Patient Experience Interviews
- xcviii 2 leaflets: 'Hospital Discharge – Information about you & your care'
- xcviii Out of borough placement trend report to Adult Improvement Board, September 2023
- xcix Direct Payment Support Service Specification
- c Provider Failure Policy
- ci 2022-23 performance report
- cii Case file evaluation report, 2023
- ciii London ADASS 2022 peer review findings
- civ Partners in Care and Health, informal cabinet report, 2023
- cv 2022-23 performance report
- cvi Case file evaluation report, 2023
- cvii London ADASS 2022 peer review findings
- cviii Partners in Care and Health, informal cabinet report, 2023
- cix User Guide to Adult Safeguarding, Quick Guide to Adult Safeguarding, Safeguarding Practice Standards
- cx Safeguarding case file evaluation findings, May 2023
- cxii London ADASS 2022 peer review findings
- cxiii Partners in Care and Health, informal cabinet report, 2023
- cxiii 2022-23 performance report
- cxiv Case file evaluation report, June 2023
- cxv 2022-23 performance report
- cxvi Safeguarding information sharing agreements
- cxvii 2022-23 performance report
- cxviii 2022 London ADASS peer review
- cxix SAR action plans for 'Jack' and 'William' as of June 2023
- cxx SAPAT summary, June 2023
- cxxi 2021 IIP Gold report
- cxxii Succession planning report and papers, May 2023
- cxxiii Governance and accountability structure in adult social care
- cxxiv PRMG Terms of Reference
- cxxv OMT Terms of Reference
- cxxvi LGA peer review 2021, and Partners in Care and Health insights 2023
- cxxvii 2022 London ADASS peer review
- cxxviii Corporate Risk Register
- cxxix Risk Management Approach
- cxxxx LG Inform, 2021-22
- cxxxi LG Inform, 2021-22
- cxxxii Last MTFs Cabinet report
- cxxxiii 2021 IIP Gold report
- cxxxiv 2022 Anti-Racist Framework
- cxxxv 2023-24 staff training calendar
- cxxxvi Safeguarding case file evaluation findings, May 2023
- cxxxvii Evidence pack – Provider Focus Group and B&D Collective meeting notes, 17 July 2023

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Adult Social Care – a summary of how we are doing and our plans to improve.



1. Introduction

This summary describes what adult social care is, what works well and where improvements are needed. It describes how we will make improvements over the next 3-5 years.

2. What is adult social care?

Adult social care in Barking and Dagenham supports adults to lead safe, fulfilling lives. We help people with a physical disability, learning disability, mental health issue, frailty or long-term condition. Around 3,000 residents get support from adult social care in Barking and Dagenham each year.

People who need support with day-to-day life because of illness or disability normally start by having a conversation with a Social Worker or Occupational Therapist about the things they need help with and what is important to them (called 'social care assessments'). We then work together to put the right support in place for each individual. This could be information and advice; support to live independently at home through equipment, technology and help from care staff; or it could be support provided in supported housing or a care home. A large range of support is available, depending on the needs and wishes of the individual. We also support those who care for their friends or family.

Some adults may be at risk of abuse or neglect due to their illness or disability. We work to 'safeguard' people at risk of abuse or neglect and take action when there is a concern that abuse is happening.

Most of the legal duties' councils must fulfil in adult social care are described in the 2014 Care Act.

3. How well do we work with people?

Information about adult social care and feedback from people has shown the following:

What works well	Where improvements are needed
<ul style="list-style-type: none"> - People who need support can easily contact our Adult Intake Team with a question or query. - People generally do not wait a long time to see a Social Worker to have an assessment. - Social Workers and Occupational Therapists are generally good at helping people talk through the things that are important to them. They care and are committed to supporting people. - A good range of technology helps people to be independent in their own home. - A lot of people organise their own support through a direct payment. - There is a clear policy explaining what is charged for adult social care. - We are committed to making sure different groups are treated equally. 	<ul style="list-style-type: none"> - Information and advice on our website and leaflets are not always up to date. - It is not always easy to know which team to speak to about specific issues or to get hold of the right person on the phone. - People sometimes have to wait for an Occupational Therapy assessment. - The social work team supporting adults with a learning or physical disability is being improved for staff and residents. - We need to put a bigger focus on preventing, reducing and delaying the need for adult social care. - We need to put a bigger focus on short-term support (often called 'reablement') to help people regain their independence. - The process of charging people for care could be smoother and more clearly communicated.

4. How well do we provide support?

Information about adult social care and feedback from people has shown the following:

What works well	Where improvements are needed
<ul style="list-style-type: none"> - We work well with local companies who provide support to people (e.g. local care homes) and help them provide good quality services. - People in Barking and Dagenham are more likely to say they are extremely or very satisfied with the support they get than elsewhere in London. - A high proportion of adults with a learning disability live independently in the community. - Frontline staff and senior managers all generally work well with the NHS and others to provide support to people. - We are committed to being more joined-up and 'integrated' with the NHS where it benefits residents. 	<ul style="list-style-type: none"> - We need to develop more good quality housing for people who are ill or disabled in future years. - We want to improve support by understanding what difference it makes to people's lives. - We need to understand why the proportion of older people moving into care homes has risen over the last six months. - We want to work with the NHS to agree how to improve the support provided to adults with autism. - The roles and responsibilities of social care and the NHS would benefit from being written in policy and procedures in some areas.

5. How well do we ensure safety?

Information about adult social care and feedback from people has shown the following:

What works well	Where improvements are needed
<ul style="list-style-type: none"> - People in contact with adult social care are more likely to say they feel safe than elsewhere in London. - We have a good system to keep people safe when they are discharged from hospital and in the event of a local care company closing. - Concerns that an individual is being abused or neglected is generally acted on quickly by Social Workers and are robustly investigated. - People who may be neglecting themselves or who have complex needs and are at risk of abuse are well-supported. - People who may be being abused or neglected are supported to express their views and what they want. 	<ul style="list-style-type: none"> - We need to give better information to residents on what adult abuse and neglect ('safeguarding') is and what to do in the event of a concern. - We are working with other organisations to help prevent adult abuse and neglect from taking place. - We want to do more to prevent the abuse or neglect of people who employ Personal Assistants to provide care. - The process of one team asking another to investigate a safety concern can sometimes be disjointed. - We want to improve how we support people who have been abused or neglected by getting feedback on people's experience.

6. What is the leadership of adult social care in Barking and Dagenham like?

Information about adult social care and feedback from people has shown the following:

What works well	Where improvements are needed
<ul style="list-style-type: none"> - Senior managers are compassionate and supportive. - Our workforce is generally stable, with low staff turnover compared to elsewhere in London. This means staff develop good working relationships with people. - Staff and managers are open to learning and trying out innovative ways of doing things. - We have a good understanding of our own performance, where we are doing well and where we need to improve. - The council is committed to supporting those who care for their friends or family (sometimes called 'carers' or 'unpaid carers'). 	<ul style="list-style-type: none"> - We want to work together with people who need social care to design support services and make strategic decisions. - It is difficult to recruit staff into some roles. - We want to make sure all our policies and procedures are up to date. - We want to improve our IT system so that it is easier to record and show information. - We want to develop a shared vision for adult social care with the people who need it.

7. What happens next?

We will continue the things that work well in adult social care. Our 'Adult Social Care Improvement Plan' describes the action we will take to improve adult social care in Barking and Dagenham over the next 3-5 years, focusing on the areas in this summary. The improvement plan includes actions to:

- ✓ Improve communication and information related to adult social care.
- ✓ Put a bigger focus on prevention, targeting support at people most at risk of needing social care.
- ✓ Offer more short-term support that helps people regain as much independence as possible.
- ✓ Re-design the service that supports working-age adults with a disability.
- ✓ Tackle waiting lists where they exist.
- ✓ Continue to improve support to people with a direct payment.
- ✓ Continue to expand the range and use of technology to help keep people safe at home.
- ✓ Review our Charging Policy and the improve information on what people might pay towards the cost of care.
- ✓ Agree a plan explaining how we will support adults with autism in future.
- ✓ Agree a plan to develop more good quality housing for people who are ill or disabled in future.
- ✓ Develop a Multi-Agency Safeguarding Hub to improve how we respond to concerns of adults at risk being abused or neglected.
- ✓ Raise awareness so more people know what abuse and neglect is and what to do if concerned.
- ✓ Review all our policies and procedures.
- ✓ Work in equal partnership with people who need support and carers to improve what we do.

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Adult Social Care Improvement Plan

August 2023
Version: 0.7
Status: Draft

APPENDIX 3

**Barking &
Dagenham**

one borough; one community; no one left behind

Introduction

Adult social care in Barking and Dagenham supports adults with a physical disability, learning disability, mental health issue or long-term condition and unpaid carers to lead safe, fulfilling lives.

We focus on building relationships with people who need support, taking the time to meet with them and listen to their stories, recognising that each person is more than the sum of their needs and conditions. Support aims to:

- Prevent, reduce and delay the need for care and support.
- Help people feel more in control of their daily lives.
- Empower people to be as independent as possible.
- Help people feel safer.

The vision for social care from Social Care Future is described opposite, developed by people who draw on or work in social care. The staff behaviours that are important to people in Barking and Dagenham and the impact of support is also described opposite. This document is our plan in Barking and Dagenham to consistently demonstrate these behaviours and impacts, moving towards the vision.

This plan describes what we want to achieve and the action we will carry out to get there, focused around four themes:

- Working with people.
- Providing support.
- Ensuring safety.
- Leadership.

Collectively, the plan describes how we will continually improve care and support across Barking and Dagenham.

“We all want to live in the place we call home with the people and things that we love, in communities where we look out for one another, doing things that matter to us”

- [Social care future](#) vision

Behaviours

Staff who:

- Care
- Listen
- Understand
- Focus on people’s stories and outcomes
- Responsive
- Accessible
- Inclusive
- Treat people with dignity and respect
- Collaborative
- Work as a whole system

Impact on people:

Support that is:

- Empowering and enabling
- Preventative
- Builds resilience
- Promotes independence
- Improves wellbeing and quality of life
- Enables community connections

Background

Building on strengths

The strengths we want to build on include:

- We are one of the most ethnically and culturally diverse communities in England, and this diversity is reflected in our workforce
- People who need support and carers in Barking and Dagenham are supported by an exceptionally committed, responsive and stable workforce.
- The support people access benefits from the support we give to the care market.
- People are supported to be safe, and we have improved how we safeguarding people with complex needs or who are at risk of self-neglect.
- Our organisational culture prioritises openness and learning.

Addressing systemic challenges

The core, systemic challenges in adult social care are that:

- We continue to operate with significant financial pressures.
- Feedback is that people who need support have increasingly complex needs, partly as a result of the pandemic.
- There are significant health inequalities and challenges in the borough. Healthy life expectancy from birth was 58 years for men and 60 years for women in 2018-20, compared to a London average of 63.5 and 64 years respectively. This is impacted by deprivation levels and other wider determinants.

2,845 adults received long-term support throughout 2021-22.

8,000 people worked in adult social care in 2021-22.

44% of people received homecare, 21% of people received support in a care home and 29% of people organised support with a direct payment.

246 carer assessments were completed in 2022-23. 1,000 carers were supported.

1239 referrals to adult social care were made in 2022-23

1511 safeguarding concerns were raised in 2022-23. 252 enquiries started.

In 2021-22, Barking and Dagenham spent 14% of its expenditure on adult social care.

In 90% of cases, the risk was reduced or removed following a safeguarding enquiry.

64.5% of survey respondents in the 2022-23 Service User Survey reported being extremely or very satisfied with their care and support.

Theme 1: Working with people

What do we want to achieve?

- ✓ Community capacity better supports prevention and wellbeing.
- ✓ People at risk of developing health and care needs are better supported.
- ✓ More residents with health conditions are assessed, identified, and provided with condition management as early as possible.
- ✓ More people know where to go for information and support, and what to expect.
- ✓ Information, advice, care and support is more inclusive and easier to find and access.
- ✓ Assessments and support planning puts people in the lead.
- ✓ Support, information and advice from staff is more consistent.
- ✓ People who need care and support feel less socially isolated.
- ✓ People more likely to receive poor care are identified and the reasons behind this tackled.
- ✓ People interact with staff who:
 - Care
 - Understand
 - Listen.

Assessing needs:

We maximise the effectiveness of people's care and treatment by assessing and reviewing their health, care, wellbeing and communication needs with them.

Supporting people to live healthier lives:

We support people to manage their health and wellbeing so they can maximise their independence, choice and control. We support them to live healthier lives and where possible, reduce future needs for care and support.

Equity in experience and outcomes:

We actively seek out and listen to information about people who are most likely to experience inequality in experience or outcomes. We tailor the care, support and treatment in response to this.

Working with people actions

Prioritise prevention:

1.1 Develop and carry out a prevention approach and plan, including a map of support, a communication plan to raise awareness, and a targeted approach.

Develop reablement as part of our approach to prevention:

1.2 Carry out and analyse the extended reablement pilot, agreeing a longer-term approach to reablement.

1.3 Embed a reablement ethos in all new, relevant commissioning service specifications.

Improve information, advice and communication with residents:

1.4 Review LBBD website information on adult social care

1.5 Develop easy to understand, new printed resident information on where to get support, charging, assessment processes, accessing interpreters and adult safeguarding.

1.6 Develop an online self-assessment tool.

1.7 Review and improve how easy it is for residents to contact us by phone.

Tackle waiting lists and improve how Occupational Therapy is utilised:

1.8 Carry out the Occupational Therapy Improvement Project.

Improve how we work with adults with a disability:

1.9 Carry out the learning disability review project and improvement plan.

Continually improve practice:

1.10 Carry out and learn from case file evaluations.

1.11 Revise the Practice Standards.

1.12 Reaffirm expectations on carrying out face-to-face annual reviews.

1.13 Develop an appeals procedure for assessments.

Improve information and procedures related to charging for social care:

1.14 Complete the Charging Policy review.

1.15 Carry out insight work to understand and address issues in relation to charging, client contribution collection and processes.

1.16 Develop an online 'calculator' to give early information on charging.

1.17 Develop an appeals procedure for charging.

Strengthen how we understand and tackle inequality:

1.18 Improve recording of protected characteristics on Liquid Logic.

1.19 Carry out annual insight work to understand inequalities in adult social care (access, experience, outcomes), including safeguarding.

1.20 Agree clear objectives to promote equality, diversity and inclusion in adult social care and review progress each year.

Theme 2: Providing support

What do we want to achieve?

- ✓ More people live at home or in a place they call home.
- ✓ People who need care benefit from a care market that is well-supported and focused on outcomes.
- ✓ Potential of digital technology is harnessed.
- ✓ Care and support puts a focus on choice and supporting people to be as independent as possible.
- ✓ Carers have a better choice of respite options.
- ✓ The future care needs of Barking and Dagenham are planned for in partnership with housing.
- ✓ Collaborate with partners to improve our offer to residents who have been discharged from hospital, including wraparound care, to prevent cyclical admissions into hospital and promote independence.
- ✓ Care and support is more joined up.
- ✓ Roles and responsibilities are clearly articulated.
- ✓ People with autism have a clear offer of support from health and care services.

Care provision, integration and continuity:
We understand the diverse health and care needs of people and our local communities, so care is joined-up, flexible and supports choice and continuity.

Partnerships and communities:
We understand our duty to collaborate and work in partnership, so our services work seamlessly for people. We share information and learning with partners and collaborate for improvement

Providing support actions

Move towards support more older people to live independently at home:

2.1 Carry out insight work to understand why the number of older people moving into care homes is rising, and what can be done to address this.

Strengthen our understanding of residents in care homes outside LBBD:

2.2 Carry out insight work to understand trends in out-of-borough placements.

Shape and support a diverse local care market:

2.3 Refresh the Market Position Statement, including how the diverse needs of our communities will be met by a diverse market.

2.4 Carry out the Social Care Action Plan to support the local care market.

2.5 Carry out work to develop the respite market and options for carers.

Empower people to exercise choice safely with a direct payment:

2.6 Start and monitor the new Direct Payment Support Service.

Enable people through technology to be as independent as possible:

2.7 Carry out the care technology programme, including the development of predictive analytics and OneView.

Plan to meet future housing needs for people who need support:

2.8 Develop a Vulnerable Housing Strategy with housing colleagues, to meet the housing needs of adult social care users in future.

Improve our understanding of the impact and outcomes of support:

2.9 Improve how we gather, understand and use data on the impact and outcomes of support, via co-production, care technology and OneView.

Improve our articulation of roles and responsibilities with health partners:

2.10 Agree an approach to Section 75 agreements with health in relevant adult social care operational services.

2.11 Develop written protocols and procedures between adult social care operational services and health partners on roles, responsibilities and pathways where there are gaps.

Improve information sharing with health partners:

2.12 Carry out the phase 2 pilot on social care staff accessing health records.

Move towards a community-led locality model with health:

2.13 Work with colleagues to develop and carry out deliver a joint Adults and Communities Partnership Plan, owned by the joint Adults Delivery Group.

Improve support to adults with autism:

2.14 Work with colleagues to develop and carry out a joint Autism Partnership Plan, setting out how adults with autism will be supported.

Theme 3: Ensuring safety

What do we want to achieve?

1. The council and community-based organisations work as a whole system in supporting people to be safe.
2. Roles, responsibilities and processes when a person moves between different services are clearly articulated.
3. More residents and professionals know what adult abuse and neglect is, and what to do in the event of a concern.
4. Staff more consistently make safeguarding personal.
5. Safeguarding concerns are addressed through a multi-agency safeguarding hub.
6. The experience of people going through safeguarding processes is better understood.
7. People going through safeguarding processes are well-supported.
8. The system better safeguards people employing a Personal Assistant.
9. People hear back on what has happened after they raise a safeguarding concern.

Safe systems, pathways and transitions:
We work with people and our partners to establish and maintain safe systems of care, in which safety is managed, monitored and assured. We ensure continuity of care, including when people move between different services.

Safeguarding:
We work with people to understand what being safe means to them as well as with our partners on the best way to achieve this. We concentrate on improving people's lives while protecting their right to live in safety, free from bullying, harassment, abuse, discrimination, avoidable harm and neglect. We make sure we share concerns quickly and appropriately.

Ensuring safety actions

Continually improve safeguarding practice:

3.1 Carry out the Safeguarding Case File Evaluation Action Plan

Improve the response to safeguarding concerns at the 'front door':

3.2 Develop a Multi-Agency Safeguarding Team (MASH) model at the front door of adult social care.

Strengthen safeguarding in relation to Personal Assistants:

3.3 Develop a Personal Assistant Charter on safeguarding and introduce a more robust system of monitoring safeguarding trends.

Improve how we collect and act on feedback:

3.4 Introduce a system of gathering and recording feedback from people at the end of a safeguarding enquiry on their experience and outcomes.

Improve how we communicate the outcomes of safeguarding:

3.5 Carry out insight work to understand where the communication breakdown is when telling people what has happened after they raise a concern.

Articulate our approach to situations where safety risks are heightened:

3.6 Agree written protocols and procedures on how continuity of care is assured when people transition to adult service, when people move out-of-borough or move between agencies.

Ensure safeguarding adults is seen as everyone's business:

3.7 Work with council colleagues to ensure safeguarding adults is embedded as a council-wide issue, including across all housing services

Support the Safeguarding Adults Board to carry out priorities:

3.8 Carry out community engagement, awareness-raising and prevention activity, including via the October Safeguarding Conference

3.9 Carry out and monitor Safeguarding Adult Review actions plans relevant to adult social care ('Jack' and 'William')

3.10 Support the Board to strengthen co-production and hearing the voice of people with lived experience of safeguarding.

Improve waiting times for community-based DoLs:

3.11 Apply the learning from tackling waiting lists for hospital and residential care DoLs assessments to community-based assessments.

Theme 4: Leadership

What do we want to achieve?

1. Carers are better supported, and the outcomes of the Carer Charter are achieved.
2. Care and support is re-imagined with people who draw on it.
3. People who need care and support co-produce services in equal partnership with staff.
4. The workforce is recognised and rewarded.
5. Risks are better understood and managed.
6. Systems, processes and staff practice reflects best practice
7. The diversity of leaders better reflects the diversity of the workforce.

Governance, management and sustainability:

We have clear responsibilities, roles, systems of accountability and good governance. We use these to manage and deliver good quality, sustainable care, treatment and support. We act on the best information about risk, performance and outcomes, and we share this securely with others when appropriate.

Learning, improvement and innovation:

We focus on continuous learning, innovation and improvement across our organisation and the local system. We encourage creative ways of delivering equality of experience, outcome and quality of life for people. We actively contribute to safe, effective practice and research

Leadership actions

Continue to strengthen how carers are identified and supported:

4.1 Carry out the Carer Charter Action Plan

Strengthen our approach to risk management at a service level:

4.2 Develop and monitor an adult care and support risk register.

Reconfigure the all-age disability service to improve support:

4.3 Carry out the new operating model for adults with disability.

Support and develop our workforce:

4.4 Develop and agree the Workforce Race Equality Standard action plan.

4.5 Agree an approach to developing a Workforce Strategy and supporting new, integrated roles.

4.6 Carry out the annual succession planning exercise.

4.7 Agree a more efficient system of flagging when staff require a DBS check.

4.8 Carry out and review the impact of the New Town Culture work in adult social care.

Improve how data is recorded and used:

4.9 Carry out work to improve the Liquid Logic system.

4.10 Review and update relevant consent to share information forms to reflect best practice.

Work in equal partnership with people who use care and support:

4.11 Start an annual system of gathering, analysing and acting on people's feedback on their experience of care and support.

4.12 Develop annual adult social care complaints and compliment reports, analysing key themes.

4.13 Develop and carry out a Co-Production Plan, setting out how co-production will be progressed across all four of these themes.

Build consistent staff practice through policy and procedure:

4.14 Agree and carry out a policy and procedure development and review timetable.

4.15 Communicate eligibility for support between teams, services and agencies.

How the improvement plan will be carried out

Carrying out the plan

- A delivery plan accompanying this plan sets out who is leading on each action and when actions will be carried out.
- The groups listed in Fig. 1 (opposite) are responsible for delivering the plan.

Monitoring the plan

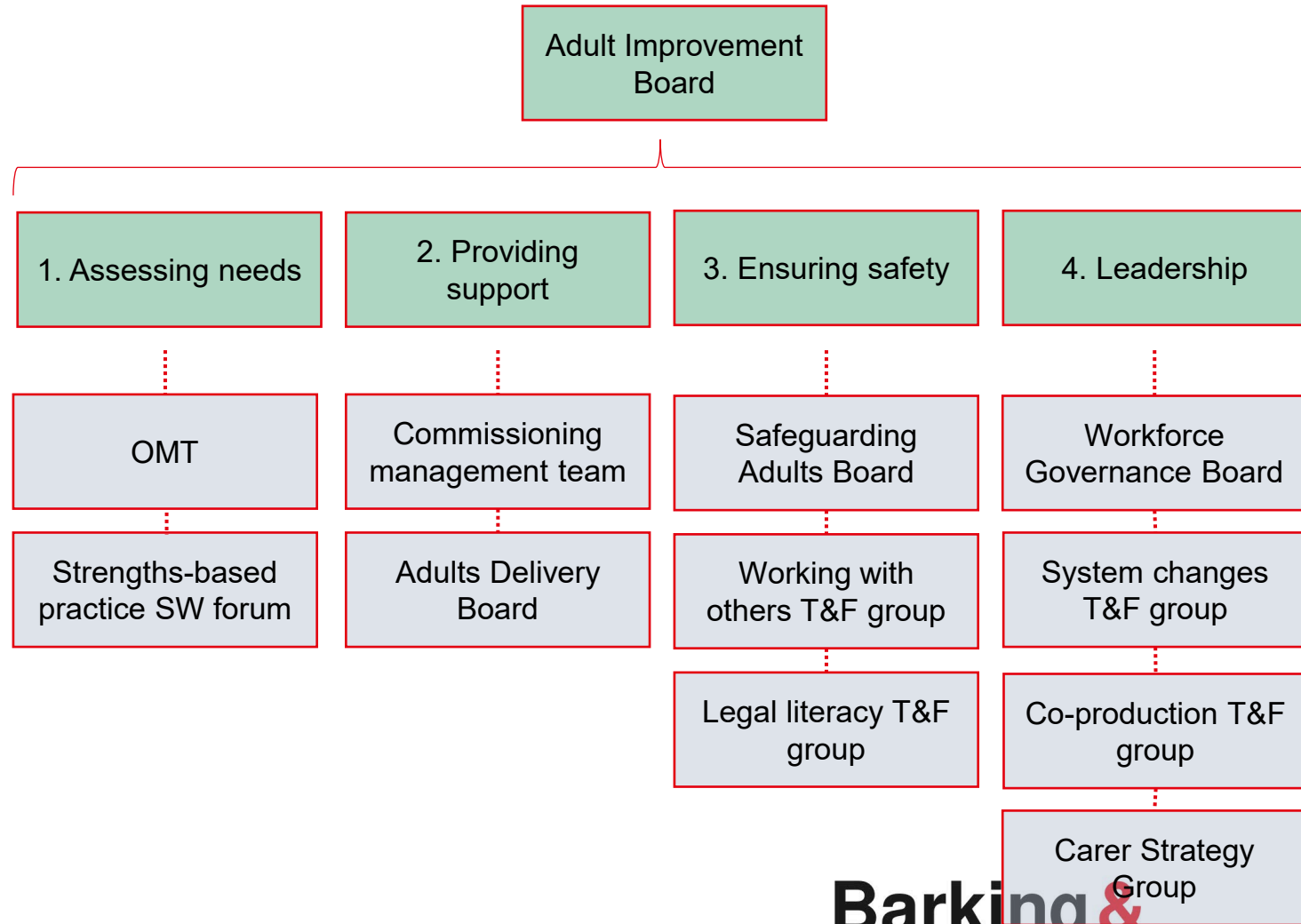
- The Adult Improvement Board will oversee delivery of the plan, including through quarterly monitoring reports.

Communicating the plan

- The plan will be published on the Barking and Dagenham website. An accessible summary, including one in easy read, will be produced.

Reviewing the plan

- The plan will be reviewed annually, informed by insights and co-production with people who need care and support and carers.



one borough; one community; no one left behind

Barking & Dagenham

Summary of CQC areas of focus and quality statements

APPENDIX 4

<p>Working with People: assessing needs, care planning and review, arrangements for direct payments and charging, supporting people to live healthier lives, prevention, well-being, information and advice, understanding and removing inequalities in care and support, people's experiences and outcomes from care</p>			<p>Providing Support: market shaping, commissioning, workforce capacity and capability, integration and partnership working</p>	
<p>Assessing needs</p>	<p>Supporting people to live healthier lives</p>	<p>Equity in experience and outcomes</p>	<p>Care provision, integration and continuity</p>	<p>Partnerships and communities</p>
<p>We maximise the effectiveness of people's care and treatment by assessing and reviewing their health, care, wellbeing and communication needs with them.</p>	<p>We support people to manage their health & wellbeing so they can maximise their independence, choice and control. We support them to live healthier lives & where possible, reduce future needs for care & support.</p>	<p>We actively seek out and listen to information about people who are most likely to experience inequality in experience or outcomes. We tailor the care, support & treatment in response to this.</p>	<p>We understand the diverse health and care needs of people and our local communities, so care is joined-up, flexible and supports choice and continuity.</p>	<p>We understand our duty to collaborate and work in partnership, so our services work seamlessly for people. We share information and learning with partners and collaborate for improvement</p>
<p>Ensuring Safety: section 42 safeguarding enquiries, reviews, safe systems, continuity of care.</p>			<p>Leadership: strategic planning, learning, improvement, innovation, governance, management, sustainability</p>	
<p>Safe systems, pathways and transitions</p>	<p>Safeguarding</p>		<p>Governance, management and sustainability</p>	<p>Learning, improvement and innovation</p>
<p>We work with people and our partners to establish and maintain safe systems of care, in which safety is managed, monitored and assured. We ensure continuity of care, including when people move between different services.</p>	<p>We work with people to understand what being safe means to them as well as with our partners on the best way to achieve this. We concentrate on improving people's lives while protecting their right to live in safety, free from bullying, harassment, abuse, discrimination, avoidable harm and neglect. We make sure we share concerns quickly and appropriately.</p>		<p>We have clear responsibilities, roles, systems of accountability and good governance. We use these to manage and deliver good quality, sustainable care, treatment and support. We act on the best information about risk, performance and outcomes, and we share this securely with others when appropriate.</p>	<p>We focus on continuous learning, innovation and improvement across our organisation and the local system. We encourage creative ways of delivering equality of experience, outcome and quality of life for people. We actively contribute to safe, effective practice and research</p>

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CABINET**17 October 2023**

Title: Process and Governance of Allocation and Spend of Developer Contributions	
Report of the Cabinet Member for Regeneration and Economic Development	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Marilyn Smith, Head of Planning and Assurance	Contact Details: E-mail: marilyn.smith@lbbd.gov.uk
Accountable Strategic Leadership Director: James Coulstock, Strategic Director Inclusive Growth (Interim)	
<p>Summary</p> <p>The amount of money and works in kind being collected from / delivered by developers is increasing as developments are approved and begin on site as part of the Council's growth agenda to deliver more homes and employment. The processes for negotiation, monitoring, collection and spend of Community Infrastructure Levy (CIL) and Section 106 funding lie between Be First and LBBD officers led by Inclusive Growth. Different procedures govern the allocation of CIL and s106, yet they should both be used to deliver the same outcomes of providing infrastructure to support growth.</p> <p>This report proposes new streamlined governance and working procedures to bring a strategic overview to infrastructure required, and to use finance from developer contributions in conjunction with other finance, such as the capital programme, and grants, to deliver the infrastructure needed throughout the borough to support our growth agenda.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to agree the proposed governance and workflows for the allocation and spend of CIL and s106 developer contribution funding, as set out in section 2 of the report.</p>	
<p>Reason(s)</p> <p>To assist the Council in achieving its corporate priorities in relation to "Inclusive Growth" and "A New Kind of Council".</p>	

1. Introduction and Background

- 1.1 The two types of developer contribution in planning legislation at the moment are s106 and CIL. S106 obligations and are negotiated through the course of a planning permission. In the legal agreement that the planning permission is subject to,

contributions are negotiated, or works in kind agreed, for specific purposes. This is underpinned with guidance in the Planning Obligations Supplementary Planning Documents (SPDs). This document has evolved alongside the Local Plan. Whilst not yet adopted, it has been through substantial rounds of consultation, and is in use with developers, to give structure to the infrastructure that we seek specific to planning applications. The amount and frequency of financial contribution has increased steadily as the SPD has gained weight.

- 1.2 S106 obligations are payable at different trigger points through a development, and thus rigorous monitoring is required of the legal agreements, and stage of construction of developments, to ensure that money is collected in a timely fashion. In July 2020, a process of governance was adopted by Assets and Capital Board, whereby when s106 money was received in to LBBB, a report was submitted to ACB recommending that that money be allocated to the project identified in the legal agreement, and then the money would be journaled to the service area, who would implement the project and spend the money, within this audit trail.
- 1.3 CIL is a financial contribution based on the floorspace and payable on commencement of development. At its meeting on 21 October 2014, the Cabinet endorsed the Borough's Community Infrastructure Levy (CIL) Charging Schedule, and charging came into force on 3 April 2015. A process was put in place to decide what infrastructure strategic CIL is spent on, with SCIL being allocated annually, following a bidding process.
- 1.4 For the strategic CIL it was recommended that a list of infrastructure projects necessary to deliver the objectives of the Borough Manifesto and the growth set out in the emerging Local Plan was developed in consultation with stakeholders, prioritised by the Local Plan Steering Group and then presented for approved by Cabinet. The projects agreed by Cabinet would be incorporated into the annual Capital Programme budget setting cycle.
- 1.5 Two cycles of allocation have been carried out, one in 2018 and one in 2019. Over 3 years later, not all projects have been delivered yet, and the council has had to offer substantial resource to some to ensure delivery.
- 1.6 There is currently just under £7million strategic CIL that has been collected to be spent on infrastructure. 15% of all CIL collected is allocated for Neighbourhood CIL. Annual applications are sought from residents and community groups to spend up to £10,000 on local community projects throughout the borough. The process for allocating money is considered to be successful, run by the Policy and Participation team using panels of residents to make assessments on where the money should be spent. This process is considered to be robust and successful, both in the support of community-based projects in the borough, but also the process of involving and empowering residents to make the decisions on projects for their communities. No changes are proposed for the NCIL allocation process.

2. Proposal and Issues

- 2.1 As both CIL and s106 are brought into the Council to strategically support growth and provide infrastructure, bringing the two funding streams together under one scheme of governance and process is the most effective way of working strategically to provide infrastructure to support development.

- 2.2 The Local Plan has progressed since the original CIL allocation process was adopted by Cabinet in 2017. It has gone through both Regulation 18 and Regulation 19 consultations and has been submitted to the Planning Inspectorate. It is hoped that the Examination in Public for the Local Plan will take place in the autumn, with adoption taking place in Spring 2024. The Infrastructure Delivery Plan will also be examined by the Inspectors, so that they can be satisfied that LBBB is planning for infrastructure to support the growth and the transformation areas that we are proposing. Monitoring of the pipeline and implementation of developments through planning permissions and commencement on-site is giving us more information on where development will take place, and when, so that we can be more informed when planning infrastructure.
- 2.3 The role of Assets and Capital Board is to oversee and monitor the spend of the Council's capital budgets, and to oversee the development of the Council's strategies relating to its assets. Currently s106 contributions are recommended for allocation through the Board as and when they are paid / projects are ready for funding, and the progress of the SCIL projects is monitored through ACB. The Strategic Director of Inclusive Growth uses delegated authority to agree the spend as highlighted in the s106 agreement.
- 2.4 Rather than seeking annual bids for SCIL, it is proposed that the process of identifying proposed growth, and the timetable of implementation, is regularly brought to ACB, and from this base information decisions made about developing infrastructure to support the growth, using CIL and s106 to support funding and provision of infrastructure in kind. Officers from different services in the Council would still bid for SCIL, but the process for doing this would be more frequent, and the judgement would be based on data received and the growth proposed.
- 2.5 To this end, it is proposed to create a sub-group of ACB to meet monthly, reporting to the main ACB quarterly. The quarterly cycle of ACB sub-group will be:
- Cycle 1 – External stakeholders. Meet with external stakeholders, such as the NHS, emergency services, Transport for London, to discuss strategic infrastructure needs, and potential funding.
 - Cycle 2 – Internal stakeholders. Meet with LBBB services to go through their infrastructure needs, timing of these, see what funding is available.
 - Cycle 3 - Finance. Go through income received and projected from CIL and s106, assess what projects identified by stakeholders need income, what the timing is. Propose allocations of s106 and SCIL to be reported to main ACB, how they link to capital projects, discuss figures of project pipelines, commencements and completions.
- 2.6 The sub-group would report quarterly to the main ACB. The monitoring of developments statistics would be presented, along with infrastructure needed to support the growth in the pipeline. S106 would be allocated to the projects identified in the s106 (as agreed at Planning Committee when the resolution to grant planning permission was made by members). Proposals to allocate SCIL would be assessed and brought to a Members' Sub-Group, consisting of the Cabinet Member for Regeneration & Economic Development, the Cabinet Member for Finance, Growth & Core Services and the Chair and Deputy Chair of the Planning Committee, and then onto Cabinet every six months for formal allocation.

2.7 The quarterly cycle proposed for these meetings is attached at Appendix 1.

3. Options Appraisal

3.1 There are effectively two options:

3.2 Option 1: Do nothing and continue with annual allocation of SCIL, with all decision making by Cabinet

3.2.1 Annual allocations of SCIL are quite inflexible and may miss opportunities to seek match funding for grants. In addition, the existing process relied on the now defunct Local Plan Steering Group to make decisions. Now that the Local Plan has substantially progressed to the stage where the examination in public is to be heard (in November 2023) and the Local Plan should progress to adoption in 2024, the decisions about where growth is proposed have effectively been made, and it is clear in the Plan where they are. The Infrastructure Delivery Plan is being updated, and officers and infrastructure providers are now able to plan more strategically with the growth that is underway in the borough.

3.2.2 The do-nothing option is not recommended. The policy situation for development in the borough has changed substantially since that was introduced in 2017. It is inflexible, and not strategic. A more structured approach is proposed to enable funding for projects to be planned with strategic partners on a more regular basis.

3.3 Option 2: Adopt the proposed process for allocation every 6 months, with a cycle of sub-groups to Assets and Capital Board making recommendations to Cabinet for SCIL spend over £200,000

3.3.1 This option increases the frequency of allocation, so it can be a more flexible process to respond to changing circumstance. It aligns the allocation process with the capital projects programme and would strategically work with providers to deliver infrastructure required to support growth. It also gives infrastructure providers more certainty ongoing of funding avenues for projects, if there is more regular interaction and planning.

3.3.2 Option 2 is the preferred option. It will involve changes to the allocation process of both SCIL and s106, but it will be more strategic and more responsive, bringing together the data on developments in the pipeline and under construction, and allowing a greater range of funding options to be sought to facilitate infrastructure delivery. If CIL funding can be allocated more frequently it will allow funders to seek match funding from elsewhere on a more structured and timely basis.

3.3.3 The new process will bring together officers from service areas, who will be able to plan projects aligned to the projected growth and discuss funding options. It will also involve infrastructure providers such as NHS and TfL to align projects and funding. These will be discussed with senior officers and relevant members before being presented to Cabinet for allocation.

4. Consultation

- 4.1 The proposals in this report were endorsed by Assets and Capital Board on 11 May 2023.
- 4.2 The proposals in this report were discussed with Councillor Geddes as Regeneration Portfolio Holder, and Councillors Saleem and Shaw as Chair and Vice Chair of Planning Committee.
- 4.3 The proposals have been discussed and agreed with relevant service areas and Be First.

5. Financial Implications

Implications completed by: Alison Gebbett, Capital Accountant

- 5.1 The proposed arrangements for governance of s106 and CIL will help to ensure that funds are allocated in a transparent and timely manner in accordance with need and in line with strategic priorities and are recorded and monitored effectively.
- 5.2 As the amount of developer contributions increases and other available resources are under significant pressures, it is paramount that the Council is able to effectively manage these financial resources (and non-financial where there are works in kind). The proposed process for the sub-group of Assets and Capital Board will help bring together all relevant parties to ensure that there is effective communication.

6. Legal Implications

Implications completed by: Dr Paul Feild, Principal Governance & Standards Lawyer

- 6.1 Development of land or change of use inevitably has an effect on the community. A balance has to be struck between allowing land use and mitigating negative effects of development. The historical basis for ensuring developments did not have a cost on the community was by the granting of planning permission subject to an agreement which might involve payment or works, that is to say that a development would not be agreed without a contribution from the Developer. This is referred to as S.106 Town and Country Planning Act Agreements or 'S.106 Agreements' for short. The problem with that approach was that nationally it could be seen as arbitrary in nature and, as it were, putting a price on the grant. As the developers' circumstances and the viability of the scheme varied, so did the contribution. In reality it meant that some developments were charged different amounts under S.106 agreements or not at all.
- 6.2 To address concerns about the S.106 payments, the Planning Act 2008 introduced the Community Infrastructure Levy. The application is set out in the Community Infrastructure Levy Regulations 2010 (as amended). Unlike the S106 arrangements, most new developments will be liable to pay the levy. It is set locally. The CIL regime is designed to be transparent and while it will still reflect local planning considerations the charges will be open for all to see.

- 6.3 There are a broad range of measures that can be taken to ensure recovery of payment. Furthermore, late payments will incur a surcharge. Prosecution can follow if the commitment to pay is breached as effectively it will be as if a condition has not been met which means that resort can be made to stop notices and if necessary, an injunction.
- 6.4 Over a period of time the CIL payments accumulate and in terms the funds need to be allocated according to the Council's policy on CIL allocation.

7. Other Implications

- 7.1 **Risk Management** – The proposals are to outline a clear and transparent process for allocation of funds for infrastructure to develop growth. Transparent monitoring of s106 ensures timely spend to reduce the risk of having to return money to developers if unspent.
- 7.2 **Corporate Policy, Customer and Equality Impact** – This proposal aligns with and supports the overall vision and priorities for the Council set out in the Corporate Plan. Combining the data of growth with the policy of the Local Plan to allocate money to provide infrastructure is in accordance with Corporate Plan priorities Residents benefit from Inclusive Growth, Residents proposer from good education, skills development and secure employment and Residents live in, and play their part in creating, safer, greener and cleaner neighbourhoods. A balanced and strategic allocation of SCIL and s106, in consideration with actual and projected growth is a fair procedure to deliver outcomes for all, regardless of their backgrounds. By facilitating infrastructure delivery to support growth, it will ensure that services are provided for the use of all.
- 7.3 **Health Issues** – The proposed procedure should have an improvement on health issues as it will formalise working with health providers in the borough, sharing information on growth and infrastructure and working together to provide health facilities to support the growth in the borough.
- 7.4 **Property / Asset Issues** – The proposals will have a positive impact on the Council's property and assets portfolio. The spend of s106 and SCIL will be more closely aligned to the Councils Capital programme and asset portfolio.

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

List of appendices:

- **Appendix 1:** The Cycle of Governance of Allocation of Developer Contributions

The Cycle of Governance of Allocation of Developer Contributions

Decision making body	Frequency of reporting	Purpose of reporting	In attendance
Cabinet	Every 6 months	Report to seek approval CIL allocations and s106 over £200,000	Director of Inclusive Growth / Strategic Head of Place and Development
Members sub group	Every 6 months	Report to recommend approval of CIL allocations	Lead Member Regeneration and Finance, Chair and Vice Chair of Planning Committee, Head of Planning and Assurance
Assets and Capital Board	Every 6 months	Report to recommend approval of CIL allocations	Head of Planning and Assurance
Assets and Capital Board	Quarterly	Report to approve s106 allocations up to £200,000	Head of Planning and Assurance, Be First s106 Team
		Report on amount of developer contributions received	Head of Planning and Assurance, Be First s106 Team
		Report on trajectory of development, pipeline of approvals and estimated s106 and CIL receipts	Head of Planning and Assurance, Be First s106 Team
Assets and Capital Board Sub Committee	Monthly on a 3 month cycle	Cycle 1 External stakeholders, such as NHS, TfL, Thames Water to discuss projected developments, infrastructure needs, budgets, finance To identify projects that need funding, to identify funding from s106 and CIL	Head of Planning and Assurance, External Stakeholders Be First s106 Team
		Cycle 2 Internal stakeholders, such as Parks, Education, Highways, Culture, Community to discuss proposals and needs for their services to fulfil the councils growth agenda and to create social value for residents. To identify projects that need funding, to identify funding from s106 and CIL	Head of Planning and Assurance, Internal LBBD stakeholders Be First s106 Team

		<p>Cycle 3 Finance and Be First s106 Team. To ensure all sums from demand notices have been received, to discuss issues over non payments, to discuss projects highlighted in the previous 2 months meetings, do they link with capital programme Report on trajectory of development, pipeline of approvals and estimated s106 and CIL receipts</p>	<p>Head of Planning and Assurance, LBBD Finance, Be First s106 Team</p>
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CABINET**17 October 2023**

Title: Sale of Front Garden Land at 10 Calverley Crescent, Dagenham	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report with Exempt Appendix 2 (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972)	For Decision
Ward Affected: Valence	Key Decision: No
Report Authors: Victor Fariyike, Chartered Surveyor, My Place	Contact Details: victor.fariyike@lbbd.gov.uk
Accountable Executive Team Director: Leona Menville, Strategic Director, My Place	
<p>Summary</p> <p>This report sets out a proposal for the sale of Council-owned land adjoining the front of 10 Calverley Crescent, Dagenham RM10 7QU.</p> <p>The area is a piece of amenity land belonging to the Council but adjoins the front of the property known and addressed as 10, Calverley Crescent, Dagenham. The land area in question is approximately 44.53 sq.m (479.32 sq. ft.). Site plans and photographs are at Appendix 1 to this report.</p> <p>The application for this sale dates to 2021. Extensive internal consultations necessary for approval in principle caused a delay to the legal completion of the sale. At the Corporate Strategy Group (CSG) on 16 February 2023, the corporate position was agreed that Council assets should not be sold unless there were exceptional circumstances. This relates to the Council's commitment to the creation of a clean, green and sustainable borough and the priority to retrofit properties in the HRA stock for a net zero cleaner, greener borough.</p> <p>In light of the significant progress made on this proposed disposal in advance of the CSG decision of February 2023, the disposal is being progressed as a special case for approval.</p> <p>The land had been independently valued and the value exceeds the £5,000 threshold for land disposals that require Cabinet approval in accordance with the Council's Financial Rules and Regulations and Land Acquisition and Disposal Rules within the Constitution.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <p>(i) Approve the sale of the Council-owned land at the front of 10 Calverley Crescent, as shown edged red in site plan 1 at Appendix 1 to the report, on the terms set out in Appendix 2 to the report;</p>	

- (ii) Delegate authority to the Strategic Director, My Place, in consultation with the Head of Legal Services and the Cabinet Member for Finance, Growth and Core Services, to agree the final terms and contract documentation to fully implement the sale of the site; and
- (iii) Authorise the Head of Legal Services, or an authorised delegate on her behalf, to execute all the legal agreements, contracts, and other documents on behalf of the Council.

Reason(s)

To accord with the Council's Financial Rules and Regulations and generate revenue for the Council from the sale of land, due to the negotiations commencing in advance of the CSG decision.

1. Introduction and Background

- 1.1 The property at 10 Calverley Crescent, Dagenham is situated on the Becontree Estate, a large housing estate of approximately 4 square miles. The area is primarily residential in nature mainly characterised by terraced houses.
- 1.2 The subject garden land is laid out as amenity green space to the front of 10 Calverley Crescent, in common with properties along the entire length of the road. The overall site area extends to approximately 44.53 sq.m (479.32 sq. ft.).
- 1.3 Front Garden land serves as a buffer between the road/pavement and the dwelling, and it is usually used as a decorative feature for the display of plants, storage of bins or for parking.
- 1.4 The area is not with a Controlled Parking Zone (CPZ). However, the narrow roads often result in residents parking partially on the pavement to minimise damage to their vehicles from passing traffic. Many households in the area have acquired these parcels of land primarily for parking
- 1.5 The owners of 10 Calverley Crescent, like most other homeowners in the neighbourhood, approached the Council to acquire the land for use as a driveway, subject to the necessary consents.
- 1.6 Parks & Environment, in their recommendation dated 25 October 2021, took the position that where a majority of green spaces have already been sold, retaining the remaining ones because of individual maintenance problems/costs and the lack of structured amenity planting under the Council's direction could result in additional costs. Thus, the Council progressed the application in the normal way.
- 1.7 After the negotiations had progressed, the CSG considered the wider negative ramifications to the continued erosion of the Council's land holdings and took a decision on 16 February 2023 that Council assets are not to be sold going forwards. However, given the specifics of this sale and its advancement this case would be treated as an exception, along with a similar disposal in respect of 20 Calverley Crescent to be subject of a further report in due course which would be the last plot sold in contravention of the CSG decision.

- 1.8 Notwithstanding the proposed use of the land, the Council is under a statutory obligation to obtain best consideration for disposal of assets in accordance with s.123 of the Local Government Act 1972. As such when disposing of an interest in land all potential alternative uses to which land can be put must be considered in arriving at its market value.
- 1.9 The land has been assessed at the current market value and the proposed sale is in line with other sales of front gardens in the area.
- 1.10 If the sale is approved, the approval will be in line with the other previous approvals in the neighbourhood prior to the CSG decision and responsibility for the maintenance of that part of the front garden will be transferred to the property owner.

2. Proposals

- 2.1 The Council-owned land has been valued in line with the RICS (Royal Institution of Chartered Surveyors) guidelines and a purchase sum agreed. The purchasers have also agreed to pay the Council's legal fee and contribute to the surveyor's fee.
- 2.2 Draft Heads of Terms were agreed between the Council and the purchasers, subject to contract and formal Council approval.
- 2.3 The valuation details and terms of the proposed sale are set out at Appendix 2, 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.

3. Options appraisal

- 3.1 **Reject the sale** – The Council would retain ownership and the responsibility for maintenance of the area of land.
- 3.2 The CSG, in support of the Council's commitment to create a clean, green and sustainable borough, had decided on the 16 February 2023 that Council assets should not be sold. However, as this matter had progressed, it is being treated as an exception. The sale will relieve the Council of its maintenance responsibilities and generate a small revenue to the Council. Should the sale be rejected, the Council may be required to refund the abortive cost already incurred by the prospective purchaser, which is £1,500.00 plus VAT, totalling £1,800.00.

4. Consultation

- 4.1 The proposals in this report were presented to the Council's Assets and Capital Board on 14 September 2023. ACB requested that the heads of terms included a restriction on the erection of any boundary fences on the land to preserve the open street scene in the area. Subject to this being included in the Heads of Terms, ACB endorsed the report noting the exceptional circumstance of this case against the CSG decision.

5. Financial Implications

Implications completed by: Binoy Pillai, Interim Capital Accountant

- 5.1 10 Calverley Crescent, Dagenham is a privately-owned property. The proposed area to be sold is a piece of amenity land belonging to the Council which adjoins the front garden of the property. The sale will generate a small receipt which is below the threshold for capital receipt, is not currently budgeted for and would be used to fund revenue expenditure.
- 5.2 The Council is under an obligation under s123 of the Local Government Act 1972 when disposing of an interest in land to obtain best consideration. It is for the authority to demonstrate that it has achieved best consideration or Secretary of State Approval is required for the disposal.

6. Legal Implications

Implications completed by: Sayida Hafeez, Principal Property Solicitor

- 6.1 The Council owns the freehold of the property in question, that being the amenity green space to the front of 10 Calverley Crescent, Dagenham. The Council is required to obtain best consideration in the disposal of its assets and the Council has the power to enter into contracts for the disposal of property but must do so in compliance with law and the Council's acquisition and land disposal rules.
- 6.2 The Council's Constitution, Part 4, Chapter 4 sets out the Land Acquisition and Disposal Rules. In accordance with paragraphs 2.1 to 2.2, all strategic decisions about the use, acquisition and disposal of land and property assets is within the remit of the Cabinet and must be approved by it.
- 6.3 The Council's disposal powers are contained in section 123 of the Local Government Act 1972 (LGA 1972) and Section 1 of the Localism Act 2011 also provides local authorities with a general power of competence.
- 6.4 Under Section 123 LGA 1972, the Council has the power to dispose of land in any manner that it wishes to, which includes the sale of freehold land. One constraint is that the disposal must be for the best consideration reasonably obtainable unless there is ministerial consent, or the transfer is to further local well-being. The property has been independently valued in line with RICS guidelines and a sale price as set out in Appendix 2 has been agreed on negotiation. This reflects best consideration. Therefore, this condition is fulfilled, and the Council is at liberty to proceed with the proposed disposal. Legal Services have been instructed in connection with the disposal and will deal with the preparation and completion of the necessary legal documentation.

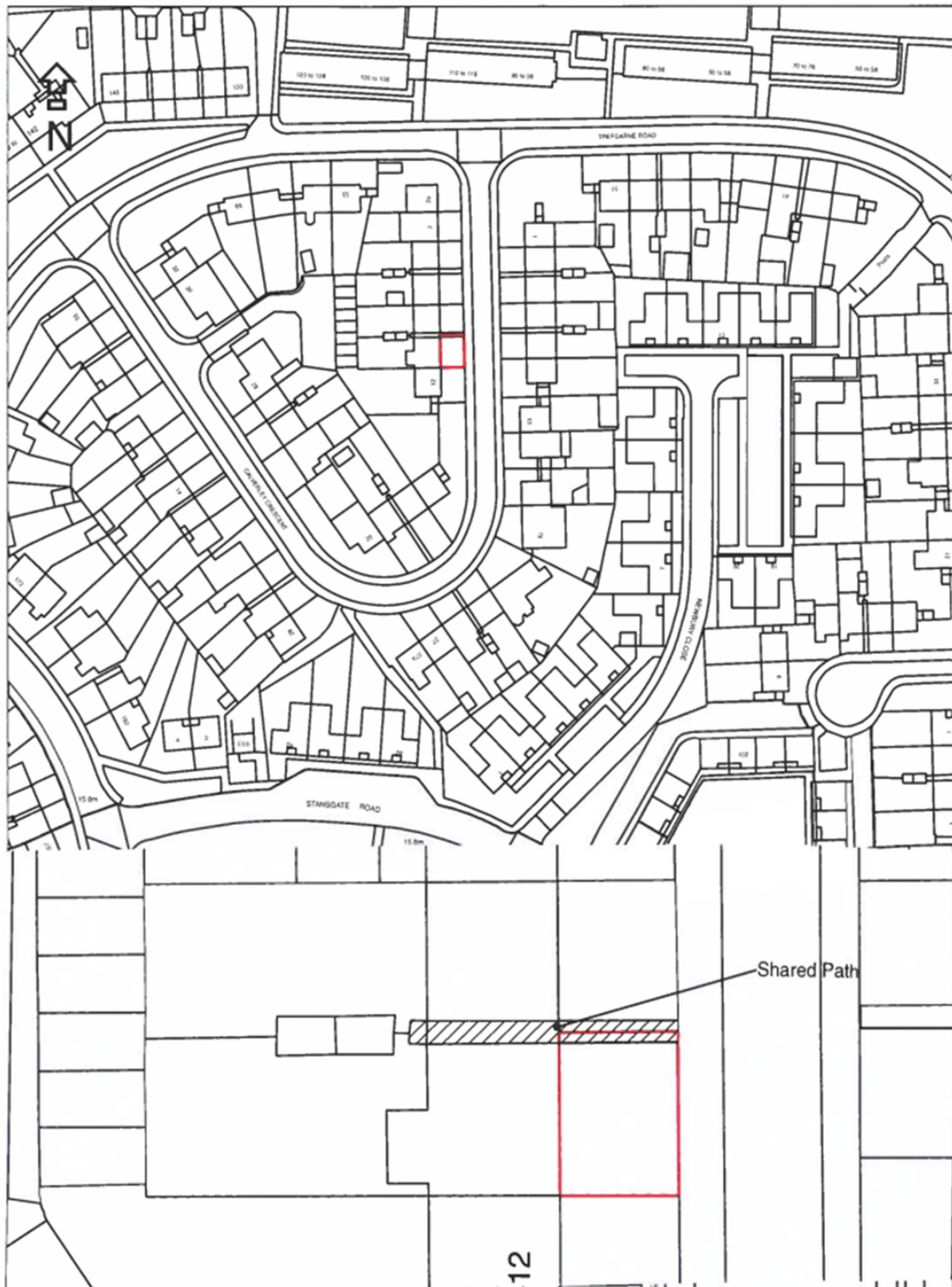
Public Background Papers Used in the Preparation of the Report: None

List of Appendices:

Appendix 1 - Site Plans and Photographs

Appendix 2 - Valuation Information (exempt document)

Site Plan 1



Land fronting 10 Calverley Crescent, Dagenham

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**Barking &
Dagenham**

Town Hall, Barking Scale:- **1:1,250**
Barking, Essex produced By:- JRoach
Tel: - 020 8215 3000 Date - 28.10.2022

Plan and Photo of land fronting 10 Calverley Crescent, Dagenham



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

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CABINET**17 October 2023**

Title: Urgent Action - Participation in a Business Rates Retention Pool with Thurrock and Havering Councils	
Report of the Chief Executive	
Open Report	For Information
Wards Affected: None	Key Decision: No
Report Author: Alan Dawson, Head of Governance and Electoral Services	Contact Details: Tel: 020 8227 2348 Email: alan.dawson@lbbd.gov.uk
Accountable Executive Team Director: Fiona Taylor, Chief Executive	
<p>Summary:</p> <p>The Council was recently approached regarding entering into a new Business Rates retention pooling arrangement with two other local authorities – Thurrock and the London Borough of Havering.</p> <p>Thurrock Council had commissioned LG Futures to find a pooling arrangement which would geographically make sense to DLUHC and have a financial benefit to the members of the pool based on current business rates forecasts. That work concluded that a proposed three-authority pool, involving Barking and Dagenham, Havering and Thurrock, would benefit all members. The benefit is derived from Thurrock’s current forecast of a £4m levy payable to Central Government. By entering into the pool, this levy would be retained and instead shared with the pool and split in the following ratio 50:25:25, with Thurrock (being the levy payer) retaining 50% of the gain and Barking & Dagenham and LB Havering each receiving a 25% share.. The financial benefit to Barking & Dagenham under current forecasted calculation would be c£1.0m.</p> <p>For any new proposed pooling arrangements to commence in 2024/25, applications needed to be made to the Department for Levelling Up, Housing and Communities (DLUHC) by 10 October 2023. It was noted, however, that there is a “cooling off” period of 28 days after the draft Local Government Financial Settlement for 2024/25 is announced, therefore giving the Council the opportunity to withdraw until mid-January 2024 should there be any concerns after the application has been made.</p> <p>As the commitment of each of the three Councils to a joint pooling arrangement was required by 10 October and the Cabinet was not meeting until 17 October, the Chief Executive agreed that it would be appropriate to approve the proposals under the Urgent Action provisions of Part 2, Chapter 16, paragraph 4 of the Constitution. It was also necessary to apply the Special Urgency arrangements as set out in Part 2, Chapter 17, paragraph 15 of the Constitution as the matter qualified as a ‘key decision’ and had not been publicised in advance on the Council’s Forward Plan in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England)</p>	

Regulations 2012. The detailed report which formed the basis of the Chief Executive's decision is set out at Appendix A to this report.

In line with the Urgent Action and Special Urgency provisions, the approval of the Chair of the Cabinet and the Chair of the Overview and Scrutiny Committee was received prior to the Chief Executive taking the action on 10 October and the matter is being reported to this meeting for information.

Recommendation(s)

The Cabinet is asked to note the action taken by the Chief Executive, in accordance with the Urgent Action procedures set out in Part 2, Chapter 16, paragraph 4 and the Special Urgency provision under Part 2, Chapter 17, paragraph 15 of the Council Constitution, in relation to:

- (i) Agreeing that the Council enters into the Memorandum of Understanding with Thurrock and Havering Councils, as set out in an appendix to the report, for the establishment of a three-borough Business Rates retention pool, and that the application be submitted to DLUHC by its deadline of 10 October 2023;
- (ii) Noting that the application does not commit the Council to the pool as there is a "cooling-off" period of 28 days from the announcement of the draft Local Government Financial Settlement for 2024/25 during which any of the parties can withdraw; and
- (iii) Delegating authority to the Strategic Director, Finance and Investment, in consultation with the Cabinet Member for Finance, Growth and Core Services, to make the final decision to enter the pooling arrangement in 2024/25 and subsequent years, prior to the expiry of the cooling off period, and to enter into all necessary or ancillary agreements to fully implement and effect the proposals.

Reasons

To accord with the requirements of the urgency procedures contained within the Council Constitution.

1. Financial Implications

Implications completed by: Nish Popat – Deputy S151 Officer

- 1.1 The Pooling arrangement will not materially impact on the Council in terms of its own Business Rates collection. The Pool will provide the Council with an added benefit should Thurrock's collection levels remain as indicated within this report.
- 1.2 The benefit for Barking and Dagenham will be applied from financial year 2024/25 onwards and the NNDR1, that will be completed in January 2024 will determine the projected benefit, with the final figures included within the Budget Setting for next year.

2. Legal Implications

Implications completed by: Dr Paul Feild, Principal Governance Lawyer

- 2.1 This report relates to an urgent action by the Chief Executive under the provisions of Part 2, Chapter 16, paragraph 4 of the Council Constitution so as to agree that the Council enters a Non-Domestic Rate Pooling Agreement with the London Borough of Havering and Thurrock Borough Council. Pooling arrangements have been used by the Council in the past and to good effect. As outlined above, there has been estimated a sizable benefit from participating in the pool. A Lead Authority will manage the pool, it being proposed to be Thurrock Council.
- 2.2 The foundation for the pool's operation by virtue of Schedule 7B part 9 of the Local Government Finance Act 1988. A memorandum of understanding with a commitment that none of Councils will be worse off from joining the pool and can opt out if it so chooses at a later stage providing appropriate notice is given. There will be a need to enter into legal agreements and this report seeks such delegated authority to the Strategic Director. All documentation will be reviewed in due course to ensure that they are in the Council's best interest. Going forward such arrangements will be kept under review and advice given as required.
- 2.3 With regard to the authorities of Havering and Thurrock's individual financial circumstances, while it is reported that Havering has contemplated the possibility of a notice being issued under section 114 Local Government Finance Act 1988, this would have no bearing on its capacity to enter a pooling arrangement. In the case of Thurrock Council, the Secretary of State has appointed a Commissioner under the Local Government Act 1999 to manage the financial affairs of that Council and they would need to agree to the arrangement.

Public Background Papers Used in the Preparation of the Report:

- Letter signed by the Chief Executive dated 9 October 2023 entitled "Urgent Action under Part 2, Chapter 16, paragraph 4 of the Constitution – Participation in a Business Rates Retention Pool with Thurrock and Havering Councils"
(<https://modgov.lbbd.gov.uk/Internet/ecCatDisplay.aspx?sch=doc&cat=14767>)

List of appendices:

- **Appendix A** - Report entitled "Participation in a Business Rates Retention Pool with Thurrock and Havering Councils"

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Title: Participation in a Business Rates Retention Pool with Thurrock and Havering Councils	
Report of the Interim Strategic Director, Finance and Investment	
Open Report	For Decision
Wards Affected: None	Key Decision: Yes
Report Author: Jo Moore, Interim Strategic Director, Finance and Investment	Contact Details: E-mail: jo.moore@lbbd.gov.uk
Accountable Director: Nish Popat – Deputy S151 Officer	
Accountable Executive Team Director: Jo Moore, Interim Strategic Director, Finance and Investment (Section 151 Officer)	
<p>Summary</p> <p>The Council has very recently been approached regarding entering into a new Business Rates retention pooling arrangements with two other local authorities – Thurrock and the London Borough of Havering. The pooling arrangement would start in 2024/25 and is projected to have a financial benefit to the three authorities whilst also aligning with existing relationships developed through the Thames Freeport.</p> <p>For any new proposed pooling arrangements, applications need to be made to the Department for Levelling Up, Housing and Communities (DLUHC) by 10 October 2023. However, there is a “cooling off” period of 28 days after the draft Local Government Financial Settlement has been announced, therefore giving the Council the opportunity to withdraw until mid-January 2024 should there be any concerns after the application has been made.</p> <p>Thurrock Council commissioned LG Futures to find a pooling arrangement which would geographically make sense to DLUHC and have a financial benefit to the members of the pool based on current business rates forecasts. LG Futures are also Barking & Dagenham’s financial advisors. This work has concluded that the proposed three-authority pool above would benefit all members.</p> <p>The benefit is derived from Thurrock’s current forecast of a £4m levy payable to Central Government. By entering into the pool, this levy would be retained and instead shared with the pool and split in the following ratio 50:25:25, with Barking & Dagenham and LB Havering expected to each receive a 25% share. The rationale for the split is that the pool requires a Tariff Authority who collects the business rates and, for this pool, that would be Thurrock (being the levy payer). Under the proposals, the Tariff Authority retains 50% of the gain. The financial benefit to Barking & Dagenham under current forecasted calculation would be c£1.0m.</p> <p>There is a risk in that if Thurrock were not to collect the forecast level of business rates, this would reduce the levy payable and the share available to pool members. LG Futures</p>	

has advised that this is low risk and, if anything, the gain is likely to be higher. To put into context, Thurrock has paid a levy of between £1.8m and £6.0m every year for the past five years and are on course to pay a £4.0m levy in 2023/24 (figures supplied by LG Futures). Therefore, even if Thurrock was to have its worst year in six years and only have a levy due of £1.8m, Barking and Dagenham would still receive £0.450m.

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree that the Council enters into the Memorandum of Understanding with Thurrock and Havering Councils, as set out at Appendix 1 to the report, for the establishment of a three-borough Business Rates retention pool, and that the application be submitted to DLUHC by its deadline of 10 October 2023;
- (ii) Note that the application does not commit the Council to the pool as there is a “cooling-off” period of 28 days from the announcement of the draft Local Government Financial Settlement for 2024/25 during which any of the parties can withdraw; and
- (iii) Delegate authority to the Strategic Director, Finance and Investment, in consultation with the Cabinet Member for Finance, Growth and Core Services, to make the final decision to enter the pooling arrangement in 2024/25 and subsequent years, prior to the expiry of the cooling off period, and to enter into all necessary or ancillary agreements to fully implement and effect the proposals.

Reason(s)

To improve the financial benefit to the Council through an additional sharing of the gain within the Pooling arrangement, providing additional resources to support the Council's budgetary position and bring more resources for Council services.

1. Introduction and Background

1.1 On 5 September 2023, the DLUHC Business Rates Operations and Local Government Finance Settlement Teams wrote to local authorities to invite them to pool business rates for 2024/25. The email included a formal letter, and a template Memorandum of Understanding to be used. To set up and operate a pool, the following activities are required:

- By 10 October 2023 – Agree Pool Members, Lead Authority and Projected Financial Outcomes
- Late December – Draft Local Government Financial Settlement includes approved pooling applications including a memorandum of understanding signed by the s151 officers of the three local authorities.
- 28 days from issue of Draft Local Government Financial Settlement – opportunity for pool members to further consider membership of pool.
- Late Jan/Early Feb – Final Local Government Financial Settlement – full confirmation of pooling arrangement followed by requirement to complete NNDR1 form.

- 2024/25 Financial Year – Collect Business Rates and Monitor in-year position.
- Post 2024/25 financial year – complete NNDR 3 confirming final pooling position.

1.2 The Council previously participated in pooling arrangements with Basildon, Havering and Thurrock Councils from 2014/15 and as part of a London-wide group from 2018/19.

2. Proposal and Issues

2.1 As referred to, responding to the DLUHC invitation does not commit authorities to pooling. Following the draft Local Government Financial Settlement, authorities have 28 days to decide whether to go ahead with a pool (though it is “all or nothing” at this stage, so if one member drops out, the pool does not operate). This is an annual process for which an expression of interest is required to enter a pooling arrangement for the following financial year.

2.2 It is important to note that aside from receiving the pooling gains, Barking and Dagenham’s roles would be as per the current arrangements. It would collect its own business rates and receive its Top Up grant and use these to fund its own expenditure.

Pool projections

2.3 The table below sets out the current forecast 2024/25 pooling gain using the 2023/24 NNDR1 data, the final Tariff / top up changes (following Revaluation 2023) and assuming no inflation on the multiplier (**Note** this is an initial projection under assessment and may change further). For example, no inflation has been factored into the figures yet and may have an impact on the final calculations. However, adding inflation is likely to increase the income to Thurrock and therefore increase the levy, which in turn would result in improved share to the Pool members.

2.4 It used an approach like other pools where the tariff authority retains half of the gain, and the top up authorities retain the other half. This is based on Thurrock providing 100% of the Tariff and the two authorities providing the 100% Top-up offset (so split between the two). The split between the top up authorities has been split by equal share and this mirrors other pooling arrangements and reflects, not just the financial contributions of each, but also the enabling of the continuous geography. It currently projects a forecast pooling gain of £4.0m split across the three authorities.

Local Authority	Business Rates Income £m	Plus Top Up / (Tariff) £m	Equals £m	Plus Safety Net / (Levy) £m	Equals £m	Plus Pooling Gains £m	Total £m
Thurrock	69.8	(25.9)	43.9	(4.0)	39.8	2.021	41.8
Havering	29.9	8.7	38.6	-	38.6	1.010	39.6
Barking & Dagenham	25.1	36.8	61.8	-	61.8	1.010	62.8
Total	124.7	19.6	144.3	(4.0)	140.2	4.041	144.3

2.5 The table below shows:

- The total forecast business rates income plus Section 31 grant for each authority (based on NNDR1 data)
- The reduction in cash terms and as a percentage, that would be required for each authority to individually require a safety net payment of £0.1m.
- To put this percentage for Thurrock into context, over the lifetime of the scheme (10 years), the average annual change in business rates for Thurrock is +10%, with only one year seeing a reduction (of 5% in 2019/20). So even if it had a year comparable with its worst year in the past 10 years, Barking and Dagenham would still stand to gain £0.750m.

Local Authority	Business Rates Income + S31 Grant £m	Reduction Needed £m	% Reduction £m
Thurrock	148.6	30.8	21%
Havering	99.5	18.4	19%
Barking & Dagenham	83.6	21.9	26%

(Note: the safety net payment is required when business rates income fall below the business rates baseline by more than 7.5%)

2.6 The figures reflect that each of the authorities are materially above their NNDR Baseline and therefore the safety net. This means that the possibility of falling into a situation of a safety net payment is considered to be very low risk.

Pool administration

2.7 Pool members will require assurance that the pool is being managed for the benefit of all members and to ensure financial risks are monitored and managed appropriately. Thurrock Council has appointed LG Futures to provide this expertise and support the expression of interest to members. It is noted that, should the pool not progress, there will be no costs arising to the pool members. Should the pool progress further then the fee is contingent on there being a financial gain to the pool and will be split in proportion to the sharing of the gain.

2.8 Based on the projections included in this note, the expected fees would be circa c3% of the total gain to Barking and Dagenham.

3. Options Appraisal

3.1 The alternative option is not to enter into the new pooling arrangement. However, this would mean that the Council would lose the opportunity for an additional £1m of business rates income compared to the risk of entering into the pool and is, therefore, not recommended.

- 3.2 Using the NNDR1 data, there is a strong case for a business rates pool in 2024/25, with a significant forecast pooling gain of £4.0m.
- 3.3 All pooling members are forecasting to be materially above the safety net. Provisional agreement is required (with Delta submissions by each authority) before the pooling deadline of 10 October 2023.
- 3.4 Each of the pool members will have the ability to pull out of the arrangement (and end the pool) up to 28 days after the provisional local government finance settlement (so mid-January 2024).
- 3.5 Whilst there are risks to the Council, as the Pooling gains are dependent on Thurrock's Business Rates position, the risk of materialisation are very low. The business rates would need to fall by 21% for there to be no gain to the pool. However, if the business rates were to reduce by 25% would lead to £200k charge.

4. Consultation

- 4.1 This report has been drafted in consultation with the Chief Executives, Monitoring Officers and Section 151 Leads at the respective authorities.

5. Financial Implications

Implications completed by: Nish Popat – Deputy S151 Officer

- 5.1 The Pooling arrangement will not materially impact on the Council in terms of its own Business Rates collection. The Pool will provide the Council with an added benefit should Thurrock's collection levels remain as indicated within this report.
- 5.2 The benefit for Barking and Dagenham will be applied from financial year 2024/25 onwards and the NNDR1, that will be completed in January 2024 will determine the projected benefit, with the final figures included within the Budget Setting for next year.

6. Legal Implications

Implications completed by: Dr Paul Feild, Principal Governance Lawyer

- 6.1 Pooling arrangements have been used by the Council in the past and to good effect. As outlined above, there has been estimated a sizable benefit from participating in the pool. A Lead Authority will manage the pool, it being proposed to be Thurrock Council.
- 6.2 The foundation for the pool's operation by virtue of Schedule 7B part 9 of the Local Government Finance Act 1988. A memorandum of understanding with a commitment that none of Councils will be worse off from joining the pool and can opt out if it so chooses at a later stage providing appropriate notice is given. There will be a need to enter into legal agreements and this report seeks such delegated authority to the Strategic Director. All documentation will be reviewed in due course to ensure that they are in the Council's best interest. Going forward such arrangements will be kept under review and advice given as required.

6.3 With regard to the authorities of Havering and Thurrock's individual financial circumstances, while it is reported that Havering has contemplated the possibility of a notice being issued under section 114 Local Government Finance Act 1988, this would have no bearing on its capacity to enter a pooling arrangement. In the case of Thurrock Council, the Secretary of State has appointed a Commissioner under the Local Government Act 1999 to manage the financial affairs of that Council and they would need to agree to the arrangement.

7. Other Implications

7.1 **Risk Management** - There is a risk in that if Thurrock were not to collect the forecast level of business rates, this would reduce the levy payable and the share available to pool members. LG Futures has advised that this is low risk and, if anything, the gain is likely to be higher.

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

List of appendices:

Appendix 1 – Draft Memorandum of Understanding

Thurrock, Barking & Dagenham, and Havering Business Rate Pool 2024/25

Memorandum of Understanding

This Memorandum of Understanding is made between the following councils.

- Thurrock Council
- London Borough of Barking & Dagenham
- London Borough of Havering

(Together referred to as the 'Pool' or 'Pool Members').

1. Purpose

- 1.1. The main aim of the pool is to maximise the retention of locally generated business rate, building on the existing relationship that is in place between the members through the Thames Freeport. The modelling work that has been undertaken by the Pool demonstrates that financially the Pool would retain a greater share of business rates revenue through pooling than it would otherwise do, as long as it experiences economic growth.
- 1.2. It is the purpose of this Memorandum of Understanding to act as a statement of intent that will support the realisation of these benefits. The Pool Members have agreed to enter this Memorandum of Understanding to formalise their commitment and to set out their respective roles and responsibilities for the 2024/25 financial year.

2. Glossary of Key Terms

- 2.1. There are a number of technical terms used throughout this document. The meanings of these terms are as follows:

Levy - A formulaic mechanism to pay a percentage of additionally raised local business rates income over to central government when a target (set nationally for each billing authority) has been exceeded.

Pool - A voluntary arrangement amongst a group of local authorities to pool the business rates generated locally to ensure at least some of any levy is retained locally.

Net Retained Levy - The amount of levy retained locally. This is calculated as the sum of levies to be paid by individual Pool members if the Pool did not exist less any safety net funding that would have been due to individual Pool members if the Pool did not exist and less the administrative costs of the Pool.

Safety Net - The additional funding received by an authority, from central government, if, in the government's opinion, the decline in business rates in any year would leave an authority with insufficient resources. Calculated using a national formula.

Lead Authority - The Pool member who will act as the lead in managing the Pool's resources and being the key contact between central government and the Pool.

Schedule of Payments - The Lead Authority will prepare an annual schedule that reflects all the financial payments to be processed through the pool and clearly indicating the amount and timings of each payment and who needs to make what and payment to whom.

3. Key Principles

- 3.1. The Pool Members agree that they will operate the Pool in accordance with the following principles:

Increase in Resources - The Pool Members recognise that the fundamental objective of the Pool is to generate increased resources for the area, and individual Pool Members

Risk Management - The Pool Members agree to protect and mitigate as far as possible the risks associated with the level of business rate income. Income streams to the Pool Members may be more volatile, whether as the result of a one-off event (for example a successful large appeal) or something structural within an area (for example the closure of a major plant). The pooling arrangements should reduce this volatility.

Fairness - The Pool Members agree to share the costs, risks, and benefits of local business rate retention proportionately. Providing the pool does not make a loss, Pool Members should be no worse off than if they were outside the Pool.

Transparency, Openness and Honesty - Pool Members will be open and trusting in their dealings with each other, make information and analysis available to each other, discuss and develop ideas openly and contribute fully to all aspects of making the Pool successful. It also includes sharing data and intelligence outside of the formal reporting mechanisms on any substantive issues relating to business rate retention within their area.

Reasonableness of Decision-Making - Pool Members agree that all decisions made in relation to this Memorandum of Understanding shall be made by them acting reasonably and in good faith.

4. Binding Memorandum

- 4.1. This Memorandum of Understanding is produced as a Statement of Intent and, with the exception of Sections 5, 10 and 11, is not intended to be legally binding.

- 4.2. Sections 5, 10 and 11 are intended to be legally binding and to create obligations between Pool Members with immediate effect from the execution of this Memorandum of Understanding.
- 4.3. Pool Members have approved this Memorandum of Understanding in advance of the Secretary of State designating the Pool for the purposes of the Business Rates Retention Scheme. If the Secretary of State adds conditions to the designation, either initially or at any point in the future an immediate review of this Memorandum of Understanding, as outlined in Section 12, will be triggered.

5. Term of Memorandum

- 5.1. This Pool will be for the financial year 2024/25 only and will come into force only if Pool Members agree to commence and the designation is made by the Secretary of State and comes into force.

6. Decision-Making

- 6.1. The statutory finance officers (Chief Finance Officer) from each Pool Member shall collectively be responsible for overseeing the operation of the Pool and making recommendations to their respective authorities about the way forward.
- 6.2. The Lead Authority shall ensure that reports are sent to the Chief Finance Officer of each Pool Member at least on a quarterly basis updating them of the performance of the Pool and advising them of any issues. These reports should be available within four weeks of the quarter end.
- 6.3. The Lead Authority is able to appoint external support and incur reasonable internal costs in order to assist with the undertaking of its responsibilities (as per section 9 below) on behalf of the pool. The costs incurred by the lead authority will be shared across the group, as outlined in section 11 below.
- 6.4. For the avoidance of doubt, any substantive decision e.g. commitment of resources, changes in governance or major operational changes shall be referred to each Pool Members' decision-making regime.

7. Dispute Resolution

- 7.1. The Pool Members shall attempt in good faith to negotiate a settlement to any dispute arising between them arising out of or in connection to this Memorandum of Understanding. If this cannot be resolved by the Chief Finance Officers, it will be referred to a meeting of all member authorities' Heads of Paid Service for resolution.

8. Resourcing

- 8.1. Each Pool Member will provide the appropriate resources and will act with integrity and consistency to support the intention set out in this Memorandum of Understanding.
- 8.2. In the event that the Lead Authority needs to incur expenditure in order to administer the pool, any reasonable costs agreed by pool members should be the first call on the Net Retained Levy.

9. Lead Authority

9.1. Thurrock Council will act as the Lead Authority for the Pool.

9.2. The responsibilities of the Lead Authority are:

- to make payments on behalf of the Pool to central government and Pool Members on time and in accordance with the schedule of payments,
- to liaise with and complete all formal Pool returns to central government on behalf of Pool Members,
- to keep Pool Members informed of all communications with central government,
- to manage the resources of the Pool in accordance with this MoU,
- to prepare quarterly reports and consolidate intelligence on future resource levels on behalf of the Pool,
- to convene an urgent meeting of the Chief Finance Officers if there is the possibility that the pool could make a loss.
- to co-ordinate the annual review and refresh of the Pool's governance arrangements and the methodology for the allocation of resources,
- to consult on and administer a schedule of all payments in respect of all financial transactions that form part of the Pool's resources, and
- to lead on the timely provision of the information required, by Pool Members, in preparing their annual Statement of Accounts in relation to the activities and resources of the Pool.

9.3. To assist the Lead Authority in fulfilling this role, the responsibilities of individual Pool Members are:

- to make payments on time and in accordance with the schedule of payments,
- to provide accurate, timely information to the Lead Authority to enable all formal Pool returns to central government to be completed,
- to inform the Lead Authority, as soon as is practical, of any intelligence that may impact on the resources of the Pool either in the current year or in future years,
- to provide such information as the Chief Finance Officers agree is reasonable and necessary to monitor/forecast the Pool's resources within the timescales agreed,
- to provide such information as the Chief Finance Officers agree is reasonable and necessary on the use of the Pool's resources for inclusion in the Pool's annual report, and

- to provide accurate and timely information on the end of year financial performance of the business rates collection fund to enable the Lead Authority to calculate the end of year accounting entries needed.

10. Cash Management

- 10.1. The governing principle for the cash management of the Pool is that no individual Pool Member, including the Lead Authority, should incur a cash flow gain or loss as a result of the transfer of funds between Pool Members.
- 10.2. The Pool will receive/pay interest annually on any retained resource at the average investment rate of the Lead Authority.
- 10.3. Interest will be calculated on an annual basis and allocated to Pool Members based upon a method agreed by the Chief Finance Officers.
- 10.4. Where the Pool is required to make a payment to the Secretary of State, each authority in the Pool is jointly and severally liable to make that payment.

11. Allocation of Pool Resources

Principles

- 11.1. The allocation of resources will be based on the following principles.
- Each individual authority will receive at least the same level of funding they would have received without the Pool. The remaining amount will be the “Net Retained Levy.”
 - Any additional resource that is generated will be shared by pool members using the basis of allocation below.

Basis of Allocation

- 11.2. The underlying basis of allocation is as follows:
- A - The running costs of the pool, if any, will be initially paid by the lead authority and will be re-imbursed to them from the Net Retained Levy.
- B - If after A, the net retained levy is greater than £0 (i.e. the pool has made an overall gain), then it will be shared out using the following apportionments.
- 50% of the net retained levy (gain) will be allocated to Barking & Dagenham and Havering on equal share (25% each).
 - The remaining 50% gain will be paid to Thurrock Council.
- C - Where the Net Retained Levy is less than £0, (i.e. where the Pool makes an overall loss) – the loss will be shared in the following proportions:
- 50% of the loss will be allocated to the Barking & Dagenham and Havering on equal share (25% each).
 - The remaining 50% gain will be allocated to Thurrock Council.

12. Review Arrangements

- 12.1. It is not expected that these arrangements will be reviewed, with the pool only in operation for 2024/25 only. However, if such a need is required, it will be co-ordinated by the Lead Authority on behalf of the Chief Finance Officers.

13. Signatories on behalf of the Pool:

Name
Thurrock Council

Name
London Borough of Barking & Dagenham

Name
London Borough of Havering