

Notice of Meeting

CABINET

Tuesday, 23 July 2024 - 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 and Cllr Simon Perry (non-voting)

Date of publication: 15 July 2024

Fiona Taylor
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 18 June 2024 (Pages 3 - 10)

4. Revenue Budget Monitoring 2024/25 (Period 2, May 2024) (Pages 11 - 63)

5. General Fund MTFs Update and Budget Strategy 2025/26 - 2027/28 (Pages 65 - 80)

6. **Private Sector Housing Licensing Schemes 2024 - 2029 (Pages 81 - 391)**
7. **School Place Planning and Capital Investment Update (Pages 393 - 404)**
8. **Council Tax Support Scheme 2025/26 - Options and Consultation (Pages 405 - 465)**
9. **Productivity Plan (Pages 467 - 477)**
10. **Corporate Plan 2023-2026 - Outcomes Framework Performance Report Q3 and Q4 2023/24 (Pages 479 - 529)**
11. **Commissioning of a Community Healthy Weight Development Partner (Pages 531 - 550)**
12. **Urgent Action - Barking and Dagenham College: New Post-16 SEND Provision (Pages 551 - 556)**
13. **Sale of Front Garden Land at 25 Trefgarne Road, Dagenham RM10 7QT (Pages 557 - 563)**

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)).

14. **Any other public items which the Chair decides are urgent**
15. **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 13 above includes an appendix which is exempt from publication, as described. **There are no other such items at the time of preparing this agenda.**

16. **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, 18 June 2024
(7:00 - 8:25 pm)

Present: Cllr Dominic Twomey (Deputy Chair in the Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Sade Bright, Cllr Syed Ghani and Cllr Jane Jones; Cllr John Dulwich and Cllr Simon Perry

Apologies: Cllr Darren Rodwell, Cllr Cameron Geddes, Cllr Kashif Haroon, Cllr Elizabeth Kangethe and Cllr Maureen Worby

8. Declaration of Members' Interests

There were no declarations of interest.

9. Minutes (21 May 2024)

The minutes of the meeting held on 21 May 2024 were confirmed as correct.

10. Provisional Outturn Report for the Financial Year 2023/24

The Cabinet Member for Finance, Growth and Core Services presented the provisional Revenue and Capital Outturn report for the 2023/24 financial year.

The General Fund provisional revenue outturn for 2023/24 was £199.568m after planned transfers to and from reserves. An over-achievement in income of £2.482m meant that there was a £2.626m overspend at the year-end against the final revised budget of £194.46m. The £2.626m overspend represented an improvement of £3.39m on the period 10 position and the Cabinet Member commended the efforts across the Council to minimise overspends which, at an early stage in the financial year, was projected at over £14m. As a consequence of the overspend position, the General Fund Reserve at 1 April 2024 was £14.404m, above the Council's minimum balance level of £12m.

The provisional Housing Revenue Account (HRA) outturn for 2023/24 showed a £6.06m overspend which would be managed through a reduced revenue contribution to the planned HRA capital reserve transfer within the base budget for 2024/25. The provisional Dedicated Schools Grant (DSG) outturn showed a £2.118m overspend, to be met from the DSG reserve leaving a closing balance of £7.955m.

The 2023/24 Capital Programme expenditure was £334.982m against the final budget of £340.387m and it was noted that the slippage would be carried forward to the 2024/25 Capital Programme.

The Cabinet Member commented that the Council had continued to face significant pressures during 2023/24, primarily due to the high level of inflation on costs and significant increases in demand for social care services. Many of those challenges would continue into 2024/25 and whilst the Council had allocated over £8m from the Budget Support Reserve for 2024/25 to mitigate those known

pressures, the point was made that without a fairer funding allocation from Central Government which reflected the levels of need, deprivation and population growth in the Borough, the Council would continue to face an extremely challenging financial position going forward.

The Cabinet Member also alluded to the achieved and unachieved savings proposals during 2023/24, bad debt provision following a review of recoverable and non-recoverable debt owed to the Council and the position relating to the Investment and Acquisition Strategy (IAS).

Cabinet **resolved** to:

- (i) Note that the General Fund provisional outturn position for 2023/24 was £199.568m which, after a net transfer from reserves, represented an overspend of £2.626m against the revised budget of £194.460m, as detailed in section 2 of the report;
- (ii) Agree the transfer of £2.626m from the General Reserve to achieve a balanced outturn position for 2023/24;
- (iii) Note the Housing Revenue Account provisional outturn position for 2023/24 was an overspend of £6.060m which would be met from a reduced contribution to the HRA Capital Reserve, as detailed in section 4 of the report;
- (iv) Note that the Dedicated Schools Grant provisional outturn position for 2023/24 was an overspend of £2.118m which would be met from the DSG Reserve, as detailed in section 5 of the report;
- (v) Note the performance of the Investment and Acquisition Strategy (IAS) as set out in section 9 of the report;
- (vi) Note that the Capital Programme provisional outturn position for 2023/24 showed an underspend of £5.405m against a revised budget of £340.387m;
- (vii) Approve the carry forwards totalling £3.2m to the Capital Programme 2024/25, as detailed in section 11 and Appendices B and C to the report; increasing the capital budget for 2024/25 from £252.1m to £255.3m; and
- (viii) Note the update on the progress on the year-end accounts and the work still outstanding, as set out in section 12 of the report.

11. Treasury Management Annual Report 2023/24

The Cabinet Member for Finance, Growth and Core Services introduced the Treasury Management Annual Report for 2023/24 which set out the key areas of performance, borrowing levels and other treasury management issues.

Key highlights within the report relating to the 2023/24 activities and performance included:

- Total treasury investments held at 31 March 2024 was £0.0m (2022/23:

£54.0m);

- Total cash held at 31 March 2024 was -£10.1m (2022/23: -£18.4m);
- Total loans lent at 31 March 2024 was £287.4m (2022/23: £192.2m);
- Net General Fund Treasury Outturn for 2023/24 was £10.307m compared to a net expenditure budget of £10.875m, an outperformance of £0.568m;
- Investment from the Council's Investment and Acquisition Strategy (IAS) Residential, Commercial and other IAS portfolio totalled £4.591m for the year compared to a budget of £2.869m, an outperformance of £1.722m;
- The combined General Fund Treasury and IAS return was £5.716m against a budget of £8.006m, an outperformance of £2.29m;
- The Council's average treasury interest return was 4.55%;
- The Council's average return on its property and commercial loans was 2.62% and 8.42% respectively;
- A total of £8.99m was transferred from the IAS Reserve in 2023/24, reducing it from £31.95m to £22.96m;
- Interest payable for 2023/24 totalled £49.6m (2022/23: £40.9m), consisting of £13.7m for Private Finance Initiative (PFI) / finance leases, £10.2m for HRA and £25.7m for General Fund;
- Capitalised interest totalled £12.2m;
- The total long-term borrowing (General Fund and IAS) was £681.8m, comprising of market loans, Public Works Loan Board (PWLB), Local Authority, European Investment Bank and other loans;
- The value of short-term borrowing totalled £343.9m;
- HRA borrowing totalled £295.9m of long-term debt and £10.7m of internal borrowing;
- PFI / finance lease borrowing totalling £271.1m and total Council borrowing at 31 March 2024 (excluding internal HRA borrowing) was £1,592.7m;
- The Council did not breach its 2023/24 Operational Boundary limit of £1.850bn or its Authorised Borrowing Limit of £1.950bn;
- The Council complied with all other set treasury and prudential limits; and
- A loan impairment was made against loans to Barking and Dagenham Trading Partnership (BDTP) of £3.431m in 2023/24, bringing the total provision against BDTP to £15.554m.

The Cabinet Member also referred to issues relating to Barking and Dagenham Reside Limited, the impact of letting delays on the IAS Residential return and the latest position regarding several of the Council's investments.

Cabinet resolved to recommend the Assembly to:

- (i) Note the Treasury Management Annual Report for 2023/24;
- (ii) Note that the Council complied with all 2023/24 treasury management indicators;
- (iii) Approve the actual Prudential and Treasury Indicators for 2023/24, as set out in Appendix 1 to the report; and
- (iv) Note that the Council's total provision against Barking and Dagenham Trading Partnership was £15.6m as at 31 March 2024.

12. Debt Management Performance 2023/24 (Quarter 4) and Updated Debt Management Policy

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

The Cabinet Member commented on the difficulties that many local residents and businesses had experienced during the cost-of-living crisis which, in turn, had impacted on their ability to pay their bills. Although there were signs that the economy was stabilising, many residents and especially those receiving state benefits continued to struggle to make ends meet. Nonetheless, the Council was committed to maximising the income due to it in order to protect the services that it provided to the local community.

Despite the economic position, the Council's debt management service had, in general, been able to maintain collection levels, assisted by a range of new initiatives introduced during 2023/24, and further new initiatives were planned for 2024/25, such as the use of AI systems. The Cabinet Member also referred to his earlier comments in the meeting on the work carried out to write-off unrecoverable debts, which had resulted in bad debt provision decreasing by £7.4m to £56.6m.

Cabinet **resolved** to:

- (i) Note the performance of the debt management function carried out by the Council's Collection service, including the improvements in collection rates and the reduction in arrears since the start of the year;
- (ii) Note the reduction in bad debt provision of £7.4m, primarily due to the write-off of non-recoverable historic debt arrears; and
- (iii) Approve the updated Debt Management Policy 2024, as set out at Appendix A to the report.

13. Draft East London Joint Waste Plan Regulation 18 Consultation

The Cabinet received a report on the draft East London Joint Waste Plan (ELJWP) and the arrangements for public consultation in accordance with Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

The ELJWP would provide the strategic vision and objectives for the sustainable management of waste in east London for the period up to 2041 and help to ensure that there continued to be sufficient capacity to manage waste in East London in the most sustainable way. The evidence base for the ELJWP demonstrated that there was a significant surplus capacity for waste management facilities in east London and it was proposed, therefore, to release five existing waste sites in Barking and Dagenham from safeguarding as a waste use, on the basis that they conflicted with land use policy and the Council's ambitions set out within the draft Local Plan 2037.

Cabinet **resolved** to:

- (i) Agree the publication of the Regulation 18 draft ELJWP at Appendix 1 to the report, its related policies map and supporting information, for a six-week statutory public consultation anticipated to commence in late July 2024;
- (ii) Delegate authority to the Strategic Head of Place and Development, Inclusive Growth (or equivalent) to finalise the draft ELJWP and supporting information, including appendices, related evidence base and topic papers, prior to undertaking the Regulation 18 public consultation;
- (iii) Delegate authority to the Strategic Head of Place and Development, Inclusive Growth (or equivalent) to make the arrangements for statutory public consultation, in accordance with the Consultation Protocol attached at Appendix 2 to the report; and
- (iv) Note the related Draft Integrated Impact Assessment and the Draft Habitats Regulation Assessment attached at Appendices 3 and 4 respectively to the report.

14. Procurement of Hybrid Mail, Digital and Transformational Solutions, Multi-Functional Devices and Print Management Services

The Cabinet received a report on proposals to procure new contracts for the provision of hybrid mail, digital communications and other printing-related services, in light of the expiry of the current contractual arrangements on 30 November 2024.

The report set out the rationale for procuring separate contracts, one relating to hybrid mail and digital and transformational solutions while the second related to multi-functional devices (MFDs) and print management services. Both would be commissioned via existing Crown Commercial Services Frameworks and offered for an initial four-year term, with an option to extend for a further three years.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of contracts for the provision of Hybrid Mail and Digital and Transformational Solutions and Multi-Functional Devices and Print Management Services, in accordance with the strategy set out in the report; and
- (ii) Authorise the Strategic Director, Resources, in consultation with the Cabinet Member for Finance Growth and Core Services and the Head of Legal, to conduct the procurements and award and enter into the contract(s) and all other necessary or ancillary agreements to fully implement and effect the proposals.

15. Procurement of Parking and Traffic Enforcement Camera Services

The Cabinet received a report on proposals relating to the procurement of a new, maximum seven-year contract for the provision and maintenance of a parking and traffic enforcement camera system.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a five-year contract, with an option to extend for a further two years, for the provision and maintenance of a parking and traffic enforcement camera system, in accordance with the strategy set out in the report; and
- (ii) Authorise the Strategic Director, My Place, in consultation with the Cabinet Member for Enforcement and Community Safety, the Strategic Director, Resources and the Head of Legal, to approve the final procurement strategy, conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements with the successful bidder(s) to fully effect the proposals.

16. Contracts for Street Lighting Maintenance Services

The Cabinet received a report on proposals relating to the procurement of a new, maximum seven-year contract for the provision of street lighting maintenance services commencing 1 January 2025. The report also included plans to directly award a short-term contract to the incumbent service provider, Volker Highways Ltd, to ensure continued service provision pending the commencement of the new long-term contract.

Cabinet **resolved** to:

- (i) Agree the direct award of a short-term, maximum nine-month contract with Volker Highways Ltd for the provision of reactive and planned street lighting maintenance services on the same terms and conditions as the previous contract, including historic defined Social Value outcomes as stipulated in the original contract award, the Living Wage commitments and the Net Zero Carbon Target and Sustainability outcomes as defined in the report;
- (ii) Agree the procurement of a new five-year contract, with an option to extend for a further two years, for the provision of reactive and planned street lighting maintenance services, secured through competitive tendering, complete with a commitment to the Council's Social Values Policy and requirements in accordance with the strategy set out in the report; and
- (iii) Delegate authority to the Strategic Director, My Place, in consultation with the Cabinet Member for Public Realm and Climate Change, the Strategic Director, Resources and the Head of Legal, to conduct the procurement and award and enter into the contracts and all other necessary or ancillary agreements to fully implement and effect the proposals.

17. Contracts for Highway Maintenance Services

The Cabinet received a report on proposals relating to the procurement of a new, maximum seven-year contract for the provision of reactive and planned highway maintenance services commencing 1 January 2025. The report also included plans to directly award a short-term contract to the incumbent service provider, Marlborough Surfacing Ltd, to ensure continued service provision pending the commencement of the new long-term contract.

Cabinet **resolved** to:

- (i) Agree the direct award of a short-term, maximum nine-month with Marlborough Surfacing Ltd for the provision of reactive and planned highway maintenance services on the same terms and conditions as the previous contract, including historic defined Social Value outcomes as stipulated in the original contract award, the Living Wage commitments and the Net Zero Carbon Target and Sustainability outcomes as defined in the report;
- (ii) Agree the procurement of a new five-year contract, with an option to extend for a further two years, for the provision of reactive and planned highway maintenance services, secured through competitive tendering, complete with a commitment to the Council's Social Values Policy and requirements in accordance with the strategy set out in the report; and
- (iii) Delegate authority to the Strategic Director, My Place, in consultation with the Cabinet Member for Public Realm and Climate Change, the Strategic Director, Resources and the Head of Legal, to conduct the procurement and award and enter into the contracts and all other necessary or ancillary agreements to fully implement and effect the proposals.

18. Social Value in Procurement - Impact Report 2023/24

The Cabinet received a report on the progress and impact of the Council's Social Value in Procurement policy during 2023/24.

The policy was launched in October 2020 and established a framework, guidance and process to ensure that Social Value proposals and principles formed part of major contracts let by the Council. The report set out the commitments and outcomes achieved in 2023/24 and the recognition that the Council was receiving for its approach to Social Value.

Cabinet **resolved** to:

- (i) Note the continued positive impact of the Council's Social Value in Procurement policy in terms of suppliers' social value commitments and associated outputs during 2023/24, as detailed in Appendix A to the report; and
- (ii) Note the Council's wider Social Impact across other Inclusive Economy sectors.

19. Redevelopment of Trocoll House, Wakering Road, Barking - Proposed Amendments to Lease Agreement

Further to Minute 97 (16 March 2021), the Cabinet Member for Finance, Growth and Core Services presented a report on a proposal to vary the original Development Agreement with Railpen, a Pension Fund Management Company, for the planned redevelopment of Trocoll House to provide 198 residential units and 650 sqm of commercial space on the site.

The Cabinet Member explained that since the signing of the original Development Agreement, a number of economic factors outside of Railpen's control meant that the original funding terms were no longer viable for them. Railpen had, therefore, submitted an initial proposal to vary the terms of the original Development Agreement through an increase of approximately 21% to the starting annual lease payment. However, following a financial modelling assessment of that proposal and in the context of the Council's Investment and Acquisition Strategy metrics, that offer was rejected by the Council.

In recognition of the key role that the redevelopment scheme would play in the regeneration of the Town Centre and both parties' desire to deliver the project, transparent negotiations took place in order to try and establish a mutually acceptable position. As a consequence, Railpen submitted a revised offer seeking a higher starting lease payment of approximately 15% alongside additional incentives / benefits for the Council.

The Cabinet Member advised, however, that the latest improved offer was still considered to represent too greater level of risk to the Council's General Fund in the future. Officers had therefore drawn up a range of detailed, costed options for the Cabinet to consider, which ranged from not proceeding with the project and the abortive costs associated with that option, to making a counter-offer which would mitigate the Council's level of risk to an acceptable level in order to achieve the development of a major regeneration project in the heart of the Town Centre.

Following detailed discussions on the options available, Cabinet **resolved** to:

- (i) Note that the revised offer from Railpen relating to the proposed terms of an amended Lease Agreement for the redevelopment of Trocoll House would not be financially viable for the Council, as detailed in the report and the financial modelling and options analysis set out at Appendix 1 to the report;
- (ii) Agree a final counter-offer to Railpen as detailed in option 4(b) of Appendix 1 to the report, which represented a circa 9% increase to the original starting annual lease payment while mitigating the Council's level of risk to an acceptable and affordable level, and delegate authority to the Strategic Director, Resources to progress that course of action; and
- (iii) Agree, subject to Railpen accepting the terms of the Council's counter-offer, to delegate authority to the Strategic Director, Resources, in consultation with the Cabinet Member for Finance, Growth and Core Services and the Head of Legal, to enter into all necessary and ancillary agreements to fully implement and effect the proposals.

(Note: During consideration of this item, a resolution to exclude the public and press from the meeting was passed to enable full consideration of the Railpen revised offer and the terms of the Council's proposed counter-offer under the provisions of paragraph 3 of Part 1, Schedule 12A to the Local Government Act 1972 (as amended).)

CABINET**23 July 2024**

Title: Revenue Budget Monitoring 2024/25 (Period 2, May 2024)	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report	For Information
Wards Affected: None	Key Decision: No
Report Author: Jahangir Mannan, Strategic Housing and Commercial Finance Advisor	Contact Details: E-mails: jahangir.mannan@lbbd.gov.uk
Accountable Executive Team Director: Jo Moore, Interim Strategic Director, Resources	
<p>Summary</p> <p>This report sets out the Council's revenue budget monitoring position for 2024/25 as at the end of May 2024 (Period 2), highlighting key risks and opportunities and the forecast position.</p> <p>The current year budget was approved through the Medium-Term Financial Strategy (MTFS) Report presented to Cabinet in February 2024, and the Housing Revenue Account (HRA) budget approved in January 2024 Cabinet.</p> <p>At the end of May, forecast expenditure is £221.9m, resulting in a forecast break-even position. This would be a significantly more adverse movement, but for management actions and spending control measures that have now been in place since last Summer. However, it is important that spending restraints continue to minimise any drawdown on the Council's reserves to balance the 2024/25 outturn.</p> <p>The Council continues to be impacted by needs and increasing care costs related to social care. Continued mitigations and cost reductions will be pursued to ensure the Council limits the overspend by year end. In addition to the reserve drawdown of £3.14m from IAS reserve, the base budget has £8.81m of budgeted drawdown. This will take the total reserve drawdown to £6.59m before covering any potential overspends.</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 P2 forecast.</p> <p>At the end of May, there is also a projected underspend of £374k on the HRA.</p> <p>Currently it is expected that c£4m will be released from corporate funding to offset the net pressure on Directorates. However, this year's dividend from Be First (previously estimated at c£10.4m) is unlikely to be realised in full. Be First will not be able to meet their dividend target and although the Muller Reserve was used to cover the dividend budget in previous year, this was a one-off mitigation and going forward the MTFS will review the latest BeFirst Business Plan to identify future dividends.</p>	

If the forecast level of overspend continues, this will result in the use of earmarked reserves to balance the budget for 2024/25 and/or potentially drawing of funds down from the General Fund balance which is currently c£14.4m. This will reduce the financial resilience of the Council and curtail future ability to meet cost pressures. It is important to maintain a strong level of the general balance to meet any unknown future risks and all efforts must be made to reduce in year overspends to nil and deliver services within existing budgets. The position will continue to be closely monitored.

Recommendation(s)

Cabinet is recommended to:

- (i) Note the projected break-even revenue forecast at Period 2 for the General Fund for the 2024/25 financial year, as set out in sections 2 and 3 and Appendix A of the report;
- (ii) Approve the net projected year end drawdown of £11.95m reserves to support the in-year position;
- (iii) Note the projected £374k revenue underspend forecast for the Housing Revenue Account, as set out in section 6 and Appendix A of the report;
- (iv) Note the projected returns for the Investment and Acquisition Strategy as set out in section 4 and Appendix A of the report;
- (v) Note the movement in Reserve drawdown as indicated in section 5 of the report and that the Cabinet shall be asked to approve the drawdown of reserves to support any overspends at final outturn (post March 2024), subject to finalisation of the actual spend against budget; and
- (vi) Note the P2 Capital Monitoring update as set out in section 7 and Appendix A of the report

Reason(s)

As a matter of good financial practice, the Cabinet should be regularly informed about the Council's in-year financial position including 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.

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 budget monitoring report to Cabinet reflects the forecast position for the end of the 2024/25 financial year as at end of May 2024 (Period 2).
- 1.2 This financial year continues to see the high level of financial risk realised in 2023/24 outturn despite c£25.6m of growth and budget corrections. Rising inflation and interest rates not only drives increases in demand for Council services and support as the cost living increases but also directly impacts the costs paid by the Council to staff and suppliers. The financial performance of the Council's companies has also been impacted which continues to impact on their ability to pay dividends to the Council.
- 1.3 The overspend identified in this report will contain both one-off and permanent budget pressures and has been factored into the Council's Budget and MTFs Planning process in terms of long-term financial implications on the Council. It is important that the Council takes mitigating actions to reduce the forecast overspend in order to ensure the Council remains financially sustainable over the coming years.
- 1.4 Using reserves is only a temporary form of funding and permanent solutions will need to be found for ongoing budget pressures. Significant earmarked reserves were utilised in closing off the 2022/23 and 2023/24 budgets, and the continued drawdown of reserves to support budget pressures is unsustainable. As using reserves is only a temporary funding source, viable solutions will still need to be identified to deliver permanent budget savings and in a relatively short space of time.

2. Overall Financial Position - General Fund

- 2.1 The 2024/25 budget was approved by the Assembly in February 2024 and was £212.93m – a net increase of £13.9m from the previous 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 £15.6m of savings included in the budget.
- 2.2 As **Appendix A** shows, the expenditure forecast is £221.9m, after planned transfers to and from reserves, resulting in a net break-even position. 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 an explanation highlighting the key drivers behind the forecasts. More detail is given in Appendix A.

Table 1: Overall Financial Forecasted Position by Directorate

	This Years Budget			Actuals/Forecast		Reserves	Variations Inc Reserves
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Variance
PEOPLE & RESILIENCE	135,536,424	60,154	135,596,578	12,749,952	139,888,992		4,292,413
STRATEGY	6,130,023		6,130,023	1,204,038	6,310,023	(180,000)	0
INCLUSIVE GROWTH	992,477	(60,154)	932,323	62,098	1,282,384		350,061
MY PLACE	15,896,935		15,896,935	10,675,990	15,254,460		(642,475)
RESOURCES	30,994,057		30,994,057	21,439,505	30,994,057		0
SUB-TOTAL DIRECTORATES	189,549,916		189,549,916	46,131,582	193,729,916	(180,000)	4,000,000
CENTRAL EXPENSES	16,610,173		16,610,173	310,326	12,610,173		(4,000,000)
INTEREST PAYABLE	10,139,085		10,139,085	(3,664,178)	8,208,125		(1,930,960)
INTEREST PAYABLE ON ST BORROWG							
CAPITALISED INTEREST							
INTEREST RECEIVED	(6,502,960)		(6,502,960)	7,082	(4,572,000)		1,930,960
MRP	10,791,938		10,791,938		10,791,938		
LEVIES PAID	16,245,900		16,245,900	2,429,342	16,245,900		
SUB-TOTAL CORPORATE EXPENSES	47,284,136		47,284,136	(917,428)	43,284,136		(4,000,000)
GENERAL FUND I&E (EXC. IAS)	236,834,052		236,834,052	45,214,154	237,014,052	(180,000)	(0)
IAS COMMERCIAL (NET OPERATING RETURN)	(4,661,700)		(4,661,700)	172,690	(2,698,589)		1,963,111
IAS RESIDENTIAL (RESIDE SCHEME SURPLUS)					(2,000,000)		(2,000,000)
IAS OTHER	(10,426,889)		(10,426,889)		(10,390,000)		36,889
IAS INTEREST PAYABLE							
INTEREST PAYABLE ON ST BORROWG							
CAPITALISED INTEREST							
IAS INTEREST RECEIVED							
IAS MRP							
SUB-TOTAL IAS	(15,088,589)		(15,088,589)	172,690	(15,088,589)		
GENERAL FUND I&E	221,745,463		221,745,463	45,386,843	221,925,463	(180,000)	(0)

Directorate Forecasts

2.2.1 My Place: (£642k) underspend:

There are underspends across Enforcement totalling £1.228m due to vacancies and off-street Parking income is forecast to over-recover by £424k, which is not restricted under Section 55 of the Road Traffic Act. The underspend will be used as an in-year mitigation. This is offset partly by overspends in Homelessness accommodation (which sit in Support Services and was transferred from Community Solutions) of £612k and Commercial income under-recovery of £406k.

2.2.2 Strategy: Forecast is breakeven

Currently forecasting to budget. There may be a possibility that underspends could arise from vacancy savings as the year progresses. There is a drawdown of £180k from ring fenced grant which does not make up the movement from budget reserves detailed in Section 5.

2.2.3 Inclusive Growth: Overspend of £350k

The forecast overspend on the Leisure contract is £781k. The Council receives management fee income under the existing contract. This terminates in September 2024 and under the new contract the Council will make a payment to the leisure operator. Therefore, the income target of £1.2m will not be met. The overspend in Leisure is offset by savings in Commercial Services and vacancy savings in Inclusive Growth.

2.2.4 Resources: Forecast is breakeven

Currently forecasting to budget.

2.2.5 **People and Resilience: (£4.292m) increase in forecast expenditure.**

There is a projected overspend of £4.292m across the whole of People and Resilience arising mainly from Adults Social Care, although there are some forecast overspends in Children's arising from placement inflation and use of external legal. A key driver for the forecast overspend in Adults is an increase in the assumption around the number of domiciliary hours required per month. During 2023/24 the average number was c54,000 with a peak at c77,000. However, since the beginning of the year prevention activity is now under the direct control of the Strategic Director, PIR and therefore it is anticipated that this activity will increase to reduce the hours required, and this reduction has fed into the forecast. However, should the preventative work not have the forecast impact, there is a risk that this pressure could rise by a further £3.6m.

Data shows that although numbers open to ASC remain stable the fast pace changing needs of the client group from older to working age adults is driving up costs and pressures. Over the past 12 months, we have seen a 5% increase in working age adults, mainly with LD, equating to 50 new clients at average cost of £1100 per week, with 20 young people transferring from children to adult services over the first 2 months. We are seeing positive impacts from changes to the front door and increased reablement offer, however, savings associated with these were assumed as part of budget setting for 24/25, and although impactful, such activities are unlikely to negate the costs of higher cost new demand arising from LD and MH working age adults.

2.2.6 **Central Expenses: (£4m) decrease in forecast expenditure.**

The forecast release of £4m as part of growth which was agreed to mitigate People & Resilience Budget pressure.

2.2.7 **IAS: Forecast is breakeven**

The IAS budget includes a provision for interest rate pressures and the current forecast includes the full amount of the provision. There is an expectation that the interest rate pressure will ease over the year. The IAS returns are reliant on the operational assets meeting the or exceeding the assumptions made in the financial models and there are currently issues around letting of Private Rental Schemes, sale of Shared Ownership, debt collection and management and maintenance costs. Included within this projection is £10.4m in dividends from BeFirst, which is yet to be approved by the Board and presents a risk to the Council.

2.3 **Key Organisational Risks contained within the forecast are outline below:**

- 2.3.1 Temporary Accommodation rental properties being available. We are currently at capacity within our own hostels and have received several hand-back requests for Private Sector Landlord's which may lead to the Council being forced to move tenants into more expensive accommodation such as 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)
- 2.3.2 Social Care budgets are highly dependent on demand for services and effects of price rises on provision of care packages. 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 to offset budget pressures much earlier than anticipated, which carries significant risk.

- 2.3.3 My Place is the managing agent for Reside properties. It therefore attracts expenditure which in turn must be passed to the relevant reside company. There is currently an issue with the breakdown of the expenditure between HRA and Reside properties and this may impact on My Place being able to secure payment for invoices from the relevant company, leaving the service with an overspend.
- 2.3.4 Commercial Services – Leisure Income: The income target for the Leisure contract management fee is £1.2m. This will not be met under the new contract as the Council will make a payment to the leisure operator in 2024/25 as opposed to receiving income.
- 2.3.5 Contaminated Land by Eastbrookend Park. Although a provision was made for this issue at the end of 21/22 there remains a risk. Considerable progress has been made in implementing the decontamination Action Plan, and the immediate threat of prosecution by Thames Water has been withdrawn. However long-term arrangements for the future of the effluent treatment plant and alternative measures to prevent the discharge of landfill leachate to the Thames Water drainage asset are yet to be identified and investigated. If the plant and equipment fail the Council could potentially breach its consent to discharge which may result in fresh prosecution action.
- 2.3.6 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.
- 2.3.7 The Council continues to face increased risk of interest rate changes which are directly impacting on the UK gilt markets and subsequently impacts on Council's own borrowing costs. The Council has a significant amount of borrowing that will need to be refinanced over the next 12 months and this is likely to be at higher interest rates. The Treasury Strategy will manage these risks within the prudential indicators but will result in additional costs. The Council will need to consider wider operational matters to manage this risk.
- 2.3.8 The Council's IAS programme has invested heavily on asset acquisition and wider regeneration particularly on residential schemes. This has required significant amount of borrowing to support the investment. Since 2023/24 the performance of the IAS has reduced, and returns have dropped significantly both as a result of longer durations to let new properties and higher interest rates. As the IAS section 4 shows now this is projected to generate a very small surplus but should interest rate increase or further delays in generating lease return are experienced this could result in a cost to the General Fund.

2.3.9 The Ethical Collection Service is forecasting income of £690k. 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 £600k - £700k and this may increase the outturn variance.

2.4 Key assumptions made within the Organisational Forecast are outlined below

2.4.1 Forecasts are provided by budget holders and service managers with Finance advice and support. based on existing data and information.

2.4.2 Care and Support figures are based on known clients and care packages held on CONTROC and does not factor in clients going through the onboarding process. Any increases in clients or shifts in types of placements above this assumption will create variances. Since individual clients can require very expensive packages these budgets can be very volatile. Further work is now being picked up to better forecast for placement spend with a clear model being developed.

2.4.3 A forecast has not been included for bad debt provision movement and a final position will be provided at year end.

2.4.4 The Budget assumes funding from Subsidiaries of c£10.4m via dividends, however any dividend will likely be significantly below the £10.4m. Any shortfall of dividend will now be funded from Reserves. If these reserves were not drawn down the overspend would increase by £10.4m.

2.4.5 The current People & Resilience placement forecast position is based on limited data so far this year, using a combination of the first two months of 24/25 along with the 23/24 outturn position. As the council progresses into the year the forecast will better reflect the true position this year, allowing for new placements, uplifts, changes in provision, progress on planned savings etc.

2.4.6 There are currently no forecast variances on Corporate Funding. In previous years the Council has received additional in year section 31 grants – if this occurs again this year this will potentially be used to offset the overspend or to replenish reserves.

3. Service Variances

3.1 People & Resilience – forecast overspend £4.292m

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Variance
PEOPLE & RESILIENCE	135,536,424	60,154	135,596,578	12,749,952	139,888,992		4,292,413
ADULTS DISABILITY	23,273,759		23,273,759	4,804,544	23,791,233		517,474
ADULT'S CARE & SUPPORT	27,679,412		27,679,412	5,811,245	30,373,838		2,694,426
COMMISSIONING - CARE & SUPPORT	11,679,553	1,728,202	13,407,755	(659,422)	13,407,755		()
PUBLIC HEALTH	(381,250)	700,000	318,750	(4,974,294)	318,750		
CHILDREN'S CARE & SUPPORT	49,250,135	(828,202)	48,421,933	7,092,121	50,446,388		2,024,455
EDUCATION, YOUTH & CHILDCARE	4,188,114		4,188,114	(51,286)	4,197,536		9,422
EARLY HELP SERVICE	3,387,906	(1,250,000)	2,137,906	(1,450,071)	2,137,906		
CHILDREN & YOUNG PEOPLE DISABI	13,310,320	(350,000)	12,960,320	1,390,331	12,006,956		(953,364)
LOCALITIES	3,148,475	60,154	3,208,629	786,785	3,208,629		()

3.1.1 Overall, there is an overspend of £4.292m across the whole of People and Resilience.

3.1.2 The underlying pressure is as a result of the following budgetary drivers:

- Market Pressure in the Adults Market - Requests for inflationary increases are at an all-time high within the market and there is still uncertainty with regards to the inflationary uplifts that are to be applied for 2024-25
- Placement Modernisation - There are a number of older placements which have ceased due to either client attrition or clients' needs increasing and resulting in moving onto more enhanced packages. Many of the older placements were originally commissioned at a much lower rate many years ago, whereas the current market rates have seen a much larger than usual upturn.
- Transition from young people – Adults Disabilities have also seen a higher number of complex children transition into the Adults space on large packages. This has required continuous tracking in year and will need further intelligence with regards to forecasting.
- Challenging placement market for Childrens - The provider market remains a challenge, with the service regularly pushing back on high-cost quotes. Due to the complex nature of the current cohort of Children in the system, it is evident that demand for placements currently exceeds supply within the market.

3.1.3 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). The service has moved towards a position where the forecast incorporates estimated future activity, which has led to less volatility in the monthly forecast. The current forecast position is based on limited data so far this year, using a combination of the first two months of 24/25 along with the 23/24 outturn position. As we move further into the year the forecast will better reflect the true position this year, allowing for new placements, uplifts, changes in provision, progress on planned savings etc.

3.1.4 Additionally, the services have experienced an irregularity in the average payment runs due to changes to purchase orders from previous years and some purchase orders yet to be finalised. This has resulted in difficulties in forecasting accurately, which should be resolved in period 3 and 4.

3.2 Resources – forecast to break-even

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Variance
RESOURCES	30,994,057		30,994,057	21,439,505	30,994,057		
STRATEGIC LEADERSHIP	1,116,114		1,116,114	116,604	1,116,114		
FINANCE	20,294,809		20,294,809	19,586,005	20,294,809		
WORKFORCE CHANGE / HR	2,445,838		2,445,838	755,064	2,445,838		
LEADERS OFFICE	313,551		313,551	48,357	313,551		
LAW AND GOVERNANCE	3,538,010		3,538,010	1,091,226	3,538,010		
SUPPORT AND COLLECTIONS	(1,957)		(1,957)	20,585	(1,957)		
COMMUNITY SOLUTIONS	107,900		107,900	4,157	107,900		
COMMUNITY PARTICIPATION & PREV	3,179,792		3,179,792	(182,493)	3,179,792		

3.2.1 The Resources directorate is forecast to spend £30.9m which is in line with the 2024/25 budget.

3.3 Central Expenses – forecast underspend (£4m)

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Variance
CENTRAL EXPENSES	47,284,136		47,284,136	(917,428)	43,284,136		(4,000,000)
CORPORATE MANAGEMENT	(641,000)		(641,000)		(641,000)		
GENERAL FINANCE	47,925,136		47,925,136	(917,428)	43,925,136		(4,000,000)

3.3.1 There is a forecast underspend of £4m in central expenses. This incorporates the agreed contingency budget in held to mitigate People and Resilience services pressure.

3.4 Strategy – forecast to break even

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Variance
STRATEGY	6,130,023		6,130,023	1,204,038	6,310,023	(180,000)	()
INSIGHT AND INNOVATION	1,375,351		1,375,351	339,558	1,475,351	(100,000)	()
PMO	331,873		331,873	43,995	411,873	(80,000)	()
STRATEGY	761,879		761,879	184,905	761,879		
CUSTOMER CONTACT	2,003,931		2,003,931	549,920	2,003,931		
PARTICIPATION AND ENGAGEMENT	739,219		739,219	119,669	739,219		()
COMMUNICATIONS	917,770		917,770	(34,009)	917,770		

3.4.1 The Strategy directorate is forecast to break-even at Period 2. Underspends may arise in later months due to vacant positions but at this stage in the year it a prudent approach is being taken to financial reporting. Underspends will only be reported when there is certainty that those underspends will remain in the budget to financial year-end.

3.4.2 The £180,000 transfer from Reserves represents a drawdown of £100,000 from the Supporting Families grant for the One View programme and £80,000 for Community Banking.

3.5 Inclusive Growth – forecast overspend of £350k.

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Variance
INCLUSIVE GROWTH	992,477	(60,154)	932,323	62,098	1,282,384		350,061
COMMERCIAL	(2,044,547)		(2,044,547)	(271,322)	(1,486,055)		558,492
INCLUSIVE GROWTH	3,037,024	(60,154)	2,976,870	333,420	2,768,439		(208,431)

3.5.1 The Inclusive Growth Directorate is forecast to overspend by £350k at the end of Period 2. The main driver for the overspend is a shortfall in income from the Leisure contract.

3.5.2 The existing Leisure contract comes to end on 14th September 2024. Management fee income to the end of the existing contract is £564k against an income target of £1.228m. The new contract has not yet been let but it is anticipated that the Council will have to pay a fee to the new operator from contract commencement to the end of the year. This will be partly offset by the £171.8k balance of the termination fee income.

3.6 My Place – forecast underspend of (£642k)

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Variance
	MY PLACE	15,896,935		15,896,935	10,675,990	15,254,460	
ENFORCEMENT	2,921,908		2,921,908	(780,683)	2,119,531		(802,377)
HOMES AND ASSETS	2,932,350		2,932,350	3,545,659	3,672,741		740,391
PUBLIC REALM	10,042,677		10,042,677	7,911,014	9,462,189		(580,488)

3.6.1 My Place is projecting a (£0.642m) underspend. This is mainly in Enforcement which is showing a (£0.802m) underspend which is represented by favourable staffing cost variances across various service areas. Further investigation is being carried out in areas such as the Barking Market, to firm up on the impact of SLAs on the service. A restructure is also underway and recent structural changes also need time to bed in.

3.6.2 Homes and Assets: Period 2 £0.740m overspend is partly due to projected under recovery on commercial rent income. The service continues to work with General Income on producing the underlying asset list and rent roll to support forecasting and future budget assumptions. Support Services (formerly part of Community Solutions) is overspending by £0.612m. This includes pressures on homelessness hostel budgets.

3.6.3 Public Realm is projecting an underspend of (£0.58m). This is mainly being generated through increased income in Parking services. Underspends in Street Cleansing are offsetting a deficit in Waste operations.

3.7 Savings

3.7.1 As part of the revised MTFs in February 2024, the budget included savings targets totalling c£15.5m. This is summarised by service areas as per table below:

Directorate	Complete	On Track	Off Track, In Control	Off Track, Not in Control	Total saving	RAG
Community Solutions	(443,712)	(926,474)	(350,000)		(1,720,186)	Yellow
Inclusive Growth	(173,167)				(173,167)	Green
Law & Governance	(246,919)				(246,919)	Green
My Place	(1,336,860)	(1,872,751)	(816,000)	(60,000)	(4,085,611)	Yellow
People and Resilience	(1,550,000)	(2,289,520)	(2,333,682)	(706,731)	(6,879,933)	Red
Resources	(243,440)	(506,475)	(494,182)		(1,244,097)	Yellow
Strategy	(545,234)	(300,000)	(200,000)	(200,000)	(1,245,234)	Yellow
Grand Total	(4,539,332)	(5,895,220)	(4,193,864)	(966,731)	(15,595,147)	

3.7.2 £4.5m of the savings items have been completed with a further £5.89 projected to be in track as at P2. This total 66% of the overall target.

4. Investment and Acquisition Strategy and Treasury Management

- 4.1 The Council has an Investment and Acquisition Strategy (IAS) with the primary purpose of supporting the regeneration of the borough. The IAS was approved to be self-financing and potentially generate a 5% target return.
- 4.2 At the time the IAS was set up it was acknowledged that an investment strategy will have periods of out performance as well as periods of underperformance. To protect the IAS, and the Council, prudent assumptions were used for financial modelling and, in addition, surpluses from when the strategy outperformed were also set aside in the IAS reserve. The IAS reserves, including the reserve for the two lease and lease back hotels, and is held primarily to cover interest pressures, asset underperformance but also to cover lifecycle costs that are required to maintain the assets. The IAS is approaching £1bn in size and the reserves are an essential part of managing its risk. The return that is held in the reserves is in addition to target return of approximately £7m per year, including the hotel lease and lease back deals. The IAS reserve does not include surpluses from Muller, which have been used as part of the Be First dividend return in the previous year.
- 4.3 In previous year, the IAS Strategy has provided a significant return to the Council, both through IAS net returns but also dividends from Be First. The net return generated by the IAS is after costs of borrowing have been considered, which includes repayment of the debt.
- 4.4 In addition to the current IAS borrowing of £939.5m the Council's general Treasury Management and Capital Borrowing has c £101.0m of borrowing. Overall, the Council has a significant amount of debt, and this will create further risk particularly as some of the debt needs to be refinanced which will be at higher interest rates. Slides 12 and 13 of Appendix A details the total borrowing which is split across various funds and details loan assets against housing companies such as Be First and Reside.
- 4.5 Although the IAS was set up to be self-funding, as schemes become operational, active asset management is required to ensure that rental returns and operational costs are well managed to allow the borrowing costs to be covered and surpluses generated. Although now reported separately from the General Fund, the IAS is a key part of the Council and detailed reporting, performance indicators and a clear management strategy is essential to ensure that it continues to contribute to the Councils overall funding. There remain weaknesses in a number of areas, including:
- Forecast under pressure from interest rate increases with short-term borrowing rates remaining high. Short-term borrowing allocated to variable rate loans and commercial which are both under pressure.
 - 2024/25 budget included additional budget to cover interest pressure and this has been used to cover shortfalls from loans to Reside and from higher than forecast short-term borrowing costs.
 - Provisions for loans to subsidiary companies remains as there is a lack of clear strategy around dealing with subsidiary loans. Loans are being reviewed with potentially some of the provision reduced.
 - Interest margin on IAS loans provides an additional return to the strategy. Lettings are improved for Private Rentals, but issues around fraud and bad

debts remain. Ewars Marsh, a shared ownership scheme remains empty with significant interest costs of nearly £1m lost per year.

- Returns from Reside are currently estimates based on outturn numbers and carry some risk until the final amount is confirmed. In addition charges from MyPlace that are charged to the council have reduced return forecasts.
- Debt repayment (MRP) is allocated to the commercial portfolio and is a cost but this will reduce the cost of the commercial assets.
- Commercial income is forecast before interest costs and has deteriorated further as Industria lettings remain behind target and there will be similar letting issues when 12 Thames Road completes later this year.
- CR27 and Travelodge hotels have reserves that have been inflated each year but will not be inflated for 2024/25 as there is sufficient current reserves of £12.1m for both hotels.

5 Reserves

	Opening Balance	Budgetted Drawdown 24-25	Planned Drawdown 24-25	Closing Balance After Reserve Adj's
	£'m	£'m		£'m
General Reserves	(14.40)			(14.40)
Budget Support Reserve	(15.40)	8.81		(6.59)
Sub total	(29.80)	8.81		(20.99)
Ring-fenced Reserves	(25.54)			(25.54)
PFI Reserves	(14.04)			(14.04)
Collection Fund Reserves	(6.70)			(6.70)
Levy Funding Reserve	(7.56)			(7.56)
Sub total	(53.84)			(53.84)
Non Ring-Fenced Reserves (Directorates)				
Corporate Reserves	(6.61)			(6.61)
People & Resilience	(0.35)			(0.35)
Legal, Governance & HR	(0.41)			(0.41)
Strategy	0.00			0.00
Inclusive Growth	(1.80)			(1.80)
Community Solutions	(2.40)			(2.40)
My Place	0.00			0.00
Non Ring-Fenced Reserves	(11.57)			(11.57)
IAS & Hotel Reserves	(33.96)		3.14	(30.82)
HRA Reserves	(37.41)			(37.41)
Schools Reserves	(21.47)			(21.47)
Capital Reserves	(106.23)			(106.23)
Total Reserves	(294.27)	8.81	3.14	(282.32)

5.1 The Council has £294.3m in brought forward Reserves from 2023/24 (inclusive of capital and HRA reserves). Of this £29.8m are usable reserves. The current projection is that the Council will drawdown £11.95m of reserves to support in year activity before taking into account any overspends.

5.2 The reserve drawdown includes £8.81m budgeted gap plus £3.14m from IAS reserve to cover dividend shortfall and also includes £300k from IAS reserve to cover EY review of subsidiary arrangements and asset performance. £180k

projected movement from supported grant to Strategy directorate does not impact this balance.

5.3 Any forecast overspends that crystallise at year end, will also need to be funded from a further call on the reserves. At P2 the variance is a projection and a final overspend figure will be confirmed at year end,

5.4 Therefore, the total reserve drawdown for 24/25 could become higher once all reserves identified in paragraphs 5.1 and 5.2 are accounted for. This is a significant drawdown and indicates that the Council's is overspending considerably more than its annual budget allocation and thus resource availability. Every effort is being made to reduce the call on reserves and options to reduce the overspend are being looked as part of the monthly monitor.

6 Housing Revenue Account (HRA)

2024/25 FORECAST OUTTURN			
REPORT LEVEL	BUDGET	FORECAST	VARIANCE
	£'000	£'000	£'000
SUPERVISION & MANAGEMENT	51,094	48,244	(£2,849)
REPAIRS & MAINTENANCE	25,365	27,688	£2,323
RENTS, RATES ETC	3,775	4,006	£231
INTEREST PAYABLE	10,826	11,033	£207
DISREPAIR PROVISION	0	1,000	£1,000
BAD DEBT PROVISION (BDP)	3,309	3,309	£0
CDC RECHARGE	945	781	(£165)
TOTAL EXPENDITURE	95,314	96,061	£747
DWELLING RENTS	(£96,750)	(96,162)	£588
NON-DWELLING RENTS	(£801)	(776)	£25
CHARGES FOR SERVICES & FACILITIES	(£24,375)	(25,506)	(£1,131)
INTEREST & INVESTMENT INCOME	(£276)	(879)	(£602)
TOTAL INCOME	(£122,202)	(£123,323)	(£1,121)
NET TOTAL BEFORE CAPITAL	(£26,888)	(£27,262)	(£374)
DEPRECIATION	22,613	22,615	£2
TRANSFER TO MAJOR REPAIR RESERVE (MRR)	2,075	2,074	(£2)
CAPITAL PROGRAMME FUNDING	£24,688	£24,688	(£0)
NET TOTAL AFTER CAPITAL	(£2,200)	(£2,574)	(£374)
TRANSFER TO HRA LEASEHOLDER RESERVE	£2,200	2,200	£0
TRANSFER FROM/(TO) HRA RESERVE	£0	(£374)	(£374)

6.1 The HRA is projecting a (£0.374m) underspend at Period 2.

6.2 For 2023/24, the BDMS R&M contract was £27.801m, which included some one-off legacy related commitments. The 2024/25 contract is estimated at £22.089m. This reduction has meant the HRA is not facing the same pressures as last year.

7. 2024/25 Capital Programme – P2 Update

7.1 This is the first reporting cycle of 2024-25 for current year budgets and are the revised to include 2023-24 carry forwards (presented to ACB May 24). Detailed work is on-going with project managers and owners to agree reprofiled, budgets, once they are agreed budgets will be loaded onto CP to coincide with the Q1 full monitor cycle.

7.2 Spend to P2 was £15.158m, there are still approximately £6m worth of unmatched accruals which are depressing the gross spend which currently stands at £21.164m

against a budget of £263.073m, full spend has been assumed for the forecast up to P2.

- 7.3 GF spend was £1.688m against a budget of £52.047m. Scrutiny will be required for GF spend as they came in severely under budget in 2023-24 which was not in line with the forecast.
- 7.4 HRA spend in showing a net negative spend due to the £2.435m unpaid prior year accruals (a majority of which are in the system). The gross spend on HRA is approximately £1.9m.
- 7.5 IAS Residential and Commercial spend was £13.972m against a current budget of £178.353m.

Table 1: Capital Programme 2024/25 Budgets as at P02 (May 2024)

Strategic Function		Budget	Actuals	Forecast	Forecast	Change	Budget	Budget	Budget	Borrowing	Other Sources
		£000s	to P09 £000s	£000s	Variance £000s	in Variance £000s	2024/25 £000s	2025/26 £000s	2026/27 £000s		
										£000s	£000s
GF - CARE & SUPPORT	CAP01	3,719	1,386	2,696	(1,023)	(861)	2,918	0	0	0	3,719
GF - INCLUSIVE GROWTH	CAP02	6,373	1,083	2,865	(3,509)	(3,033)	611	0	0	3,078	3,296
GF - CIL	CAP03	761	35	726	(35)	0	0	0	0	300	461
GF - TFL	CAP04	4,226	1,552	3,916	(310)	(217)	2,200	2,200	0	0	4,226
GF - ICT	CAP06	3,615	2,575	3,128	(487)	(563)	1,200	2,005	200	2,745	870
GF - COMMUNITY SOLUTIONS	CAP05	6	(4)	6	0	0	0	0	0	6	0
GF - CULTURE & HERITAGE	CAP07	1,121	51	527	(594)	(0)	294	294	0	427	694
GF - PARKS COMMISSIONING	CAP11	12,925	5,913	10,912	(2,013)	(9)	153	83	0	7,629	5,296
GF - ENFORCEMENT	CAP08	173	2	173	0	0	330	330	0	173	0
GF - MY PLACE	CAP09	3,937	1,348	2,421	(1,516)	(13)	1,434	1,000	0	3,596	341
GF - PUBLIC REALM	CAP10	8,510	4,653	5,707	(2,803)	28	5,487	5,287	0	7,774	735
GF - EDUCATION, YOUTH & CH	CAP20	15,254	11,540	18,186	2,932	1,619	8,559	11,466	0	0	15,254
GF - SALIX	CAP55	130	40	130	0	0	0	0	0	0	130
General Fund		60,751	30,173	51,394	(9,357)	(3,051)	23,186	22,664	200	25,728	35,023
HRA STOCK INVESTMENT	CAP30	14,000	6,390	13,989	(11)	(11)	20,289	27,933	37,760	0	14,000
HRA ESTATE RENEWAL	CAP31	4,000	1,551	4,000	0	0	4,400	0	0	0	4,000
HRA NEW BUILD SCHEMES	CAP32	544	156	820	276	0	0	0	0	0	544
HRA Total		18,544	8,097	18,810	266	(11)	24,689	27,933	37,760	0	18,544
IAS RESIDENTIAL	CAP40	242,297	180,619	275,182	32,884	17,124	190,378	111,699	18,708	122,154	120,144
IAS COMMERCIAL	CAP42	17,450	14,303	16,446	(1,004)	26	3,092	2,000	1,000	17,450	0
Investments Total		259,747	194,921	291,628	31,881	17,150	193,469	113,699	19,708	139,603	120,144
Total		339,042	233,191	361,832	22,790	14,088	241,344	164,296	57,668	165,331	173,711
Financed By:											
Borrowing		165,331	91,232	224,196	(10,530)	31,083	134,438	92,903	7,012		
Other Sources		173,711	141,959	137,635	33,320	(16,995)	106,907	71,394	50,656		
		339,042	233,191	361,832	22,790	14,088	241,344	164,296	57,668		

8. Financial Implications

Implications completed by: Jo Moore, Section 151 Officer

- 8.1 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.

9 Legal Implications

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

- 9.1 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.
- 9.2 In spite of inflationary pressures such as the war in Ukraine, the post 'Brexit' uncertainty and a technical recession, 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.
- 9.3 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.

10. Other Implications

- 10.1 **Risk Management** – Regular monitoring and reporting of the Council's budget position is a key management control to reduce the financial risks to the organisation and features on the Council's strategic risk register.
- 10.2 **Corporate Policy and Equality Impact** – Regular budget monitoring is key to the Council being a well-run organisation, which provides value for money for residents. It also ensures that the Council will be able to focus resources on delivering the priorities set out in the Corporate Plan 2023-26. Where any new savings proposals are put forward, or if there is need to make changes in services provision, the Council has a duty to carry out proper consultation and have due regard to any impact on people with protected characteristics, as part of the Council's Public Sector Equality Duty under the Equality Act 2010. The equality implications should be considered at the early stages of planning, through the use of an equality impact assessment. The annual budget report also reviews the cumulative impact of multiple savings proposals on people with protected characteristics to ensure that

no group is disproportionately affected, and that where negative impacts are identified, mitigating or minimising actions can be put into place.

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:

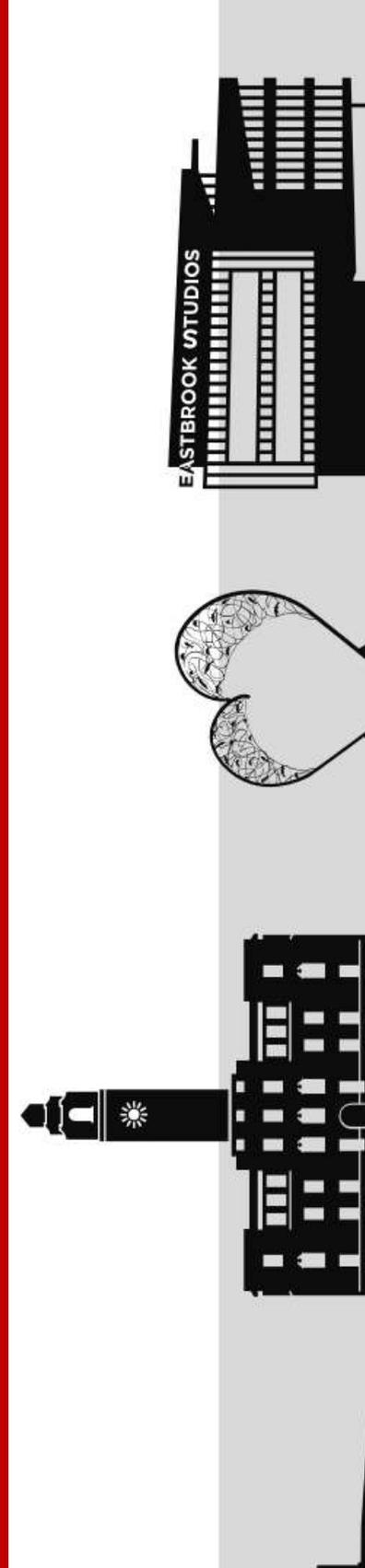
- Appendix A: Revenue Budget Monitoring Pack 2024/25 (Period 2)

Finance Budget Monitoring – General Fund

APPENDIX A

2024/25

P02 (May 2024)



Period 2: Breakeven position

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Variance
PEOPLE & RESILIENCE STRATEGY	135,536,424	60,154	135,596,578	12,749,952	139,888,992		4,292,413
INCLUSIVE GROWTH	6,130,023	(60,154)	6,130,023	1,204,038	6,310,023	(180,000)	0
MY PLACE	15,896,935		932,323	62,098	1,282,384		350,061
RESOURCES	30,994,057		15,896,935	10,675,990	15,254,460		(642,475)
SUB-TOTAL DIRECTORATES	189,549,916		189,549,916	46,131,582	193,729,916	(180,000)	4,000,000
CENTRAL EXPENSES	16,610,173		16,610,173	310,326	12,610,173		(4,000,000)
INTEREST PAYABLE	10,139,085		10,139,085	(3,664,178)	8,208,125		(1,930,960)
INTEREST PAYABLE ON ST BORROWWG							
CAPITALISED INTEREST							
INTEREST RECEIVED	(6,502,960)		(6,502,960)	7,082	(4,572,000)		
MRP	10,791,938		10,791,938		10,791,938		1,930,960
LEVIES PAID	16,245,900		16,245,900	2,429,342	16,245,900		
SUB-TOTAL CORPORATE EXPENSES	47,284,136		47,284,136	(917,428)	43,284,136		(4,000,000)
GENERAL FUND I&E (EXC. IAS)	236,834,052		236,834,052	45,214,154	237,014,052	(180,000)	(0)
IAS COMMERCIAL (NET OPERATING RETURN)							
IAS RESIDENTIAL (RESIDE SCHEME SURPLUS)	(4,661,700)		(4,661,700)	172,690	(2,698,589)		1,963,111
IAS OTHER	(10,426,889)		(10,426,889)		(10,390,000)		(2,000,000)
IAS INTEREST PAYABLE							36,889
INTEREST PAYABLE ON ST BORROWWG							
CAPITALISED INTEREST							
IAS INTEREST RECEIVED							
IAS MRP							
SUB-TOTAL IAS	(15,088,589)		(15,088,589)	172,690	(15,088,589)		
GENERAL FUND I&E	221,745,463		221,745,463	45,386,843	221,925,463	(180,000)	(0)

Period 2: Summary of current position

My Place: Underspend of £642k

There are underspends across Enforcement totalling £1.228m due to vacancies and off-street Parking income is forecast to over-recover by £424k, which is not restricted under Section 55 of the Road Traffic Act. The underspend will be used as an in-year mitigation. This is offset partly by overspends in Homelessness accommodation (which sit in Support Services and was transferred from Community Solutions) of £612k and Commercial income under-recovery of £406k.

Strategy: The forecast for Strategy is break-even.

Resources: The forecast for Resources is break-even.

People and Resilience: Overspend of £4.292m

There is a projected overspend of £4.292m across the whole of People and Resilience arising mainly from Adults Social Care, although there are some forecast overspends in Children's arising from placement inflation and use of external legal. A key driver for the forecast overspend in Adults is an increase in the assumption around the number of domiciliary hours required per month. During 2023/24 the average number was c54,000 with a peak at c77,000. However, since the beginning of the year prevention activity is now under the direct control of the Strategic Director, PIR and therefore it is anticipated that this activity will increase to reduce the hours required, and this reduction has fed into the forecast. However, should the preventative work not have the forecast impact, there is a risk that this pressure could rise by a further £3.6m.

Inclusive Growth: Overspend of £350k

The forecast overspend on the Leisure contract is £781k. The Council receives management fee income under the existing contract. This terminates in September 2024 and under the new contract the Council will need to pay the leisure operator. The income target of £1.2m will not be met. The overspend in Leisure is offset by other cost savings in Commercial Services and Inclusive Growth.

Central Expenses: The underspend of £4m represents the release of the PIR central contingency which is now fully utilised at Period 2.

IAS: Breakeven

The IAS budget includes a provision for interest rate pressures and the current forecast includes the full amount of the provision. There is an expectation that the interest rate pressure will ease over the year. The IAS returns are reliant on the operational assets meeting the or exceeding the assumptions made in the financial models and there are currently issues around letting of Private Rental Schemes, sale of Shared Ownership, debt collection and management and maintenance costs.

Period 2: Breakeven position

	This Years Budget			Actuals/Forecast		Reserves Net Movement in Reserves	Variances Inc Reserves Variance
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast		
PEOPLE & RESILIENCE	135,536,424	60,154	135,596,578	12,749,952	139,888,992		4,292,413
51- Income	(92,095,531)		(92,095,531)	(14,446,420)	(95,655,520)		(3,559,989)
58- Non Controllable Income	(17,550,000)		(17,550,000)	(856,633)	(16,998,596)		551,404
61- Employees	62,899,903	60,154	62,960,057	9,888,837	63,144,823		184,765
62- Premises	1,989,450		1,989,450	35,305	2,161,089		171,639
63- Transport	2,841,910		2,841,910	248,798	3,048,541		206,631
64- Supplies and Services	33,531,562		33,531,562	2,847,606	36,410,304		2,878,742
65- Third Party Payments	129,661,410		129,661,410	11,198,158	133,292,399		3,630,989
66- Transfer Payments	13,494,720		13,494,720	3,935,585	14,357,643		862,923
67- Depreciation							
68- Non Controllable Support Costs	1,370,000		1,370,000	(101,284)	735,309		(634,691)
70- Interest received	(607,000)		(607,000)				
71- Transfer from GF Earmarked Reserve							
STRATEGY	6,130,023		6,130,023	1,204,038	6,310,023		(180,000)
51- Income	(1,615,181)		(1,615,181)	(402,633)	(1,615,181)		
58- Non Controllable Income	(1,662,836)		(1,662,836)	(3,000)	(1,662,836)		
61- Employees	7,941,013		7,941,013	1,185,998	7,941,013		
62- Premises	107,273		107,273	1,618	107,273		
63- Transport	5,075		5,075	324	5,075		
64- Supplies and Services	1,119,279		1,119,279	411,465	1,219,279		(100,000)
65- Third Party Payments	300,400		300,400	(1,379)	350,400		(50,000)
66- Transfer Payments							
67- Depreciation							
68- Non Controllable Support Costs	(65,000)		(65,000)	11,645	(35,000)		(30,000)
70- Interest received							
71- Transfer from GF Earmarked Reserve							
INCLUSIVE GROWTH	992,477	(60,154)	932,323	62,098	1,282,384		350,061

Period 2: Breakeven position

	This Years Budget			Actuals/Forecast		Reserves	Variations Inc Reserves
	Original Budget	Virements	Revised Budget	Forecast	Net Movement in Reserves	Variance	
INCLUSIVE GROWTH	992,477	(60,154)	932,323	1,282,384			350,061
51- Income	(15,123,210)		(15,123,210)	(14,670,961)			452,249
58- Non Controllable Income	(726,290)		(726,290)	(776,711)			(50,421)
61- Employees	7,118,837	(60,154)	7,058,683	6,514,934			(543,748)
62- Premises	7,699,284		7,699,284	7,894,287			195,003
63- Transport	10,370		10,370	11,505			1,135
64- Supplies and Services	1,717,744		1,717,744	1,979,236			261,492
65- Third Party Payments	263,860		263,860	315,714			51,854
66- Transfer Payments							
67- Depreciation							
68- Non Controllable Support Costs	31,882		31,882	14,380			(17,502)
70- Interest received							
71- Transfer from GF Earmarked Reserve							
MY PLACE	15,896,935		15,896,935	15,254,460			(642,475)
51- Income	(56,474,204)		(56,474,204)	(55,151,372)			1,322,832
58- Non Controllable Income	(9,052,615)		(9,052,615)	(11,033,557)			(1,980,942)
61- Employees	49,796,852		49,796,852	46,610,967			(3,185,885)
62- Premises	12,532,272		12,532,272	12,997,060			464,788
63- Transport	11,943,151		11,943,151	11,046,071			(897,080)
64- Supplies and Services	7,723,167		7,723,167	8,173,738			450,571
65- Third Party Payments	39,051,412		39,051,412	52,272,643			13,221,231
66- Transfer Payments	15,000		15,000	15,043			43
67- Depreciation							
68- Non Controllable Support Costs	(39,638,100)		(39,638,100)	(49,676,133)			(10,038,033)
70- Interest received							
71- Transfer from GF Earmarked Reserve							

Period 2: Breakeven position

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves
	Original Budget	Virements	Revised Budget	Forecast	Net Movement in Reserves	Variance	
RESOURCES	30,994,057		30,994,057	30,994,057			0
51- Income	(80,438,881)		(80,438,881)	(80,438,881)			
58- Non Controllable Income	(7,568,410)		(7,568,410)	(7,568,410)			
61- Employees	33,030,896		33,030,896	33,030,896			
62- Premises	161,700		161,700	161,700			
63- Transport	52,770		52,770	52,770			
64- Supplies and Services	12,390,270		12,390,270	12,390,270			
65- Third Party Payments	1,021,213		1,021,213	1,021,213			
66- Transfer Payments	72,240,769		72,240,769	72,240,769			
67- Depreciation							
68- Non Controllable Support Costs	103,730		103,730	103,730			
70- Interest received							
71- Transfer from GF Earmarked Reserve							

Core Assumptions

- Forecasts are provided by budget holders and service managers with Finance advice and support
- Population is changing with falls in older people being replaced with working age adults, alongside increasing complexity in the needs of children and young people both social care and SEND
- Inflation rates of care services (ranging 5-20%, averaging 8-12%) are higher than general inflation rates of 2-4%
- Drivers of costs in social care such as changing needs of population, unavoidable statutory demand and placement modernisation, often outstrip the mitigations of demand such as reablement, prevention offers and market management
- Care and Support figures are based on known clients and care packages held on ContrOcc and does not factor in clients going through the onboarding process . 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.
- IBe First dividends of £10.4m will be covered by a potential dividend payment from Be First, with any shortfall paid from the IAS reserve using balance of the the Mueller Profit.

Funding assumptions

- There was a deficit on the 22/23 Collection Fund that will be brought into this year's General Fund (in accordance with regulations) budget. This will be covered by a drawdown from reserves as reported in the February 2023 budget as planned.
- The current People & Resilience placement forecast position is based on limited data so far this year, using a combination of the first two months of 24/25 along with the 23/24 outturn position. As the council progresses into the year the forecast will better reflect the true position this year, allowing for new placements, uplifts, changes in provision, progress on planned savings etc.
- There are currently no forecast variances on Corporate Funding. In previous years the Council has received additional in year section 31 grants – if this occurs again this year this will potentially be used to offset the overspend or to replenish reserves.

Period 2 - Reserves

	Opening Balance £'m	Budgetted Drawdown 24/25 £'m	Planned Drawdown 24/25	Closing Balance After Reserve Adj's £'m
General Reserves	(14.40)			(14.40)
Budget Support Reserve	(15.40)	8.81		(6.59)
Sub total	(29.80)	8.81		(20.99)
Ring-fenced Reserves	(25.54)			(25.54)
PFI Reserves	(14.04)			(14.04)
Collection Fund Reserves	(6.70)			(6.70)
Levy Funding Reserve	(7.56)			(7.56)
Sub total	(53.84)			(53.84)
Non Ring-Fenced Reserves (Directorates)				
Corporate Reserves	(6.61)			(6.61)
People & Resilience	(0.35)			(0.35)
Legal, Governance & HR	(0.41)			(0.41)
Strategy	0.00			0.00
Inclusive Growth	(1.80)			(1.80)
Community Solutions	(2.40)			(2.40)
My Place	0.00			0.00
Non Ring-Fenced Reserves	(11.57)			(11.57)
IAS & Hotel Reserves	(33.96)		3.14	(30.82)
HRA Reserves	(37.41)			(37.41)
Schools Reserves	(21.47)			(21.47)
Capital Reserves	(106.23)			(106.23)
Total Reserves	(294.27)	8.81	3.14	(282.32)

The planned drawdown for 2024/25 includes £2.890m to support the Be First Dividend, it is assumed £7.5m dividend will be received in 2024/25.

There is also a planned drawdown of £250k to fund the IAS review, and advisor costs.

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Key risks

- The Ethical Collection Service is forecasting income of £690k. 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 £600k - £700k 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. The central £4m contingency has now been fully utilised to offset the P2 forecast cf8m overspend.
- Commercial Services – Leisure Income: The forecast for Leisure takes into account income to contract termination date in mid-September. The Council will have to pay the new operator (as opposed to LBBD receiving management fee income) from the start date of the new contract to financial year-end. This payment has not been factored into the forecast as the new operator has not yet been selected. The overspend will increase when this payment is factored into the forecast.
- 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.

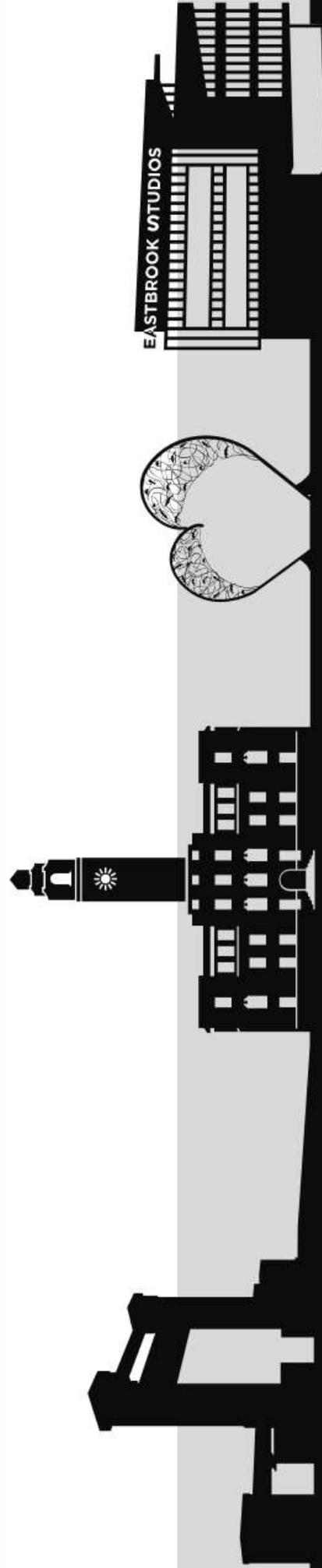
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**Barking &
Dagenham**

Finance Budget Monitoring – HRA, DSG and Investment Strategy

2024/25

P2(May 2024)



General Fund and IAS Treasury Strategy (P2)

2024/25 IAS and Treasury Forecast Borrowing (£000s)	Core Treasury		Loans to Companies			Total GF	Reside		IAS - Commercial	IAS Surplus	Total	Total IAS and GF	2024/25 Budget	Over / (Under) Spend
	46,901	5,478	13,721	5,925	28,981		101,007	492,918						
Cost Type	Other Loans / Treasury	BeFirst	Energy Company	BDTP	LEUK	Total GF	Affordable Rent	SO / PRS	IAS - Commercial	IAS Surplus	Total	Total IAS and GF	2024/25 Budget	Change
Interest Payable	5,209.5	243.1	336.6	246.4	1,269.8	7,305.3	10,247.8	5,800.9	10,760.6	0.0	26,809.3	34,114.7	37,027.7	(2,913.0)
Interest Rate Provision	902.8		0.0			902.8	(5,310.6)	(737.2)	0.0	(131.6)	0.0	902.8	0.0	902.8
Capitalised Interest						0.0					(6,179.3)	(6,179.3)	(6,179.3)	(0.0)
MRP	10,510.0					10,510.0	751.2	73.4	1,437.8		0.0	0.0	0.0	0.0
Total Financing Costs	16,622.3	243.1	336.6	246.4	1,269.8	18,718.2	5,688.4	5,137.2	12,066.9	0.0	22,892.5	41,610.6	43,620.9	(2,010.2)
Interest Receivable	(3,077.4)	(424.5)	(445.4)	(624.7)	0.0	(4,572.0)	(10,168.4)	(8,177.2)	(780.1)		(19,125.7)	(23,697.7)	(25,628.7)	1,931.0
Principal Repayments						0.0	(751.2)	(73.4)	(1,437.8)		0.0	(2,262.5)	0.0	(2,262.5)
Commercial Income						0.0			(3,822.1)		0.0	0.0	0.0	0.0
Residential Rents						0.0					(3,822.1)	(3,822.1)	(5,907.7)	2,085.6
Hotels						0.0					(2,337.5)	(2,337.5)	(2,593.6)	256.1
Total Financing Returns	(3,077.4)	(424.5)	(445.4)	(624.7)	0.0	(4,572.0)	(10,919.7)	(8,250.7)	(6,040.0)	(3,513.2)	(28,723.5)	(33,295.5)	(35,305.8)	2,010.3
Deficit / (Surplus)	13,544.9	(181.5)	(108.8)	(378.3)	1,269.8	14,146.2	(5,231.2)	(3,113.5)	6,026.9	(3,513.2)	(5,831.0)	8,315.2	8,315.1	0.0

Key issues:

Forecast under pressure from interest rate increases with short-term borrowing rates remaining high. Short-term borrowing allocated to variable rate loans and commercial which are both under pressure.

2024/25 budget included additional budget to cover interest pressure and this has been used to cover shortfalls from loans to Reside and from higher than forecast short-term borrowing costs.

Provisions for loans to companies remains as there is a lack of clear strategy around dealing with subsidiary loans. Loans are being reviewed with potentially some of the provision reduced.

Interest margin on IAS loans provides an additional return to the strategy. Lettings are improved for PRS but Ewars Marsh remains empty with significant interest costs of nearly £1m lost per year.

Returns from Reside are currently estimates based on outturn numbers and have shown a deterioration in forecast. In addition charges from MyPlace that are charged to the council have reduced return forecasts.

Debt repayment (MRP) is allocated to the commercial portfolio and is a cost of £2.26m but this will reduce the cost of the commercial assets.

Commercial income is forecast before interest costs and has deteriorated further as Industria lettings are still behind targets.

CR27 and Travelodge hotels have reserves that have been inflated each year but will not be inflated for 2023/24 as there is sufficient current reserves of £12.1m for both hotels.

Barking & Dagenham

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HRA: Period 2

The HRA is projecting **(£374,000) underspend** at Period 2, with this being the first reporting month, there is no prior month movement.

For 2023/24, the BDMS R&M contract was £27.801m, which included some one-off legacy related commitments. The 2024/25 contract is estimated at £22.089m. This drop has meant the HRA is not currently facing the same pressures of last year.

2024/25 FORECAST OUTTURN			
REPORT LEVEL	BUDGET	FORECAST	VARIANCE
	£'000	£'000	£'000
SUPERVISION & MANAGEMENT	51,094	48,244	(£2,849)
REPAIRS & MAINTENANCE	25,365	27,688	£2,323
RENTS, RATES ETC	3,775	4,006	£231
INTEREST PAYABLE	10,826	11,033	£207
DISREPAIR PROVISION	0	1,000	£1,000
BAD DEBT PROVISION (BDP)	3,309	3,309	£0
CDC RECHARGE	945	781	(£165)
TOTAL EXPENDITURE	95,314	96,061	£747
DWELLING RENTS	(£96,750)	(96,162)	£588
NON-DWELLING RENTS	(£801)	(776)	£25
CHARGES FOR SERVICES & FACILITIES	(£24,375)	(25,506)	(£1,131)
INTEREST & INVESTMENT INCOME	(£276)	(879)	(£602)
TOTAL INCOME	(£122,202)	(£123,323)	(£1,121)
NET TOTAL BEFORE CAPITAL	(£26,888)	(£27,262)	(£374)
DEPRECIATION	22,613	22,615	£2
TRANSFER TO MAJOR REPAIR RESERVE (MRR)	2,075	2,074	(£2)
CAPITAL PROGRAMME FUNDING	£24,688	£24,688	(£0)
NET TOTAL AFTER CAPITAL	(£2,200)	(£2,574)	(£374)
TRANSFER TO HRA LEASEHOLDER RESERVE	£2,200	2,200	£0
TRANSFER FROM/(TO) HRA RESERVE	£0	(£374)	(£374)

Key Drivers of the Position (Summary):

- Supervision & Management: (£2.849m) Underspend**
 The driving force behind the underspend is the forecast change in the recharges to the HRA (£4.912m). The 2024/25 budget was set before several factors such as Fixed Recharge reviews and the drive to reduce general fund spending. The BDMS contract pressure has reduced to £927,000 in 2024/25 whilst Utilities variance is £1,155m.
- Repairs and Maintenance: £2.323m overspend**
BDMS Contract £1.189m relating to service costs (materials, Fleet, subcontractors, contact centre etc) and **Compliance** £1.097m.
- Provisions: £1.000m overspend**
Bad Debt Provision is online, despite previous years underspend, there is concern about the switch to Universal Credit replacing Housing Benefit. The **Disrepair** Provision was adjusted in 2023/24 and so it is hoped that a smaller adjustment will be required in 2024/25.
- Other Expenditure Lines: £273,000 overspend**
Interest Payable £207,000 but is more than offset by interest receivable below. **Council Tax** for void properties **£250,000** above budget. This is offset in part by a reduction in the projected **CDC recharge (£165,000)** which was also reviewed alongside other recharges.
- Income: (£1.121m) over recovery**
Services & Facilities (£1.131m) is from recovery of costs incurred by BDMS on We Fix activity as part of the contract, increased recharges to the HRA of income from General Fund and increased service charges on utilities. Improved **Interest Rates** means a positive outlook for cash balances **(£602,000)**. **Rents** is reducing the recovery by **£613,000**.
- Capital Programme & Financing: online**
 This essentially finances the HRA element of the Capital Programme alongside the Transfer to MRR (Major Repairs Reserve).

HRA: Period 2 Risks and Opportunities

RISK STATEMENT

ID	Service Area	Risk Description	Likelihood	Impact	Overall	Value '000	RAG	Mitigating Action	Portfolio
QUANTIFIABLE									
R1					0	£ -			
NON-QUANTIFIABLE									
RA	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.	3	3	9			Service Charge Manager, BDMS and My Place Consultant have been working on this.	Community, Leadership and Engagement
RB	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
RC	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
RD	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.	Community, Leadership and Engagement
RE	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 12 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
RF	Universal Credit	There is now £14.7m of former HB payments now in scope of UC during the 2024 migration. This risks creating a pressure on the current Bad Debt Provision budget.	2	3	6			To be monitored by My Place, Finance and Debt Steering Group.	Community, Leadership and Engagement

OPPORTUNITIES STATEMENT

ID	Service Area	Opportunity Description	Likelihood	Impact	Overall	Value '000	RAG	Action	Portfolio
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. Also dependent on UC rollout.	3	4	12	(£1,000)		Following Qtr 3 review, forecast has been updated.	Community, Leadership and Engagement
O2	Compliance	There is a significant commitment in 2024/25 for Compliance expenditure. Some of which may be capital in nature. Opportunity to transfer costs to Capital Programme.	3	3	9	(£500)		Service continues to review contractor spend.	Community, Leadership and Engagement
O3	Energy	Energy prices have fallen since budget setting was agreed. Plus the Energy budget has been reviewed and areas clarified.	4	2	8	(£500)		Review of Energy Forecast required.	Community, Leadership and Engagement
O4				0		£0			
						(£2,000)			

Dedicated Schools Grant (DSG) 2024/25

The DSG forecast is mainly due to projected overspend on High Needs block due to the following:

- Increase in Panel top-up payment applications from schools. There were 1043 applications in 2023/24 as compared to 559 in 2022/23, an increase of 87%. This is not sustainable
- Forecast Out of Borough (OOB) overspend due to increase in demand and uplift in placement costs from providers. The estimated average increase in OOB placement was about 4.13% in 2023/24 as compared to 22/23. In addition, we estimate an average of 4% - 6% increase in cost is related to uplifts provider charges.
- Post16 top up payments in support of continued growth for 16-25 due to increase placements with this cohort. There's been 15% increase in demand year on year since 2022/23. Post16 continues to be a 'demand driven area', extra commissioning of places are usually known in December/January

Dedicated schools Grant (DSG Budget)	2024/25 Funding £'000	2024/25 Outturn £'000	(Surplus) Deficit £'000
Schools Block (ISB)	197,662	197,662	0
Central Services Block	2,118	2,118	0
High Needs Block	52,296	56,433	4,137
Early Years Block	33,181	33,181	0
	285,257	289,394	4,137
DSG reserves B/f			-7,576
Revised DSG Reserve 24/25			-3,439

Capital Programme to P2 2024/25

Strategic Function	24-25 Initial Budget £000	Carry Forwards £000	24-25 Revised Budget £000	Actuals to P02 £000	Forecast £000	25-26 Budget £000	26-27 Budget £000
GF - CARE & SUPPORT	3,918	747	4,664	119	4,664	1,000	1,000
GF - INCLUSIVE GROWTH	611	3,594	4,205	33	4,205	0	0
GF - CIL	0	620	620	42	620	0	0
GF - TFL	4,861	1,910	6,771	303	6,771	2,200	0
GF - ICT	1,200	666	1,866	4	1,866	2,005	200
GF - COMMUNITY SOLUTIONS	0	4	4	0	4	0	0
GF - CULTURE & HERITAGE	294	1,059	1,353	5	1,353	294	0
GF - PARKS COMMISSIONING	153	4,042	4,195	170	4,195	83	0
GF - MY PLACE	1,434	2,221	3,655	172	3,655	1,000	0
GF - PUBLIC REALM	5,817	3,422	9,239	5	9,239	5,617	387
GF - EDUCATION, YTH & CHILD	16,660	(1,595)	15,065	834	15,065	18,246	700
GF - SALIX	0	80	80	0	80	0	0
General Fund	34,947	16,770	51,717	1,688	51,717	30,445	2,287
HRA STOCK INVESTMENT	19,289	740	20,029	(867)	20,029	27,000	36,760
HRA ESTATE RENEWAL	4,400	474	4,874	475	4,874	0	0
HRA NEW BUILD SCHEMES	0	371	371	(110)	371	0	0
HRA Total	23,689	1,585	25,274	-502	25,274	27,000	36,760
IAS RESIDENTIAL	190,378	(18,514)	171,863	13,909	171,863	111,699	18,708
IAS COMMERCIAL	3,092	3,398	6,490	63	6,490	2,000	1,000
Investments Total	193,470	(15,116)	178,354	13,972	178,354	113,699	19,708
Total	252,106	3,239	255,345	15,158	255,345	171,145	58,755
Financed By:							
Borrowing	196,190	(3,971)	192,218	6,750	192,218	120,579	20,295
Other Sources	55,916	7,210	63,127	8,408	63,127	50,566	38,460
	252,106	3,239	255,345	15,158	255,345	171,145	58,755

Forecast 2024/25

- This is the first reporting cycle of 2024-25 for current year and future years, budgets reported on are the revised budgets after 2023-24 carry forwards have been added (presented to ACB May 24). Detailed work is on-going with project managers and owners to agree reprofiled, budgets, once they are agreed budgets will be loaded onto CP this will be done to coincide with the Q1 full monitor cycle
- Spend to P02 was £15.158m, there are still approximately £6m worth of unmatched accruals which are depressing the gross spend which currently stands at £21.164m against a budget of £263.073m, full spend has been assumed for the forecast up to P02.
- P02 GF spend was £1.688m against a budget of £52.047m. scrutiny will be required for GF spend as they came in severely under budget in 2023-24 which was not in line with the forecast.
- P02 HRA spend in showing a net negative spend due to the £2.435m unpaid prior year accruals (a majority of which are in the system). The gross spend on HRA is approximately £1.900m.
- P02 IAS Residential and Commercial spend was £13.972m against a current budget of £178.353



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Appendices:

**Directorate Detail
Budget Monitoring**

2024/25

**Barking &
Dagenham**

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People and Resilience: Period 02

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast		
						Net Movement in Reserves	Variance
PEOPLE & RESILIENCE	135,536,424	60,154	135,596,578	12,749,952	139,888,992		4,292,413
ADULTS DISABILITY	23,273,759		23,273,759	4,804,544	23,791,233		517,474
ADULT'S CARE & SUPPORT	27,679,412		27,679,412	5,811,245	30,373,838		2,694,426
COMMISSIONING - CARE & SUPPORT	11,679,553	1,728,202	13,407,755	(659,422)	13,407,755		()
PUBLIC HEALTH	(381,250)	700,000	318,750	(4,974,294)	318,750		
CHILDREN'S CARE & SUPPORT	49,250,135	(828,202)	48,421,933	7,092,121	50,446,388		2,024,455
EDUCATION, YOUTH & CHILDCARE	4,188,114		4,188,114	(51,286)	4,197,536		9,422
EARLY HELP SERVICE	3,387,906	(1,250,000)	2,137,906	(1,450,071)	2,137,906		
CHILDREN & YOUNG PEOPLE DISABI LOCALITIES	13,310,320	(350,000)	12,960,320	1,390,331	12,006,956		(953,364)
	3,148,475	60,154	3,208,629	786,785	3,208,629		()

Overall Summary

There is a projected overspend of £4.292m across the whole of People and Resilience. Forecasting was not done at P01 (April).

The underlying pressure is as a result of the following budgetary drivers:

- Market Pressure in the Adults Market - Requests for inflationary increases are at an all-time high within the market and there is still uncertainty with regards to the inflationary uplifts that are to be applied for 2024-25, although the local authority is working to minimise these in partnership with providers
 - Placement Modernisation - There are a number of older placements which have ceased due to either client attrition or clients needs increasing and resulting in moving onto more enhanced packages. Many of the older placements were originally commissioned at a much lower rate many years ago, whereas the current market rates have seen a much larger than usual upturn.
 - Significant increasing numbers of working age adults, approximately 5% increase (approx. 50 residents) in 12 months. This includes significant transitions of young people – Adults Disabilities have also seen a higher number of complex children transition into the Adults space on large packages (approx. 20 over 2 months)
 - Challenging placement market for Childrens - The provider market remains a challenge, with the service regularly pushing back on high-cost quotes. Due to the complex nature of the current cohort of Children in the system, it is evident that demand for placements currently exceeds supply within the market.
 - Increasing use of external legal within challenging market for children's social care in terms of rising rates and recruitment and retention challenges for the sector
- Key assumptions & Risks**
The current forecast position is based on limited data so far this year, using a combination of the first two months of 24/25 along with the 23/24 outturn position. As we move further into the year the forecast will better reflect the true position this year, allowing for new placements, uplifts, changes in provision, progress on planned savings etc.
- Additionally, the services have experienced an irregularity in the average payment runs due to changes to purchase orders from previous years and some purchase orders yet to be finalised. This has resulted in difficulties in forecasting accurately, which should be resolved in period 3 and 4.

People and Resilience: Period 02

Mitigation

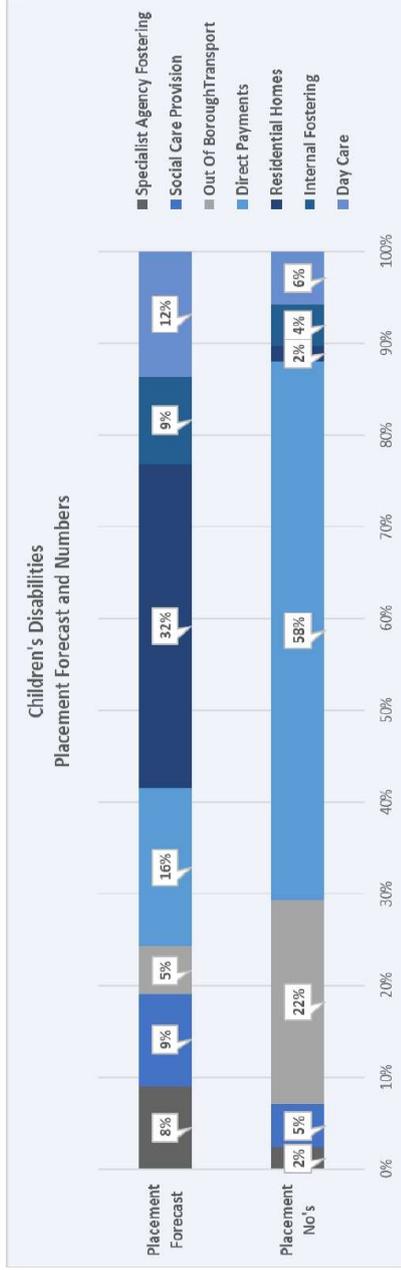
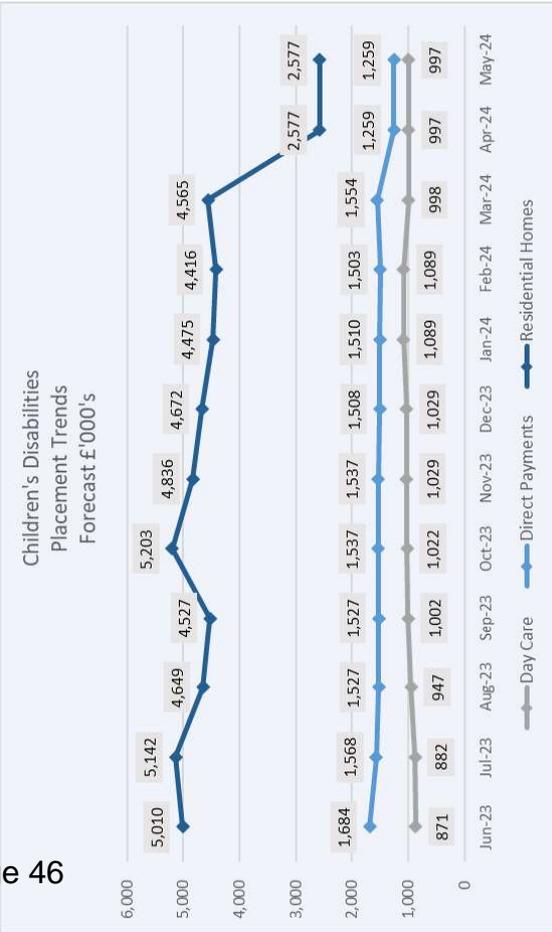
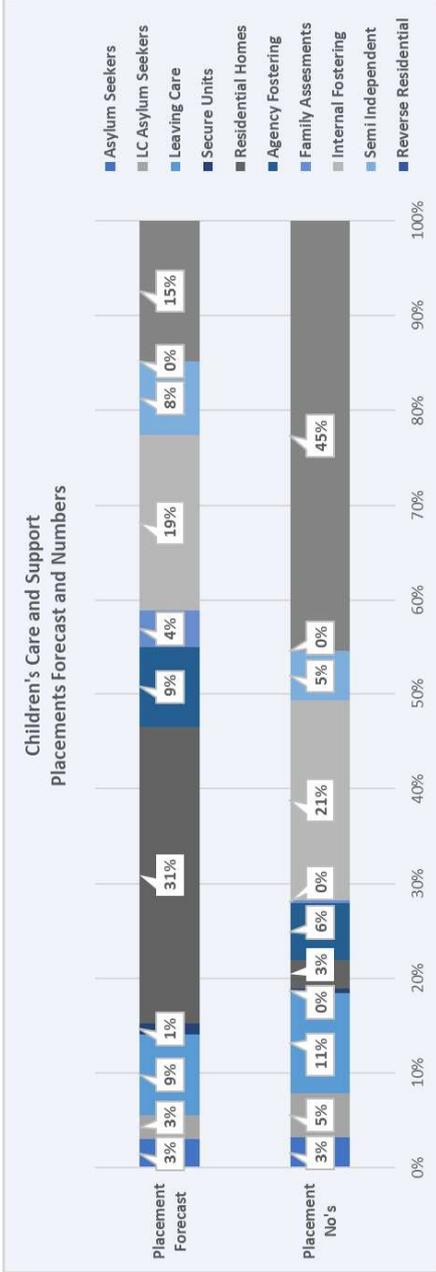
The main mitigations to alleviate the pressure have already been costed and taken as part of the £6m savings offered up by the Directorate as part of the budget setting process for 2024/25. There is therefore limited scope to find additional savings to offset the current forecast overspend.

All mitigations as part of budget setting have been put in place, this includes management of provider uplifts, increased reablement offer, strengthening of front door decision making. Alongside a wide range of cost controls already in place including, tracking and reviewing of care packages with senior sign off of all increases of care packages, reablement first offer, and management scrutiny of any clients with proposed discharge to care home from hospital.

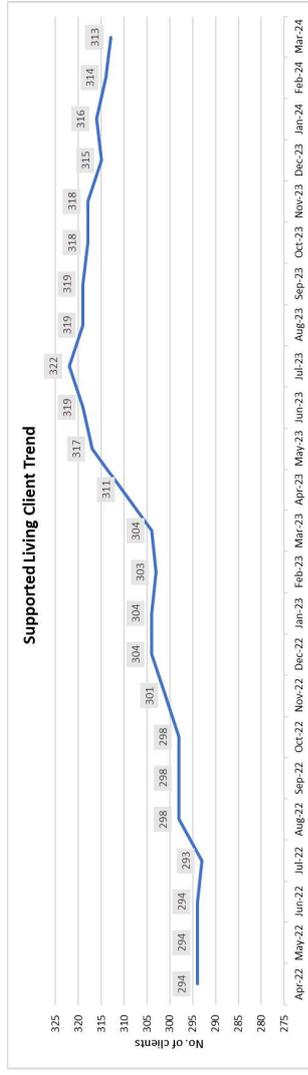
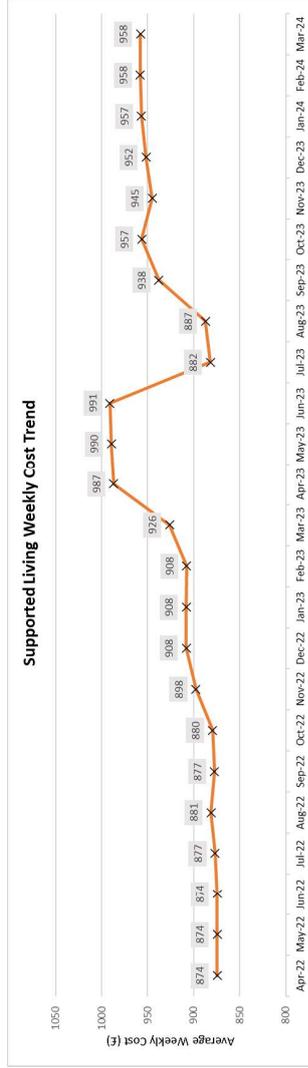
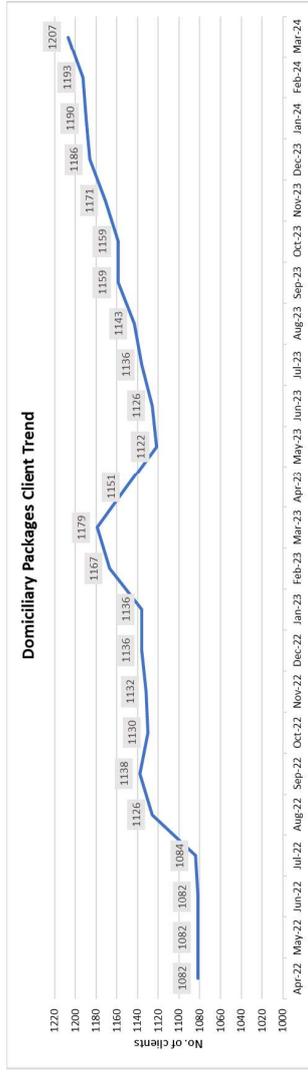
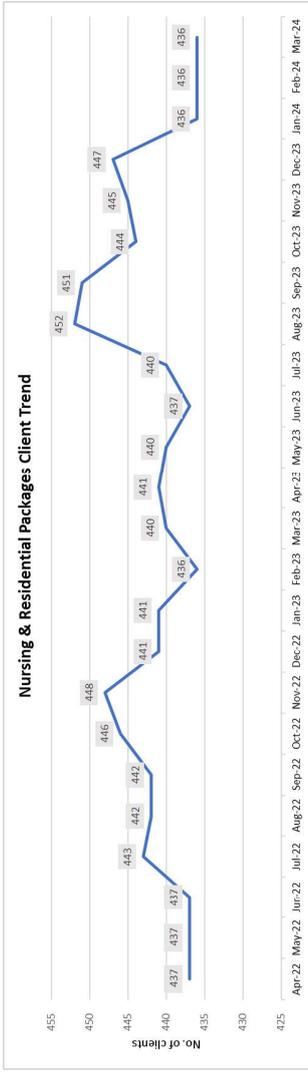
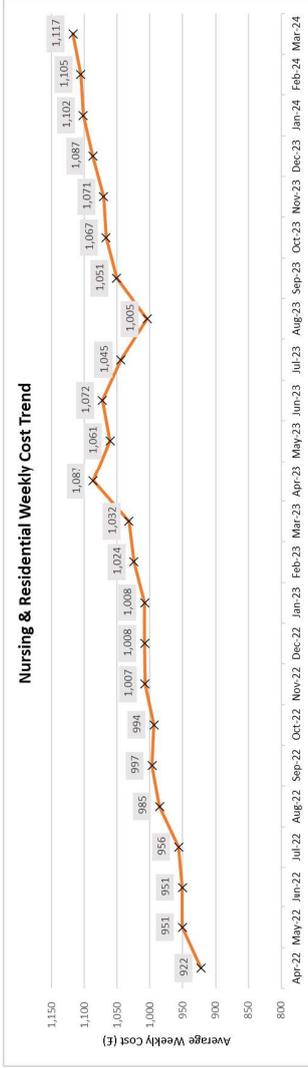
Further in year mitigations are being considered, these are :

- Low level care packages that can be reduced further or ceased
- Independent review of LD care packages and supported living rates
- Identification of adults in receipt of care packages that could benefit from reablement as part of rehabilitation offer
- Longer term mitigations being consider as part of thinking for 25/26 include
- Further strengthening of front door and community offer, including increased use of voluntary and faith sectors and opportunities to integrate further with health
- Whole council approaches to social demand including universal offer for housing, welfare and information advice and guidance, vulnerable housing developments, use of care technology and process optimisation, opportunities through inclusive growth for employment and independence maximisation especially for working age adults.
- Closer working with partners to consider community and partnership collaboratives in high cost areas such as supported living, specialist children's residential care and extra care provision

People and Resilience: Period 2 Children's Data



People and Resilience: Period 2 Adults Data



People and Resilience: Period 2 – 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	
Income	(4,599,106)		(3,221,240)	(92,411)	(3,005,920)	0	0	215,320	0	215,320	1
Staffing	2,464,105		3,188,387	462,313	3,218,065	0	0	29,678	(421,473)	451,151	2
Agency	224,271		0	5,130	73,466	0	0	73,466	4,644	68,822	
Premises	70,280		68,000	5,798	68,033	0	0	33	0	33	
Transport	13,034		13,000	2,046	12,989	0	0	(11)	0	(11)	
Supplies & Services	36,779		196,400	69,626	116,881	0	0	(79,519)	0	(79,519)	
Third Party Payments	25,891,697		23,029,212	4,352,042	23,307,719	0	0	278,507	0	278,507	3
Grand Total	24,101,059		23,273,759	4,804,544	23,791,233	0	0	517,474	(416,829)	934,303	

1. Income - Variance £0.215m, Movement (0.00)

This variance is attributable to projected band 9 and 10 clients contribution invoice reversal which are deemed to be in relation to previous financial years. A prudent approach to income reversals has been implemented into the forecast for which further trend information is required to ensure a robust forecast.

2. Staffing and Agency- Variance £0.103m, Movement (0.00)

An adverse variance is forecasted due to staffing budget shortfalls created by the vacancy exercise carried out in 2023-24.

3. Third Party Payments- Variance £0.279m, Movement (0.00)

The adverse projected variance is largely attributable to estimated 24-25 placement provider uplifts and client trends following patterns identified in 2023-24. Given there is only two months' worth of client data for 2024-25, the 2023-24 client package outturn was considered as the foundation of the 2024-25 forecast.

People and Resilience: Period 2 – 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	
Income	(43,679,757)	(47,155,601)	(3,728,928)	(49,301,076)	0	0	(2,145,475)	0	(2,145,475)	1
Staffing	9,007,590	10,492,748	1,463,217	9,762,875	0	0	(729,873)	(1,134,855)	404,982	2
Agency	1,096,906	0	121,739	1,527,401	0	0	1,527,401	433,755	1,093,646	
Premises	276,987	104,300	30,536	181,609	0	0	77,309	0	77,309	
Transport	51,245	35,800	7,600	38,041	0	0	2,241	0	2,241	
Supplies & Services	820,484	1,294,612	16,503	1,229,891	0	0	(64,721)	0	(64,721)	
Third Party Payments	62,860,325	62,907,553	7,900,578	66,935,079	0	0	4,027,526	0	4,027,526	3
Grand Total	30,433,779	27,679,412	5,811,245	30,373,820	0	0	2,694,408	(701,100)	3,395,509	

1. Income - Variance (£2.145m), Movement (0.00)

The projected positive variance is due to increase in Adult Social Care Discharge Fund 2024-25 allocation. Additionally, there is an assumed reduction in band 9 and band 10 client contribution income reversal following the implementation of the new assessment review pilot in 2024-25 and the updated bad debt provision balance.

2. Staffing an Agency- Variance £0.798m, Movement (£0.00m)

An adverse variance is forecasted due to staffing budget shortfalls partially created by the vacancy exercise carried out in 2023-24 and receiving further intelligence on vacant positions held from last financial year.

3. Third Party Payments- Variance £4.028m, Movement (£0.00m)

The adverse projected variance is largely attributable to estimated 24-25 placement provider uplifts and client trends following patterns identified in 2023-24. Given there is only two months' worth of client data for 2024-25, the 2023-24 client package outturn was considered as the foundation of the 2024-25 forecast.

People and Resilience: Period 2 – Commissioning Care & Support

Commissioning Care and Support										
Income/Expenditure	Prior Year		Current Year			Reserves		Variances inc Reserves		Notes £250k deminimus
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Period Movement	
Income	(3,850,993)	(12,096,970)	(855,379)	(11,976,510)	0	0	120,460	0	120,460	1
Staffing	6,559,275	8,138,015	1,088,132	7,880,035	0	0	(257,980)	(1,894,938)	1,636,958	2
Agency	2,573,636	0	(102,187)	55,620	0	0	55,620	314,075	(258,455)	
Premises	4,267	0	0	0	0	0	0	0	0	
Transport	9,996	11,600	1,445	11,600	0	0	0	0	0	
Supplies & Services	392,968	3,099,705	(75,813)	3,181,605	0	0	81,900	0	81,900	3
Third Party Payments	19,098,706	14,255,405	(715,620)	14,255,405	0	0	0	0	0	
Grand Total	24,787,856	13,407,755	(659,422)	13,407,755	0	0	(0)	(1,580,863)	1,580,863	

1. Income – Variance £0.12m, Movement £0m

This is due to cessation of Home Office's funding of Prevent Strategy. Cost centre to transfer to other service or budget will be corrected next period.

2. Staffing and Agency – Variance (£0.202m), Movement £0.00m

This is due partly to zero spend on Prevent Strategy staff due to cessation of Home Office funding and salary underspend to fund Consultant for Neglect Project in Children's Commissioning.

3. Supplies and Services – Variance £0.08m

This variance is due to spend on Consultant for Neglect project, offset by salary underspend.

People and Resilience: Period 2

– Public Health Grant

Public Health										
Income/Expenditure	Prior Year		Current Year			Reserves		Variances inc Reserves		Notes £250k deminimus
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Movement	
Income	(18,923,501)	(17,787,080)	(4,581,328)	(18,758,896)	0	0	(971,816)	0	(971,816)	
Staffing	993,479	1,209,740	161,313	443,729	0	0	(766,011)	(270,698)	(495,312)	
Agency	482,985	0	43,773	367,265	0	0	367,265	184,650	182,615	
Premises	0	0	0	0	0	0	0	0	0	
Transport	741	0	135	0	0	0	0	0	0	
Supplies & Services	194,156	13,201,340	34,506	15,002,096	0	0	1,800,756	0	1,800,756	
Third Party Payments	3,157,101	2,994,750	(524,297)	3,264,556	0	0	269,806	0	269,806	
Support Costs	16,311,490	0	0	0	0	0	0	0	0	
Recharges	(409,577)	700,000	(108,396)	0	0	0	(700,000)	0	(700,000)	
Grand Total	1,806,876	318,750	(4,974,294)	318,750	0	0	0	(86,048)	86,049	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.
- It should be noted that the service has £1.95m 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 2 – Children with Disabilities

Income/Expenditure	Children's and Young People Disabilities										Notes
	Prior Year		Current Year			Reserves		Variances inc Reserves			
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Movement	£250k deminimus	
Income	(2,089,950)	(957,600)	(69,582)	(1,204,042)	0	0	(246,442)	0	(246,442)	1	
Staffing	1,703,566	2,057,200	328,485	1,846,947	0	0	(210,253)	(303,354)	93,101	2	
Agency	387,751	0	44,136	252,510	0	0	252,510	135,515	116,995		
Premises	13,100	50,000	0	15,002	0	0	(34,998)	0	(34,998)		
Transport	2,674,131	2,392,100	192,376	2,616,101	0	0	224,001	0	224,001	3	
Supplies & Services	282,490	616,500	88,362	643,052	0	0	26,552	0	26,552		
Third Party Payments	9,283,823	8,802,120	806,554	7,837,386	0	0	(964,734)	0	(964,734)	4	
Grand Total	12,254,911	12,960,320	1,390,331	12,006,956	0	0	(953,364)	(167,839)	(785,524)		

1. Income – Variance (£0.246m), Movement £0m

The variance is due to the income expected from DSG to cover the cost of the Portage service.

2. Staffing – Variance £0.042m, Movement £0m

The variance is due to the additional staffing currently in place for the short breaks review team, and the high cost of agency covering vacancies.

3. Transport – Variance £0.224m, Movement £0m

The variance is being driven by the increasing demand for SEND transport services.

4. Third Party Payments – Variance (£0.965m), Movement £0m

The variance of (£0.964m) is due to clients have transitioned to Adults last year and step down of clients from residential placements to leaving care, fostering placements.

People and Resilience: Period 2 – Childrens Care & Support

Children's Care and Support										
Income/Expenditure	Prior Year		Current Year			Reserves		Variances inc Reserves		Notes £250k deminimus
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Movement	
Income	(5,746,134)	(5,983,300)	(62,631)	(5,649,985)	0	0	333,315	0	333,315	1
Staffing	16,832,825	22,025,358	3,037,512	18,690,678	0	0	(3,334,681)	(5,155,694)	1,821,013	2
Agency	4,376,190	0	532,550	3,917,255	0	0	3,917,255	1,157,184	2,760,071	
Premises	110,349	239,700	2,206	65,601	0	0	(174,099)	0	(174,099)	
Transport	246,639	287,300	31,473	272,100	0	0	(15,200)	0	(15,200)	
Supplies & Services	1,465,768	1,423,825	189,387	1,870,003	0	0	446,178	0	446,178	3
Third Party Payments	31,389,197	30,429,050	3,361,624	31,280,736	0	0	851,686	0	851,686	4
Grand Total	48,674,834	48,421,933	7,092,121	50,446,388	0	0	2,024,455	(3,998,509)	6,022,964	

1. Income – Variance £0.333m, Movement £0m

This variance is due to a reduction in the projected unaccompanied asylum seeker claims, with client numbers reducing.

2. Staffing and Agency – Variance £0.583m, Movement £0m

The variance is driven by 5fte posts being funded by external bodies, with income of £238k expected to be received. The remaining variance is due to the high cost of agency filling current vacancies, with 59fte agency staff currently employed within the service.

3. Supplies and Services – Variance £0.446m, Movement £0m

This variance is being driven by legal costs for cases being presented at court, work is underway to implement a new internal service for expert assessments needed as part of court proceedings, one of the identified savings targets for Children's Care and Support.

4. Third Party Payments – Variance £0.852m, Movement £0m

- Looked After Children – Variance is driven by number of residential placements, currently 24 active clients, with 5 placements in excess of £10k per week.
- Non-Looked After Children – Variance due to a decrease in the number of leaving care clients.
- Other – Variance is due to high-cost placements within the safeguarding service.

Third Party Payments	Clients	Budget	Forecast	Variance	Movement
		£'000	£'000	£'000	£'000
LAC	319	21,433	21,777	344	-
Non LAC	490	7,755	7,598	(157)	-
Other	-	1,241	1,906	665	665
Total	809	30,429	31,281	852	665

People and Resilience: Period 2 – 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		
Income	(1,793,333)	(2,212,330)	(1,945,715)	(2,212,330)	0	0	0	0	0	0	
Staffing	3,639,568	4,138,211	558,231	4,066,420	0	0	(71,791)	(1,104,511)	1,032,720	0	
Agency	49,504	0	5,165	71,791	0	0	71,791	0	71,791	0	
Premises	0	0	0	0	0	0	0	0	0	0	
Transport	11,019	0	728	0	0	0	0	0	0	0	
Supplies & Services	22,304	0	1,942	0	0	0	0	0	0	0	
Third Party Payments	102,935	212,025	(70,422)	212,025	0	0	0	0	0	0	
Grand Total	2,031,997	2,137,906	(1,450,071)	2,137,906	0	0	0	(1,104,511)	1,104,512	0	

No reported variances at this time.

People and Resilience: Period 2 – Localities

Localities										
Income/Expenditure	Prior Year		Current Year			Reserves		Variances inc Reserves		Notes £250k deminimus
	Outturn	Budget	Actual YTD	Forecast	Transfers To	Transfers From	Variance	Last Period Variance	Movement	
Income	(2,051,216)	(3,108,660)	(199,562)	(3,398,942)	0	0	(290,282)	0	(290,282)	
Staffing	5,438,416	4,807,709	827,320	4,083,236	0	0	(724,473)	(348,128)	(376,345)	1
Agency	337,821	0	83,289	242,785	0	0	242,785	113,446	129,338	
Premises	1,343,047	1,021,310	(18,943)	1,324,704	0	0	303,394	0	303,394	2
Transport	16,383	20,100	260	15,700	0	0	(4,400)	0	(4,400)	
Supplies & Services	916,168	428,170	79,422	916,146	0	0	487,976	0	487,976	3
Third Party Payments	285,091	40,000	15,000	25,000	0	0	(15,000)	0	(15,000)	4
Grand Total	6,285,709	3,208,629	786,785	3,208,629	0	0	(0)	(234,682)	234,681	

Key Drivers of the Position (Summary):

Localities – Variance £0

Care Commissioning & Health – Variance £0

Healthy Lifestyles – Variance **(£219)**

Libraries – Variance **£161,798** Premises costs exceed budget by £198k at several locations, mitigations BLC : Gas turned off until October, Security reduced to 1 officer at weekends, reletting of MP office will have a rent review. Solar panel installation savings. (NB Business rates appeal ongoing may reduce costs by £45k, not included in the above forecast).

Universal Services – Variance **£91,742** The variance is due to £75k premises costs not covered by budget mitigated by reduced resources spend of £50k and vacancies.

Borough Partnership – Variance £0

Resources: Period 2

Forecast Position : Breakeven

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves	
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast			Net Movement in Reserves
								Variance
RESOURCES	30,994,057		30,994,057	21,439,505	30,994,057			
STRATEGIC LEADERSHIP	1,116,114		1,116,114	116,604	1,116,114			
FINANCE	20,294,809		20,294,809	19,586,005	20,294,809			
WORKFORCE CHANGE / HR	2,445,838		2,445,838	755,064	2,445,838			
LEADERS OFFICE	313,551		313,551	48,357	313,551			
LAW AND GOVERNANCE	3,538,010		3,538,010	1,091,226	3,538,010			
SUPPORT AND COLLECTIONS	(1,957)		(1,957)	20,585	(1,957)			
COMMUNITY SOLUTIONS	107,900		107,900	4,157	107,900			
COMMUNITY PARTICIPATION & PREV	3,179,792		3,179,792	(182,493)	3,179,792			

The Resources directorate is forecast to break-even.

Central Expenses: Period 2

Forecast Position: £47.284m, Variance £0.0m

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Variance
	CENTRAL EXPENSES	47,284,136		47,284,136	(917,428)	43,284,136	
CORPORATE MANAGEMENT	(641,000)		(641,000)	(917,428)	(641,000)		
GENERAL FINANCE	47,925,136		47,925,136		43,925,136		(4,000,000)

Key Drivers of the Position:

Strategy: Period 2

Forecast Position: Breakeven

	This Years Budget			Actuals/Forecast		Reserves	Variations Inc
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Reserves
							Variance
STRATEGY	6,130,023		6,130,023	1,204,038	6,310,023	(180,000)	(0)
INSIGHT AND INNOVATION	1,375,351		1,375,351	339,558	1,475,351	(100,000)	(0)
PMO	331,873		331,873	43,995	411,873	(80,000)	(0)
STRATEGY	761,879		761,879	184,905	761,879		
CUSTOMER CONTACT	2,003,931		2,003,931	549,920	2,003,931		
PARTICIPATION AND ENGAGEMENT	739,219		739,219	119,669	739,219		(0)
COMMUNICATIONS	917,770		917,770	(34,009)	917,770		

The Strategy directorate is forecast to break-even at Period 2. Underspends may arise in later months due to vacant positions but at this stage in the year it a prudent approach is being taken to financial reporting . Underspends will only be reported when there is certainty that those underspends will remain in the budget to financial year-end.

Reserves Drawdown

The £180,000 transfer from Reserves represents a drawdown of £100,000 from the Supporting Families grant for the One View programme and £80,000 for Community Banking.

Inclusive Growth: Period 2

Forecast Position: Overspend of **£350,000**

	This Years Budget			Actuals/Forecast		Reserves	Variances Inc Reserves
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Variance
	INCLUSIVE GROWTH COMMERCIAL	992,477	(60,154)	932,323	62,098	1,282,384	
INCLUSIVE GROWTH	(2,044,547)		(2,044,547)	(271,322)	(1,486,055)		558,492
	3,037,024	(60,154)	2,976,870	333,420	2,768,439		(208,431)

Key Drivers of the Position (Summary):

The Inclusive Growth Directorate is forecast to overspend by **£350,000** at the end of Period 02. The main driver for the overspend is a shortfall in income from the Leisure contract.

Commercial Services – Forecast overspend £558,492

- **The Commercial Team** is projecting a **(£132,021)** underspend, attributable to a Senior Manager vacancy.
- **CR27** hotel investment is forecast to underspend by **(£90k)**. This is the surplus between estimated rent receivable and rent payable less the income target of £862k.
- **Leisure** is forecasting to overspend by £781k. The existing Leisure contract comes to end on 14th September 2024 . Management fee income to the end of the existing contract is £564k against an income target of £1.228m .The new contract has not yet been let but it is anticipated that the Council will have to pay a fee to the new operator from contract commencement to the end of the year. This will be offset by the £171.8k balance of the termination fee income.

Inclusive Growth: Period 2 continued

Inclusive Growth – Forecast an underspend of (£208,431)

- **Place and Development** are forecast to underspend by (£86k) due to vacancies.
- **The Inclusive Growth Strategic Director** budget is forecast to underspend by (£40k) as the post has been vacant since April. It has been assumed that the new Strategic Director will be in post from 1st September.
- **Parks Commissioning** is forecasting a (£36,759) underspend due to a vacant Parks Development Officer post.
- **Culture and Heritage** is forecasting an underspend of (£38,289) on salaries.
- **Inclusive Economy** is projecting a (£56,000) underspend due to a vacancy.
- **Development Planning** is projecting a **pressure of £7,076** driven by Added Years Compensatory pension payments to ex – employees. There is no budget allocation to cover these costs.
- The **Employment Team** are projecting an **overspend of £35,723**. The overspend is driven by the Adult College which is forecast to overspend by £158,739 due to a shortfall in external funding. This is being offset by a (£121,960) underspend in Employment & Skills.

My Place Summary: Period 2

Forecast Position: **Underspend of (£0.642m)**

	This Years Budget			Actuals/Forecast		Reserves	Variations Inc
	Original Budget	Virements	Revised Budget	YTD Actuals	Forecast	Net Movement in Reserves	Reserves
							Variance
MY PLACE	15,896,935		15,896,935	10,675,990	15,254,460		(642,475)
ENFORCEMENT	2,921,908		2,921,908	(780,683)	2,119,531		(802,377)
HOMES AND ASSETS	2,932,350		2,932,350	3,545,659	3,672,741		740,391
PUBLIC REALM	10,042,677		10,042,677	7,911,014	9,462,189		(580,488)

Executive Summary

Support Services (e.g. Tenancy Sustainment, Temporary Accommodation) has now moved into Homes and Assets from the former Community Solutions for 2024/25. This is the first reporting month therefore only budget variances will be explained.

My Place is projecting a **(£0.642m) underspend**. Enforcement is showing a **(£0.802m)** underspend which is predominantly represented by favourable staffing cost variances across various service areas. Further investigation is required in certain areas, such as the Barking Market, to firm up on the impact of SLAs on the service.

It should be noted that this is the first report for 2024/25 and there are several new budget managers who will need time to adjust to their budget areas and savings targets. A restructure is also underway and recent structural changes also need time to bed in.

Enforcement: Period 2 c(£0.802m) underspend:

Mainly represented by favourable salary variances of **(£1.228m)** in most of service areas. This added to favourable variances from: fees, charges and trading income of **(£0.223m)**; Government grants of **(£0.110m)** and private sector housing of **(£0.132m)** have been offset by forecast overspends for service including school buy back £0.299m; premises security and minor works £0.363m; LBBB related expenses £0.182m;

My Place Summary: Period 2

Homes and Assets: Period 2 £0.740m overspend. Please note that the overall restructure saving is held within Public Realm, therefore underspend on staffing below is mainly offsetting an underlying pressure within Public Realm (excludes Support Services).

Commercial Portfolio is reflecting **£406,000 overspend**:

- £437,000 income under recovery. The service continues to work with General Income on producing the underlying asset list and rent roll to support forecast and future budget assumptions.
- **(£31,000) underspend** on salaries budgets.

Property Assets is **underspending** by **(£278,000)**:

Asset Management is forecasting a **(£278,000) underspend**:

- **(£124,000)** due to vacancies being held following recent departures.
- **(£154,000)** increased HRA Fixed Recharges compared to budget.

Major Works is forecasting **online**.

Support Services (formerly part of Community Solutions) is **overspending by £612,000**: Many of the teams within this service have forecast favourable variances amounting to **(£502,000)** against staffing costs. This and an anticipated net favourable rental income variance of **(£237,000)** have been offset by overspends in payments to private contractors of £691,000; expenditure relating to internal charges and reimbursements of £570,000, payments for photocopy £55,000 and sundry other smaller adverse variances.

Other reporting areas within Homes and Assets (Compliance, Business Development, Reside My Place and Contract Management) are offsetting one another.

Public Realm: Period 2 (£580,000) underspend, the Forecast variance relates to:

- **Parking and Road Safety are forecasting a (£424,000) underspend** at P2. This is attributable to a favourable variance of (£52,000) arising from a reduction in forecast staffing costs in the Safe & Sustainable Transport service and (£372,000) better than anticipated income from On-Street parking.
- **Street Cleansing** is forecast to **underspend** by **(£483,000)**, mainly due to lower forecast transport recharges and increased income recharges to Parking and Enforcement. The impact of these is partially reduced due to lower HRA Fixed Recharge based on last year's review.
- **Waste Operations (including Trade Waste)** is forecasting an **overspend** of **£326,000** due to staffing forecasts partially offset by Trade Waste income above budgetary expectations.
- Broadly speaking, the remaining services within Public Realm are offsetting one another (Highway, Fleet Management, Parks & Environment and Trade).

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CABINET**23 July 2024**

Title: General Fund MTFS Update and Budget Strategy 2025/26 - 2027/28	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Jo Moore, Interim Strategic Director, Resources	Contact Details: E-mail: jo.moore@lbbd.gov.uk
Accountable Executive Team Director: Jo Moore, Interim Strategic Director, Resources	
Summary	
<p>The Council's Medium Term Financial Strategy (MTFS) was last presented to Assembly in February 2024 and this report provides an update to Members on the Council's MTFS position for 2025/26 to 27/28 taking into account any known changes to assumptions and forecasts since that date.</p> <p>The first monitoring of the new financial year 2024/25 at Period 2 (May 2024) is a separate agenda item and should be considered in the context of this report. The Period 2 monitoring indicates a forecast break-even position.</p> <p>It should be noted that the updated MTFS in this report does not include this forecast overspend as a permanent pressure as yet. The Council's constitution requires Strategic Directors to deliver services within their approved and agreed budget envelope and therefore mitigating actions are currently being considered to reduce the forecast 2024/25 pressures. However, the impact of these mitigations will need to be closely monitored during the year.</p> <p>The MTFS presented to Assembly in February 2024 highlighted a budget gap for 2025/26 of £11.69m. The latest MTFS forecasts now indicate a gap of £25.9m for 2025/26 rising to £29.9m in 2027/28. Details of the reasons behind this increase of £14.2m for 2025/26 are set out in this report.</p> <p>The Council uses advisers to forecast levels of core funding arising from the Local Government Finance Settlement and certain assumptions that were modelled in the previous MTFS have now changed. Whilst the change in government may have an impact on local government funding over the medium term, their current view is that there is unlikely to be any substantial change in the approach to the LG Government Settlement for 2025/26. However, this could change.</p> <p>Other wider economic factors such as inflation and interest rates will have an impact on the Council's overall budget for the next financial year and there is still a degree of uncertainty around the likely levels and therefore the financial impact. Sensitivity analysis will be carried out in formulating the draft 2025/26 budget for consideration and consultation.</p>	

In considering the Council's overall financial resilience and sustainability, the level of usable General Fund reserves is an important factor when assessing the level of financial risk that the Council is facing. These have significantly reduced in recent years and careful consideration will need to be given as to whether these are now at a level which is sufficient for the financial risks that the Council is facing.

Given the forecast financial position and the lower level of usable General Fund reserves, it is important that a **Budget Strategy** is approved which provides an overarching framework and guiding principles that will be adopted in setting the budget for the next financial year and beyond. This report proposes those principles.

The HRA 30-year business plan was presented to Cabinet earlier in the calendar year and this is subject to further reviews this year and updates will be presented as appropriate.

Recommendation(s)

The Cabinet is recommended to:

- (i) Note the latest MTFs projections and forecast budget gap for 2025/26 of £25.9m;
- (ii) Note the assumptions set out in the report underlying those forecasts as well as the financial risks and uncertainties;
- (iii) Note the outline budget setting timetable for 2025/26 as set out in section 10 of the report; and
- (iv) Consider and approve the Budget Strategy and approach to setting the 2025/26 budget as set out in section 9 of the report.

Reason(s)

The setting of a robust and balanced Medium Term Financial Strategy will enable the Council to provide and deliver services within its overall corporate and financial planning framework. The Medium Term Financial Strategy underpins the delivery of the Council's vision of One borough; one community; no one left behind and delivery of the priorities within available resources.

1. Introduction and Background

- 1.1 In considering the Council's medium-term financial position and future financial sustainability, as well as the ability to set a balanced budget as required by law, it is also important that financial resources are allocated in a way that underpins the delivery of the corporate strategy.
- 1.2 The Council's vision is "to make Barking & Dagenham the place where people are proud of and want to live, work, study and stay". This vision is underpinned by the LBB Corporate Plan with seven key priorities so that Residents:

- Are supported during the current cost-of-living crisis;
 - Are safe, protected and supported at their most vulnerable;
 - Live happier, healthier, independent lives for longer;
 - Benefit from inclusive growth and regeneration;
 - Live in, and play a greater part in creating, safer, cleaner and greener neighbourhoods;
 - Live in good housing and avoid becoming homeless.
- 1.3 Financial sustainability will be key to delivering these priorities and therefore it is important that the Council undertakes robust financial planning, identifies and quantifies the financial risks that it may be facing and is clear about how it will manage those risks.
- 1.4 The Council's financial position can be greatly impacted by wider macroeconomic factors such as inflation and interest rates and by changes in government policy and funding. The Council uses advisors to assist with the modelling of core income and with predictions of inflation and interest rates and their advice is incorporated in the relevant sections of this report.
- 1.5 Whilst the change in government could have a positive impact for funding of local authorities, it remains unclear at this point as to which policies may be affected and how funding may change. A widely held view currently is that there is unlikely to be any significant permanent changes to funding for the 2025/26 financial year. It is hoped that one-off funding may be available to temporarily address the current disconnect with "need" but there is no guarantee. Therefore, the latest MTFs, as presented in this report currently assumes no significant changes to government funding for the next financial year.
- 1.6 The budget report approved in February 2024, including the Council's S151 Officer's assurance statement, highlighted the key financial risks that Barking & Dagenham is facing over the medium-term and these remain largely unchanged. However, the report referenced various strands of work that would be undertaken to seek to provide clarity over those risks and more accurate quantification.
- 1.7 The Council is facing many of the significant financial risks that other London boroughs are facing such as demand for services outstripping resources available. For Barking & Dagenham, the first monitoring of the new financial year is already forecasting a potential overspend, despite significant budget growth being approved for 2024/25. At Period 2 a pressure of almost £8.9m is forecast in adults and children's social care services. Whilst mitigating actions are being developed and implemented to control this spend there is a real risk that these demand pressures, as well as savings required, will not be containable and/or deliverable.
- 1.8 However, it is more important this year than ever, that a balanced budget is achieved. The Council's reserves are discussed in more detail in section 8 but there has been a heavy reliance on reserves to balance this, and previous years' budgets, with the result that these have been significantly depleted. The S151 Officer will need to give careful consideration of the adequacy of those reserves in their assurance statement to accompany the final budget setting report for 2025/26.
- 1.9 For this reason, the Council will be actively lobbying the new government to provide additional funding specifically for social care which genuinely addresses need and

is not based on a generic, one-size-fits-all funding approach. The ongoing level of demand in the borough, particularly in relation to working age adults with learning disabilities is acute, without adequate levels of commensurate funding.

- 1.10 There are also specific risks for B&D which are important to highlight again and where further work has now been undertaken and where there has been some movement in those risk assessments.
- 1.11 The February 2024 report highlighted that external advisors would be used to undertake a review of the Investment & Acquisition Strategy (IAS) asset portfolio to assess the future financial performance and to develop a de-risking strategy should that be required. This work is well underway and should be concluded by the end of July 2024. The Council's base budgets do include a core budget for an overall return on the IAS and an assessment will be made as to whether there is any risk to the achievement of this over the medium-term. Consideration will also be given as to whether there is any risk of the borrowing costs associated with the IAS being unable to be serviced.
- 1.12 The IAS also exposes the Council to significant development risk and a number of the approved schemes which are under construction carry a significant amount of financial risk. The delivery of viable schemes relies on affordable interest rates, grant funds and right-to-buy receipts. Change in government, monetary or economic policy could directly impact these schemes. The interest rate outlook is discussed in section 3 below.
- 1.13 As highlighted in the February 2024 report, there was a risk that the £10.3m of dividend income from the Council's regeneration subsidiary, Be First, will be unlikely to be achievable on ongoing basis unless there is a significant change in the economy (e.g. lower interest rates) and development activity. A review of the Council's regeneration subsidiary has concluded that it would be prudent to conclude at this stage that the dividend will not be payable over the MTFS period. Therefore, the associated income budget has been removed from the Council's base budgets and forms a large part of the £14.2m increase the budget gap for 2025/26. This will be monitored closely over the MTFS and reported if this were to change.
- 1.14 Once the outcomes of the review of the IAS are known it may be possible that this loss of dividend could be partly funded from a drawdown on the IAS reserves for 2025/26, but this will be dependent on the level of financial risks that the IAS is facing over the medium-term and the degree of certainty in the forecasts.

2. MTFS 2025/26 to 2027/28

- 2.1 The Council's MTFS was last presented to Assembly in February 2024 and included projections for the 2025/26 financial year based on assumptions at that time and financial risks associated with those forecasts.
- 2.2 Since that report the Council's provisional outturn for 2023/24 was presented to Cabinet on 18 June 2024 and the first budget monitoring report for the 2024/25 year (Period 2) has been concluded and is presented under a separate agenda item. These reports should be considered in the context of the Council's overall financial position.

- 2.3 The refreshed MTFS now shows a budget gap of £25.9m for 2025/26 compared to £11.69m in February 2024 and this can be broken down as £15.6m for the Council's core pressure and £10.3m to address the BeFirst dividend income budget. This increase of £14.2m has arisen from revisions to assumptions in respect of core grant and other income, pay award inflation and removal of the dividend income budget. Table 1 below shows the reconciliation of the cumulative MTFS gaps from the Assembly February 2024 report to the latest forecast position.

Table 1 – Reconciliation from Assembly February 2024 position

	2025/26 £m	2026/27 £m
Cumulative Gap Reported Feb Assembly	11.693	17.317
Change in Core Funding	2.461	(1.800)
Remove Be First Dividend	10.390	10.390
Increase in Pay Award Assumption	1.402	1.601
Revised Gap	25.946	27.508

- 2.4 In assessing the Council's ability to set a balanced budget and overall financial sustainability it is important to consider the level of financial risk that the Council is exposed, the impact of those risks and whether there are robust plans in place to manage those risks should they crystallise.
- 2.5 Members should note that this year's budget for 2024/25 as approved in February, contained a budget gap of £8.9m for which permanent savings would need to be found. The £8.9m is included in the latest forecast gap for 2025/26 as presented in this report and is not additional.
- 2.6 As set out in the Treasury Statutory Outturn report for 2023/24, the Council's IAS portfolio has suffered from a deterioration in financial performance for a number of reasons. At the time of writing this report, the Council has commissioned Ernst & Young to carry out a review of this portfolio which will include validating future financial projections. Outcomes from this work could further impact on the Council's MTFS position.
- 2.7 A number of strategic reviews of the Council's subsidiary companies have been carried out or are underway. The Council's subsidiaries have a number of impacts on the Council's finances either by way of dividend returns, services supplied to and from, working capital loans and on-lending as well as the potential for equity cash injections.
- 2.8 The table below sets out the latest MTFS position which can be compared to Appendix B of the February 2024 Assembly budget report.

Table 2 – MTFP Latest forecast financial position

	2025/26 Forecast £'m	2026/27 Forecast £'m	2027/28 Forecast £'m
Net Cost of Services	221.745	245.780	259.016
Changes to Prior Year Budget			
Savings - Existing (Feb 2024)	(1.098)	(0.984)	
Pre-agreed Growth (Feb 2024)	4.643	5.220	
Savings- New			
Growth - New			
Inflation	10.100	9.000	9.250
Removal of Be First Dividend from base Budget	10.390		
Net Budget Requirement	245.780	259.016	268.266
Core Funding			
Revenue Support Grant	(22.615)	(22.978)	(23.369)
NDR	(22.735)	(23.612)	(24.014)
NDR Top Up & S31 Grants	(55.202)	(61.188)	(62.230)
S31 Grants and Other Admin Grants			
BRR Pooling	(1.200)		
2023/24 Top Adjustment			
Council Tax	(89.921)	(96.110)	(102.626)
(Surplus)/Deficit on Collection Fund			
Market Sustainability & Fair Cost of Care Grant	(3.995)	(3.995)	(3.995)
Services Grant	(0.403)	(0.403)	(0.403)
Social Care Support Grant	(21.725)	(21.725)	(21.725)
Additional Social Care Support Grant			
New Homes Bonus	(2.039)	(1.498)	
Total Core Funding	(219.835)	(231.508)	(238.362)
Cumulative Budget Deficit/(Surplus) Before Reserve	25.946	27.508	29.904
Contribution To Reserve / (Drawdown From Reserve)			
Cumulative Budget Deficit/(Surplus) After Use of Reserve	25.946	27.508	29.904

- 2.9 The forecast budget gap for 2025/26 of £25.5m coupled with a forecast overspend position for 2024/25 presents a significant risk in being able to set a balanced budget for next year. One of the key differences from previous years is that the Council had much higher levels of General Fund reserves to cope with financial risks than it currently has at its disposal. Usable earmarked reserves have reduced from £32.43m at the start of 2022/23 to £23.62m in 2024/25.
- 2.10 Within this figure, the Budget Support Reserve which was established to smooth the delivery of savings has reduced from £15.4m in the same period to £6.59m at the start of 2024/25.
- 2.11 Given the matters highlighted in this report, it is essential that a further significant programme of savings and transformation will need to be implemented to underpin financial sustainability.

3. Economic Outlook

- 3.1 The Council currently uses Link as professional advisors to provide up-to-date forecasts on the outlook for inflation and interest rates. A summary of their latest advice is set out below.
- 3.2 On 9 May, the Bank of England's Monetary Policy Committee (MPC) kept rates on hold for the sixth time in a row but is now firmly in the camp of preparing the market for near-term interest rate cuts. Subsequently, the UK April inflation data shows CPI falling from 3.2% to 2.3%, but this was above the Bank of England and consensus view of 2.1%, with services and core inflation (excluding energy, food, alcohol and tobacco) remaining stuck at 5.9% and 3.9% respectively. However, despite these upside surprises, the CPI measure of inflation is likely to fall close to or below 2% when next reported on 19 June, and based on Capital Economic latest forecasts is likely to fall close to 1% within the next year.
- 3.3 Nonetheless, there remain several key factors that could act as a headwind to near-term rate cuts. The first of these is wage inflation. With average pay increasing at close to 6% year-on-year, the Bank of England will be keeping a close eye on upcoming wage and employment data. In particular, it will be looking for a loosening in the labour market arising from a reduction in the prevailing near 1 million job vacancies, an increase in unemployment (currently 4.3%), and government policies that do not significantly impact the current elevated level of migration (c700k per annum).
- 3.4 Closer to home, the change in government is not expected to have a significant impact on UK monetary policy. Both leading parties are aware of the public finance backdrop, and there is minimal leeway for further tax cuts or added spending without negatively impacting market sentiment. It may even be the case that the Bank of England will steer clear of an August rate cut – should that be supported by the inflation data – in favour of weighing up fiscal policy implications and market sentiment in the aftermath of the election.
- 3.5 There is increased uncertainty surrounding central gilt market forecasts, and the significant issuance that will be on-going from several of the major central banks, and therefore PWLB forecasts have marginally increased by c20 to 30 basis points. Medium to longer-dated PWLB rates will remain influenced not only by the outlook for inflation, but by the market's appetite for significant gilt issuance.
- 3.6 Long-term (beyond 10 years) forecast for Bank Rate remains at 3%. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context.

4. Local Government Settlement

- 4.1 The Council also uses professional advisors (LG Futures) to forecast projections of core income (CT, Business Rates and government grants) and their latest advice is as follows.
- 4.2 The medium-term resources projection uses assumptions based on past trends and the time restrictions for reform that the government will have between the General Election and the 2025/26 local government finance settlement.

- 4.3 It therefore assumes that the new government will have very little time to make significant adjustments, therefore roll over the existing funding mechanism to 2025/26, with changes not coming until 2026/27. For the vast majority of funding lines an assumption for inflation has been made based on historic changes. It is only for the Discharge Fund, that an assumption has been made that the funding stream will cease.
- 4.4 It is felt highly unlikely that funding will fall below the existing projection, given the use of minimum funding amounts in previous years and the proximity of the borough to its perceived minimum. This is mainly due to the further assumed delay to the Business Rates Retention reset, which in February was assumed to take place in 2025/26 has now been pushed back to 2026/27 in the forecasts and continues to adversely impact on the borough. However, there is a significant risk that the new government will not have sufficient time to address this in that year.
- 4.5 Table 3 below shows the latest projections for 2025/26 and the increase or decrease from the forecasts in the February 2024 budget report. It can be seen from the table that removing the business rates re-set from 2025/26 has resulted in a £7.2m decrease in business rates funding for the Council. This has been offset by the assumption that the £1.9m one-off funds for 2024/25 will continue to be paid (not without risk) in 2025/26.

Table 3 – Changes in Core Funding

	Budget 2025/26 (Feb 2024)	Revised Estimate (LG Futures)	(Increase)/ Decrease in Funding
	£m	£m	£m
Revenue Support Grant	(22.926)	(22.615)	0.311
NDR	(23.302)	(22.735)	0.567
NDR Top Up & S31 Grants	(62.421)	(55.202)	7.219
BRR Pooling	(1.000)	(1.200)	(0.200)
2023/24 Top Adjustment			0.000
Council Tax	(88.462)	(89.921)	(1.459)
(Surplus)/Deficit on Collection Fund			0.000
Market Sustainability & Fair Cost of Care Grant	(3.995)	(3.995)	0.000
Services Grant	(0.367)	(0.403)	(0.036)
Social Care Support Grant	(19.823)	(21.725)	(1.902)
New Homes Bonus		(2.039)	(2.039)
Total Core Funding	(222.296)	(219.835)	2.461

- 4.6 Revised income assumptions have also led to a slight increase in forecast council tax assumptions mainly around the council tax base.
- 4.7 Aside from any other ad hoc or specific grants the only other main source of funding for the Council is through Fees & Charges for services it provides. A high-level review of these were undertaken during 2023/24 which highlighted areas requiring

further in-depth work. This work is ongoing and any increases in fees & charges will be presented as savings proposals for 2025/26.

5. MTFS assumptions

- 5.1 The table below provides details of those assumptions and estimations that have been used in formulating the Council's budget for next year and the overarching MTFS and are broadly remain in line with those included in the February 2024 budget report.

Table 4 – Core Assumptions

Item	24/25	25/26	26/27	2027/28	Explanation
Expenditure					
Pay award	3.00%	3.00%	2.00%	2.00%	This reflects the net agreed average increase across all pay grades in 2023/24 with similar pressure on pay expected in future years. This allocation will be under review with further economic data being released over coming months
Employers National Insurance	13.80%	13.80%	13.80%	13.80%	Assumed will remain consistent with 2023/24
Employers Pension Contributions (payroll rate)	22.00%	22.00%	22.00%	22.00%	Assumed will remain consistent with 2023/24
Interest Cost	4.8%	4.5%	4.0%	4.0%	This reflects the current rates model for future Council borrowing
Funding					
Council Tax					
Council taxbase (after council tax reduction scheme)	84,096	89,921	96,110	102,626	
Increase in CT Base	3.0%	1.8%	1.8%	1.7%	
Budgeted collection rate (%)	97.5%	97.5%	97.5%	97.5%	
Band D (standard) (%)	2.99%	2.99%	2.99%	2.99%	
Band D (adult social care precept)%	2.00%	2.00%	2.00%	2.00%	
Council Tax Bad Debt Provision	5.00%	4.00%	4.00%	4.00%	Considered reasonable with the projected balance of arrears

- 5.2 The pay award for 2024/25 is expected to be higher than the 3% allowed for within the current approved budget. It is assumed the pay award pressure for 2024/25 will be funded from within existing budgets.
- 5.3 The 2025/26 pay award assumption in the February MTFP was 2%. Given the higher level of pay award now likely for 2024/25 it is now felt prudent to increase the assumption in 2025/26 from 2 to 3% which creates an additional budget requirement of £1.4m for 2025/26 (£0.02m of this arises from the higher award for 2024/25).

6. Savings & Growth

- 6.1 As highlighted above, the budget gap for 2025/26 now stands at £25.9m which, for clarity includes the cumulative impact of the £8.9m shortfall in savings for 2024/25 but which can be broken down as £15.6m for the Council's core pressure and £10.3m to address dividend income budget.
- 6.2 Strategic Directors have been working on developing new savings proposals to address the £8.9m gap for 2024/25 with the deadline for return of first round savings proposals being 30 June 2024. These are now being collated and will be scrutinised by the Financial Scrutiny Board (chaired by the Chief Executive) on 25 July 2024. A second round of savings proposals is built into the budget timetable as set out in section 10 below.
- 6.3 For the 2025/26 and 2026/27 years, growth was approved in both the February 2023 and 2024 budget reports. These items will be reviewed as part of the draft budget process and will ensure that the business case remains. Details of pre-agreed savings and growth proposals, together with information on revised inflation and demand factors referred to in this report, are set out in Appendix A.

6.4 Any new growth will only be considered on a robust business case basis as out in the budget strategy key principles below.

6.5 However, as highlighted in section 2 above, it is imperative that a significant programme of savings and transformation is implemented over the MTFs period in order to support the Council's ongoing financial sustainability.

7. Current year forecasts – 2024/25 as at Period 2

7.1 The forecast pressure as per period 2 is a break-even position. This is broken down as per table below:

Table 5 – Period 2 forecast summary

Service	Latest Budget £'000	Forecast £'000	Variance £'000
Directorates	189,550	193,550	4,000
Central Expenses	47,284	43,284	-4,000
IAS	-15,089	-15,089	0
Total General Fund	221,745	221,745	0

8. Reserves

8.1 The Council's opening General Fund reserves at 1 April 2024, after approved budget drawdowns and deduction of the 2023/24 overspend are set out below.

Table 6 – Reserves Summary at 1 April 2024

	Opening Balance £'m	Budgetted Drawdown 24- 25 £'m	Planned Drawdown 24- 25	Closing Balance After Reserve Adj's £'m
General Reserves	(14.40)			(14.40)
Budget Support Reserve	(15.40)	8.81		(6.59)
Sub total	(29.80)	8.81		(20.99)
Ring-fenced Reserves	(25.54)			(25.54)
PFI Reserves	(14.04)			(14.04)
Collection Fund Reserves	(6.70)			(6.70)
Levy Funding Reserve	(7.56)			(7.56)
Sub total	(53.84)			(53.84)
Non Ring-Fenced Reserves (Directorates)				
Corporate Reserves	(6.61)			(6.61)
People & Resilience	(0.35)			(0.35)
Legal, Governance & HR	(0.41)			(0.41)
Strategy	0.00			0.00
Inclusive Growth	(1.80)			(1.80)
Community Solutions	(2.40)			(2.40)
My Place	0.00			0.00
Non Ring-Fenced Reserves	(11.57)			(11.57)
IAS & Hotel Reserves	(33.96)		3.14	(30.82)
HRA Reserves	(37.41)			(37.41)
Schools Reserves	(21.47)			(21.47)
Capital Reserves	(106.23)			(106.23)
Total Reserves	(294.27)	8.81	3.14	(282.32)

- 8.2 It can be seen from the table above that at 1 April the General Fund balance has now reduced to £14.4m which is only £2.4m above the minimum balance of £12m required in the Council's Reserves Policy. After the planned use of £8.9m to set the 2024/25 budget, the Budget Support Reserve has now reduced to £6.59m.
- 8.3 Therefore, the combined total of available non-earmarked reserves available to accommodate budget overspends is now only £8.99m. Further work is being undertaken to more accurately quantify financial risk which may mean that small amounts may be able to be released from other earmarked reserves but unlikely to be significant.
- 8.4 As highlighted above, a comprehensive review of the IAS portfolio is being undertaken which will include the financial forecasting in order to quantify with more certainty what level of reserves should be maintained for the financial risks that the IAS is facing over the medium term. Once this work is completed, it may be possible to release some of these reserves, but the likelihood is low as a number of the IAS schemes under construction carry significant financial risk.
- 8.5 In conclusion, there are insufficient non-earmarked reserves that would be available to bridge the latest forecast gap for 2025/26 of £25.9m and any potential overspend this year and therefore, it will be crucial that significant savings are found through the budget setting process in order to set a balanced budget next year.

9. Budget Strategy – key principles

- 9.1 Given the scale of the budget gap for 2025/26 and beyond it is imperative that the Council adopts a strategic approach in setting its budgets. This will enable the Council to, not only set a balanced budget, but also to ensure that financial resources are allocated to underpin the achievement of the Corporate Plan objectives. It is also important that the Council seeks continual improvement in the use of public funds and the delivery of value-for-money.
- 9.2 This strategy will unpin the annual budget process and sets out the key principles to be adopted in setting the General Fund and HRA revenue and capital budgets for 2025/26. The strategy will be reviewed and updated annually to ensure its continued appropriateness and effectiveness.
- 9.3 It is anticipated that by adopting a strategic approach the following key objectives will be met:
- 1) Delivery of the B&D Corporate Plan objectives
 - 2) Appropriate resources set aside to deliver key strategies
 - 3) Resources are allocated to key priorities
 - 4) Opportunities for innovative and modern ways of working will be adopted as far as possible
 - 5) The Council delivers value-for-money for the local Council Tax payer in the delivery of its services
 - 6) Maximises outcomes for the Residents, visitors and citizens of the Borough

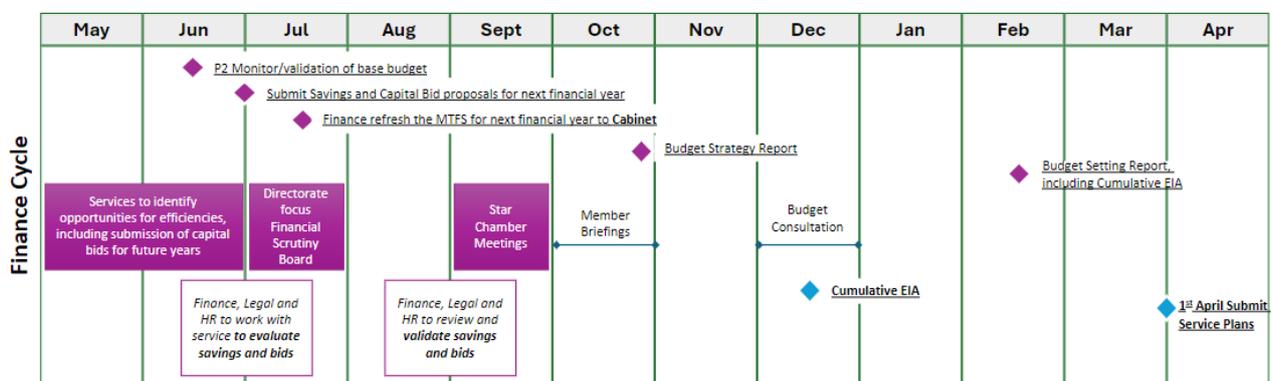
9.4 There are a number of key strategies which the Council is either developing or refreshing and these strategies will be essential to ensuring that the Council can achieve the outcomes above:

- Housing Strategy
- Economic & Regeneration Strategy
- Asset Management Strategy
- Procurement Strategy
- AI & Digital Strategy

9.5 Whilst there are overarching principles in setting the budget which are underpinned by statutory or other mandatory obligations, each local authority will also have other guiding principles which are appropriate to their individual local authority. For B&D proposed key principles are:

1. Appropriate investment is made available in transformation activity.
2. Invest-to-save initiatives underpinned by robust business cases.
3. Adequate investment in core infrastructure is maintained.
4. Modern and efficient Target operating models (ToMs).
5. Opportunities for AI & Digital solutions are maximised to reduce/eliminate non-value adding activity for staff and/or enhance outcomes for residents.
6. Cashable procurement savings are delivered.
7. The Council derives maximum benefits from the assets at its disposal.
8. Staffing structures are lean but skilled.
9. Whole Council approach to reduce demand for services.
10. Zero-based budgeting for key areas.
11. Greater use of VCS to achieve better outcomes for residents.
12. Specific savings targets (shared on appropriate methodology).
13. Growth only considered on evidence-based, business case basis.
14. Use of benchmarking tools is maximised to assess the Council cost and delivery performance.

10. Outline budget timetable for 2025/26



11. Financial Implications

Implications completed by: Jo Moore, Interim SD Resources

11.1 This report is written by the Councillor's S151 Officer and the financial implications are as set out in the main body of the report.

12. Legal Implications

Implications completed by: Dr Paul Feild, Senior Governance Solicitor

- 12.1 A local authority is required under the Local Government Finance Act 1992 to produce a 'balanced budget'. It must look and plan further and during any financial 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. Furthermore, the Council is subject to the Best Value duty under the Local Government Act 1999 to secure continuous improvement in an efficient, economic and effective way.
- 12.2 Section 25(1)(a) and (b) of the Local Government Act 2003 requires its Chief Finance Officer (Section 151 Officer) to report on the robustness of the estimates made for the purpose of calculating Council Tax, but more particular to the purposes of this report the adequacy of reserves hence the need for a Reserves Policy. When considering what level of general reserve to hold applicable legislation includes s.31A, 42 and 43 of the Local Government and Finance Act 1992.
- 12.3 If during the Strategy period there are reductions or changes in service provision as a result of changes in the financial position, the local authority is free to vary its policy and consequent service provision but at the same time must have regard to public law considerations in making any decision lawfully as any decision eventually taken is also subject to judicial review. Members would also wish in any event to ensure adherence as part of good governance. Specific legal advice may be required on the detailed implementation of any agreed savings options. Relevant legal considerations are identified below.
- 12.4 Whenever there are proposals for the curtailment or discontinuance of a service or services, there will be a need for appropriate consultation. In some cases, this will be prescribed by statute, or by common / case law. For example, if savings proposals will affect staffing then it will require consultation with unions and staff. In addition to that Members will need to be satisfied that Equality Impact Assessments have been carried out before the proposals are decided by Cabinet and proper consideration of human rights. If at any point resort to constricting expenditure is required, it is important that due regard is given to statutory duties and responsibilities. The Council must have regard to:
- any existing contractual obligations covering current service provision. Such contractual obligations where they exist must be fulfilled or varied with agreement of current providers;
 - any legitimate expectations that persons already receiving a service (due to be cut) may have to either continue to receive the service or to be consulted directly before the service is withdrawn;
 - any rights which statute may have conferred on individuals and as a result of which the Council may be bound to continue its provision. This could be where an assessment has been carried out for example for special educational needs statement of special educational needs in the education context);
 - the impact on different groups affected by any changes to service provision as informed by relevant equality impact assessments.

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

List of appendices:

- **Appendix A – Pre-Agreed Savings & Growth Proposals and Revised Inflation Factors**

APPENDIX A

PRE-AGREED SAVINGS PROPOSALS

Incremental Basis

*negative values (in brackets) are savings	*negative values (in brackets) are savings		2025/26 £k	2026/27 £k	2027/28 £k
TYPE	Service Area	Saving Proposal			
Savings	My Place	Review Depot Facilities Management Team	(9,677)		
Savings	People and Resilience	Increase Continuing Health Care contributions	(147,000)	(147,000)	
Savings	People and Resilience	CSC Care Leaver Housing	(35,000)		
Savings	People and Resilience	CSC Adolescent Support Pathway	(687,000)	(687,000)	
Savings	People and Resilience	CSC CARES academy	(80,000)		
Savings	Resources	Azure CSP	(67,318)		
Savings	Strategy	Income from commercial events	200,000		
savings	Core	Streamline IT Procurement	(50,000)		
Savings	My Place	Parking Services Income	(150,000)	(150,000)	
Savings	My Place	Property Management & Capital Delivery	(72,000)		
Total	Total		(1,097,995)	(984,000)	

PRE-AGREED GROWTH PROPOSALS

Incremental Basis

*negative values (in brackets) are savings	*negative values (in brackets) are savings		2025/26 £k	2026/27 £k	2027/28 £k
TYPE	Service Area	Saving Proposal			
Demand Pressure	Resources	MRP		400,000	
Demand	Strategy	Adjustment in provision for concessionary fares	1,031,000	956,000	
Invest to Save	People and Resilience	ASC Fews Lodge Extension to Kallar Lodge	(100,000)	(4,000)	
Service Redesign	People and Resilience	Early Help Investment reprofile (Reversal of pre-agreed growth)			
Service Redesign	<i>Inclusive Growth</i>	Leasure fee income reprofiled	1,182,572		
Contract Inflation	<i>Inclusive Growth</i>	Leasure fee income reprofiled	(620,000)		
Contract Inflation	PIR	Impact of Adult Social Care Charging Reforms (Legislative Change) -Fair Cost of Care and Cap on Care - Market Cost	1,500,000	100,000	
Contract Inflation	Central	ELWA		3,000,000	
Demand	Central	ELWA Levy	800,000	800,000	

Demand	Inclusive Growth	New Town Culture	7,000	1,000	
Demand	Inclusive Growth	New Town Culture		(33,000)	
Remove one off	Community Solutions	Youth Zone (3 year funding agreement).	(200,000)		
Service Redesign	Community Solutions	Revenue Officers	42,000		
Service Redesign	My Place - Waste & Recycling	New year on year pressure of £2,295k by 2025/26 to implement the National Waste Strategy, including weekly food collection, free Green Garden Waste and weekly recycling.	1,000,000		
Total	Total		4,642,572	5,220,000	

*negative values (in brackets) are savings	*negative values (in brackets) are savings		2025/26 £k	2026/27 £k	2027/28 £k
Revised Inflation and Demand					
TYPE	Service Area	Saving Proposal			
Pay Inflation	Central	Staff Pay Award and Capacity Building - 3%, 2%, 2%	3,900,000	2,700,000	2,750,000
Contract Inflation	Central	Non Staff Inflation	1,600,000	1,500,000	1,500,000
Demographic Provision	Central	Demand Led Pressures	4,600,000	4,800,000	5,000,000
Total	Total		10,099,999	9,000,000	9,250,000

CABINET**23 July 2024**

Title: Private Sector Housing Licensing Schemes 2024 - 2029	
Report of the Cabinet Member for Enforcement and Community Safety	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Julia Kanji, Head of Regulatory Services, and Felicia Johnston, PSH Licensing Renewal Project Manager	Contact Details: Phone: 07870 278053 E-mail: julia.kanji@lbbd.gov.uk
Accountable Director: Gary Jones, Operational Director, Enforcement and Regulatory Services	
Accountable Executive Team Director: Leona Menville, Strategic Director, My Place	
<p>Summary</p> <p>By Minute 54 (19 February 2014) and Minute 80 (22 January 2019), the Council adopted five-year Borough-wide Private Rented Property Licensing (PRPL) Schemes which focused on reducing antisocial behaviour in homes let to single households or two unrelated sharers, and an additional HMO licensing scheme aimed at improving the management of small HMOs not covered by the mandatory HMO scheme.</p> <p>In anticipation of the expiry of the latest scheme, discussions were held regarding new arrangements and it was agreed to consult in respect of two proposed discretionary property licensing schemes, informed by an evidence base and Government guidance.</p> <p>As a result of the consultation process, this report seeks Cabinet approval for a new selective property licensing scheme, subject to confirmation by the Secretary of State, and a new additional licensing scheme for small HMO's which does not require Secretary of State approval.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Note the Property Licensing Consultation 2024 Proposal and Evidence Report, the Property Licensing Consultation 2024 Outcome Report, the Proposed Council Response to Consultation Representations Report and the Supplementary Supporting Data for Final Proposals Report, as set out at Appendices 1, 2, 3 and 4 to the report; (ii) Agree the licensing designations and proposal for a five-year Borough-wide Selective Licensing scheme, as detailed in Appendix 5 to the report, and to submit the application to the Secretary of State for the Department of Levelling Up, Housing and Communities (DLUHC); 	

- (iii) Agree to introduce a five-year Additional Licensing of Houses in Multiple Occupation (HMO's) scheme across all wards;
- (iv) Agree that the Borough-wide Selective Licensing scheme shall be cited as the London Borough of Barking & Dagenham Designations for Areas for Selective Licensing 2024;
- (v) Agree that the Additional Licensing of HMO's Scheme shall be cited as the London Borough of Barking & Dagenham Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2024;
- (vi) Agree the licence fee structure as set out at Appendix 7 to the report and delegate authority to the Operational Director, Enforcement and Regulatory Services, in consultation with the Cabinet Member for Enforcement and Community Safety, to periodically review the fee structure and determine any change for the duration of the selective and additional HMO licensing schemes;
- (vii) Agree to the proposed licence conditions that would accompany any granted Selective Licence in Designations 1 – 3, as set out in Appendix 5 to the report.
- (viii) Agree to the proposed licence conditions that would accompany any granted Additional HMO Licence, as set out in Appendix 6 to the report; and
- (ix) Delegate authority to the Operational Director, Enforcement and Regulatory Services to:
 - a) agree the final application requesting confirmation of the selective licensing designation from DLUHC;
 - b) agree minor changes to the proposed implementation and delivery of the schemes, including their general administration and any changes to licence fees and conditions where necessary, in consultation with the Cabinet Member for Enforcement and Community Safety; and
 - c) ensure that all statutory notifications are carried out in the prescribed manner for the licensing designations.

Reason(s)

- Given its proven impact, property licensing is a crucial tool for supporting our broader efforts to elevate standards and the quality of management across the private rented sector (PRS), fulfilling our priority that residents live in good housing and avoid becoming homeless.
- Property licensing enables the Council to take a proactive approach by inspecting every property and reaching vulnerable residents who may not know how to get help. This supports the priority that residents are safe, protected, and supported at their most vulnerable, and the principal that we focus on prevention and early intervention.
- Property licensing is self-funding, with both application checks and enforcement costs covered by the licence fees, which are ring-fenced for this purpose. Barking & Dagenham is able hire more staff, inspect more properties and take more enforcement action than other boroughs due to the income generated from the fees across both Licensing schemes. This reflects the council's principle of providing value for money.

- Licensing aims to reduce factors that contribute to deprivation connected to the PRS such as poor thermal efficiency of homes, rogue landlords and agents who use unscrupulous practices, and illegal evictions and harassment. This supports the Council's priorities that residents are supported during the current Cost-of-Living Crisis.
- Licensing aims to improve the safety and desirability of our neighbourhoods by tackling ASB, eyesore gardens, and dumped waste connected to PRS homes which supports the priority that residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods.
- Licensing has improved property conditions across thousands of properties in the borough since the inception of the first scheme, supporting the priority that residents live healthier, happier, independent lives for longer.

1. Introduction and Background

- 1.1 The Private Rented Sector (PRS) is the fastest-growing tenure in Barking & Dagenham, crucially serving many of our residents' fundamental right to a place to call home. Fuelled partly by escalating house prices and an acute lack of social housing, the sector now accounts for 30.6% of households in the borough (22,669), compared to 17.7% in 2011 (12,328). This represents a staggering 83.9% increase in the number of PRS homes over the past 12 years, a trend that surpasses the national average. Many of our most vulnerable residents and families live within the sector, grappling with expensive rents and housing instability.
- 1.2 As the PRS continues to burgeon, so too do the needs of both landlords and tenants. The sector faces persistent challenges of deprivation, rising antisocial behaviour, and lingering concerns over housing conditions. These challenges are further exacerbated by the compounding pressures posed by the COVID-19 pandemic and the enduring cost-of-living crisis.
- 1.3 There are three types of rented property licensing schemes operating in England:
- Mandatory HMO licensing, which applies to properties with five or more people in two or more households sharing a property;
 - Additional HMO licensing, which is discretionary and applies to properties with 3 or 4 people in two or more households sharing a property; and
 - Selective licensing, which is discretionary and applies to single household properties.
- 1.4 Under the Housing Act 2004, a local authority can propose to designate a whole or part of its area to be subject to additional licensing and/or selective licensing.
- 1.5 Over the past decade, we have implemented a series of discretionary property licensing schemes for five-year terms to increase our regulation of the PRS, tackle the prevalence of these issues, and support the sector to thrive. These time-bound interventions have been run in conjunction with the national mandatory Houses in Multiple Occupation (HMO) licensing scheme for homes let to five or more unrelated sharers.
- 1.6 In September 2014, we adopted the first of two such schemes borough-wide: a selective licensing scheme focused on reducing antisocial behaviour in homes let to

single households or two unrelated sharers, and an additional HMO licensing scheme aimed at improving the management of small HMOs not covered by the mandatory HMO scheme. Both initiatives had positive outcomes, including a notable reduction in PRS-related antisocial behaviour, despite rates accelerating in other tenures. Additionally, they enhanced our intelligence on the PRS, enabling us to identify other problems necessitating intervention.

- 1.7 By the end of the schemes, addressing high levels of deprivation and supporting the surge in migration to the PRS emerged as our top priority areas of concern. A replacement borough-wide selective licensing scheme was introduced in September 2019 to help us address both issues. However, we did not renew the additional HMO licensing scheme.
- 1.8 Through our existing property licensing schemes, we have made significant strides in setting and enforcing standards, addressing poor management practices, and elevating the overall quality of privately rented homes. However, the sector faces persisting challenges.
- 1.9 Given the importance of the PRS in meeting the borough's housing needs, property licensing remains a crucial tool for supporting our broader efforts of safeguarding the health of our residents and ensuring they have the safe and decent homes they need to thrive.
- 1.10 In partnership with Our Insights and Innovation Hub, the Private Sector Housing team conducted a comprehensive and robust feasibility study to identify issues facing our local private rented sector and the evidence in support of a third round of property licensing schemes. Throughout the study, the team utilised council intelligence, stakeholder input, and national and regional data.
- 1.11 In response, and to equip us in supporting the sector to thrive over the next five years, we developed two proposed new licensing schemes:
 - A replacement selective licensing scheme to protect renters living in single-family homes. The current scheme concludes in August 2024.
 - A new additional HMO licensing scheme to protect renters living in small, shared homes (HMOs). Residents living in such homes are currently unprotected by our existing licensing schemes.
- 1.12 It was agreed in January 2024 to undertake a statutory public consultation on the proposed new schemes. The consultation ran from 16 February 2024 to 26 April 2024.
- 1.13 This report summarises the results and feedback of the public consultation and makes final recommendations to Cabinet concerning the implementation of the two proposed new schemes.

2. **Impact of current licensing schemes**

- 2.1 Our existing property licensing schemes have continued to have a positive impact in addressing critical issues within the borough's PRS over the past four years.

- 2.2 Since 1st September 2019 the Council has recorded the following private sector housing enforcement activities:
- 4,501 Housing Act Notices of Entry have been served on landlords.
 - 17,556 selective licences and 345 mandatory HMO licences have been issued.
 - 1,388 licences were issued for a reduced term.
 - 595 licences were revoked.
 - 64 prosecutions against criminal landlords.
 - We have dealt with over 7903 requests and contacts from private landlords/tenants.
 - Carried out 8,032 licence inspections.
 - Served 509 notices on landlords relating to property standards.
 - Imposed 203 Financial Penalty Notices on non-compliant landlords.
- 2.3 The scale of informal action to improve the 1 in 2 properties that have failed their initial inspection has been extensive.
- 2.4 We have also successfully digitalised the Private Rented Property Licensing service, significantly reducing out administrative staffing costs and expediting the time it takes to process an application.
- 2.5 In accordance with the Government's guidance for selective licensing of the PRS, we have closely monitored the performance of the selective licensing scheme and, following a series of mid-term review activities, made numerous improvement measures. These measures aimed to drive our primary objective of targeting the previously predicted 20% of non-compliant landlords and mitigate against the impact of the pandemic.
- 2.6 A large-scale analysis was undertaken in collaboration with the data insights hub to identify potentially unlicensed properties within the Borough. In total over 5000 properties were identified and an unlicensed project team was established to further investigate these suspected cases in 2022. The team, constituted of 5 officers, currently target up to 150 properties a month based on a risk assessment and the strength of available evidence. So far, they have generated £1.27m in income and licensed 430 properties.
- 2.7 We've also made qualitative improvements to our inspection procedures by training compliance officers on hazards to enable better detection and information recording. We are now able to monitor the prevalence of Category 1 and 2 hazards in the PRS and emerging trends relating to properties with common characteristics or poor landlord management.
- 2.8 Other improvements we've made include:
- The introduction of a quarterly landlord newsletter providing advice for over 10,000 subscribed landlords.
 - Partnering with The London Landlord Accreditation Scheme to deliver landlord accreditation training sessions. As a result, last quarter, we achieved the second largest increase in the number of accredited landlords in London and now have over 1600 LLAS accredited landlords.

- Hiring a tenancy sustainability officer to support private rented tenants with their rights and responsibilities and provide mediation services for tenancy disputes. Since the start of the year, there has been 165 cases reported to us so far in 2023. Of these, 73 are still open and 8 are waiting for court dates. Commons cases include rent arrears and tenant harassment by landlords.
- Securing funding from the Public Health team to support our work to tackle damp & mould and pests within the PRS.

3. Public Consultation Results

- 3.1 We undertook a ten-week public consultation to seek feedback on our proposals to introduce two new borough-wide discretionary licensing schemes. This included canvassing views on the proposed licence conditions, fees, and respondents' perceptions of borough issues.
- 3.2 The consultation period ran from 16 February 2024 to 26 April 2024. This was not just a statutory obligation but a crucial step in our decision-making process.
- 3.3 The principal method of consultation was an online survey hosted on our One Borough Voice engagement platform, which garnered 824 responses. Additionally, we provided alternative methods of participation, including written representations (via email or post) and a series of seven public meetings held both online and in person.
- 3.4 Views received through these channels were analysed alongside the qualitative feedback from the survey. Furthermore, we conducted six recorded stakeholder interviews with tenant and landlord representative bodies and an external agency partner.
- 3.5 To ensure broad engagement, we conducted an extensive promotional campaign both within and beyond the borough, targeting private tenants, landlords, residents, businesses, and partner organisations. Our marketing tactics included direct letters with translation blocks sent to 18,523 private rented homes, emails to over 10,000 existing licence holders, and push SMS messages via the Thames View GP system, reaching over 20,000 residents. Additionally, we hosted drop-in sessions at our community enforcement hubs and established a dedicated phone line and email address for public enquiries.
- 3.6 Respondents were also invited to sign up for future focus groups aimed at enhancing engagement with landlords and private tenants.
- 3.7 The key findings from the online survey are summarised by respondent type in the table below.

	Overall	Residents – Private tenants	Residents – Other tenures	Landlords, managing & letting agents	Organisations, businesses & other respondents
Agree with Selective Licensing in designation 1	32%	60%	56%	16%	50%
Disagree with Selective Licensing in designation 1	35%	10%	18%	47%	34%

Agree with Selective Licensing in designation 2	30%	56%	51%	17%	33%
Disagree with Selective Licensing in designation 2	31%	9%	17%	40%	33%
Agree with Selective Licensing in designation 3	28%	48%	47%	16%	40%
Disagree with Selective Licensing in designation 3	31%	9%	16%	41%	30%
Agree with the Additional HMO Licensing designation	45%	62%	64%	34%	70%
Disagree with the Additional HMO Licensing designation	25%	7%	18%	33%	23%
Agree with the proposed fee for Selective Licensing designations (percentage of 'about right' responses only)	15%	29%	24%	7%	38%
Disagree with the proposed fee for Selective Licensing designations (% of 'much too high' responses only)	54%	17%	27%	73%	28%
Agree with the proposed fee for Additional HMO Licensing designation (% of 'about right' responses only)	18%	31%	20%	12%	41%
Disagree with the proposed fee for Additional HMO Licensing designation (% of 'much too high' responses only)	39%	16%	26%	50%	24%
Agree with the proposed silver compliance award discount for both schemes	45%	43%	39%	48%	49%
Disagree with the proposed silver compliance award discount for both schemes	20%	12%	18%	24%	21%
Agree with the proposed gold compliance award discount for both schemes	44%	45%	40%	44%	46%
Disagree with the proposed gold compliance award discount for both schemes	21%	9%	18%	35%	21%
Agree that the proposed conditions for Selective Licensing designations 1-3 are reasonable	32%	55%	48%	20%	45%
Disagree that the proposed conditions for the Selective Licensing designations 1-3 are reasonable	40%	9%	22%	55%	24%
Agree that the proposed conditions for the Additional HMO Licensing designation are reasonable	30%	48%	51%	18%	46%
Disagree that the proposed conditions for the Additional HMO Licensing designation are reasonable	19%	8%	15%	24%	21%

3.8 The results of the public consultation revealed strong overall support for the proposed schemes from most stakeholder groups. However, it is notable that landlords and managing agents, who constituted 62% of respondents, overwhelmingly disagreed with the proposed new schemes. Full details of the consultation findings are set out in Appendix 2 and the proposed official response to representations is set out in Appendix 3.

Key changes emerging from the consultation:

- 3.9 Removal of 'poor property conditions' as a condition for introducing the new selective licensing scheme. There are many statutory conditions under which we can apply for new a scheme. Under our new multi-designation approach to Selective Licensing, 'poor property conditions' was employed as a criterion for two of our designations (1 and 2). Following a review of the feedback received as part of the consultation, we have decided to drop the 'poor property conditions criteria' for the following reasons:
- Whilst the recent inspection data used to evidence poor property conditions undoubtedly demonstrates poor levels of compliance, we are unable to easily analyse across the number of severe hazards that were detected as part of these inspections across the entirety of the scheme. This is due to the previous enforcement system having limited reporting capabilities. This means that we may potentially face push back from the DLUHC, should they adopt a rigid interpretation of the requirements to demonstrate poor property conditions criteria causing unnecessary delays to the scheme.
 - Dropping poor property conditions has no material impact on the proposed new schemes. This is because we are legally prohibited to enforce terms on landlord licences relating to this criterion. Instead, we must use our Part 1 enforcement powers for the housing act.
 - The key advantage of property licensing is PROACTIVE inspections allowing us to access properties to determine their safety without relying on tenants' complaining who are often scared of retaliation. As such, by virtue of running the scheme, fulfilling our commitment to inspect every property and offering our bold new compliance discount, we will still be significantly improving the conditions and standards of rental properties in the borough.
- 3.10 Refinements to the proposed new compliance award discounts and guidance. In response to feedback received from landlords and reduce the chances of appeals, we will be removing any current requirements that go beyond the current legal requirements for landlords. As mentioned above, we are legally prohibited from enforcing terms under the licensing relating to property conditions.

4. Options Appraisal

- 4.1 **Not having a selective or additional licensing scheme:** This would have a hugely detrimental effect to the progress that has been made in this sector. There would be much reduced staff numbers and they would be limited to only helping those tenants who approach with Council with a complaint. Having a borough wide scheme sends a clear message to landlords and tenants that the borough take deprivation, property conditions and ASB seriously.

The following other options have been considered, and it was felt that although some offer supporting tools, none come close to the advantages of large-scale licensing in terms of proactive inspections, seeking out unlicensed and sub-standard properties, and as a way to ensure the sector is well managed, tenants are protected, and that residents are not burdened with problems caused by absentee or irresponsible landlords.

- 4.2 **A reduced selective property licensing scheme without further government approval:** With Council approval this can apply to less than 20% of the borough which would only be a few of our 19 wards. This would leave approximately 80% of Barking and Dagenham's private renters without licensing protection and it would be unfair and unjust to the landlord community and would mean tenants across the borough are not all afforded the same protection. While the problems affecting the borough vary in severity from ward to ward, they are nonetheless borough-wide; and some, such as crime and anti-social behaviour, are more severe in every ward in the borough than they are either regionally or nationally.
- 4.3 **Discretionary Additional (HMO) licensing scheme only:** There are an estimated 320 additional HMOs across the borough, and although these often present the greatest risk factors, it is less than 2 percent of the sector. Our Borough Manifesto of 'No one Left Behind' means giving the same protection to all residents in the PRS, not just those in HMOs.
- 4.4 **Use of current Housing powers to regulate landlords:** The ability to deal with hazards is a complex, time-consuming process and the powers under Part 1 of the Housing Act 2004 Act alone would be insufficient to tackle the scale of the problems in the private rented sector or provide for the regulation of management arrangements. More importantly, the cases brought to the Council attention would only be those where the tenant has complained.
- 4.5 **Government planned reforms:** The government is proposing the creation of a national landlord register. The Government acknowledges in their guidance that selective licensing remains a valuable tool when used appropriately and combined with other measures as it enables local authorities to target the improvement of standards and safety in areas suffering from issues such as poor housing quality, high levels of deprivation and anti-social behaviour, and it has the ability to drive better outcomes for local residents, tenants and responsible landlords.
- 4.6 **Voluntary landlord accreditation to seek improvements in private rented management:** The Council has been encouraging accreditation courses, promoting it through the quarterly landlords' newsletter, and facilitating training sessions in the Town Hall several times a year. Currently it is estimated that fewer than 2% of Barking and Dagenham landlords are members of any scheme, and therefore although it is a valuable supporting tool, it is not a viable alternative.
- 4.7 **Use of current ASB powers and formal notices to remedy ASB:** The Council has powers to take action against a private tenant but without licensing there is no obligation on landlords to proactively manage their properties to prevent, reduce or stop ASB occurring.

5. Financial Implications

Implications completed by: Kenny Leshi, Finance Business Partner, and Michael Jarrett, Finance Manager

- 5.1 Cabinet is asked to agree the proposed licensing designations and five-year borough-wide schemes for Selective Licensing and Additional Licensing of houses in multiple occupation across all wards being cognisant of the LBBB's proposed licence fees and discounts.

- 5.2 Licensing income will be collected by the Council under a five-year scheme. In the tables below income and operating expenditure have been assessed based on evidence collected from running the programme over the past five years. Price and salary inflation have been added to the estimates to make the forecasts as robust as possible.

Selective Licensing Income and Expenditure

The schemes are self-funding where the total anticipated income over the five-year period of £15,864,900 (Appendix 7) is expected to fully recover the associated expenditure.

Additional Licensing Income and Expenditure

The estimated number of licence applications is 320. The total income anticipated over the five-year period is £444,400 and is expected to fully recover the associated expenditure.

Expenditure for application checks, inspections and enforcement costs, covered by ring-fenced licence fees has been detailed in a comprehensive financial model developed to assess the resourcing implications of the selective licensing and the additional licensing schemes over the five-year licensing period. The model tries to ensure that fees are set at the right level to be cost neutral. As mentioned above, the evidence for the model has been based on the existing schemes where many staff are already in post administering, processing, inspecting and enforcing the current scheme.

The proposed selective licence fee at £950, is £50 higher than the current charge. Discounts of £250 are offered to encourage licence holders to ensure their properties are compliant before the inspection and also to promote accreditation with a recognised body.

The proposed fee for an additional HMO licence is £1,400, and if a discount is applied it can be reduced to £1,150. This is in line with our licence fees for mandatory HMOs which are £1,500 for a 5-bedroom property, £1,600 for a 6-9 bedroom property, £1,700 for 10-14 bedroom property etc.

It is anticipated that discounts will drive positive change, favouring responsible landlords who are already providing good quality accommodation and serving as an incentive to improve property conditions and management. Properties at the discounted rate are less likely to incur service requests by tenants and therefore have a much-reduced likelihood of requiring enforcement action.

As with the existing scheme, a significant proportion of the income is generated in Year 1. The net position at the end of each financial year is held as a reserve and is set against expenditure throughout the five-year period. Any surplus unexpectedly generated by the schemes will be ring-fenced to furthering the schemes' objectives, or to reduce the cost of licensing in subsequent years. Licence fee income and expenditure will be reviewed throughout the scheme to ensure the model continues to be on track to be cost neutral by the end of year 5.

One of the key drivers of the financial model is the number of licences being issued, with the risk that estimated income may not be achieved. This can be affected by

external factors, such as inflation, a pandemic or other issues which adversely impact landlords' behaviour. The covid pandemic created difficulty for staff inspecting properties, which in turn, resulted in backlogs and delays in the final part of licence fees being received. These factors can be mitigated by amending the projected income at different stages or through adjusting staffing and operational costs over the five-year period.

Civil financial penalties notices can be issued under Section 249A of The Housing and Planning Act 2016 for breaches of licence conditions or for failure to licence a property. The income from civil penalty notices and Rent Repayment Orders are not included in the modelling as it cannot be accurately predicted but during the year April 2023 to March 2024, penalty notices totalling £437,000 were issued. Income from these sources will be recycled towards enforcement activities.

6. Legal Implications

Implications completed by: Adam Rulewski, Principal Housing Prosecution and Civil Advocate

- 6.1 This report seeks Members approval to introduce a new Additional HMO Licensing and Selective Licensing Scheme as set out in the body of this report. Under the Housing Act 2004 (the 2004 Act) a Local Authority has the power to designate the whole or parts of its area as being subject to Selective licensing and / or Additional Licensing for Houses in Multiple Occupation.

Additional HMO licensing

- 6.2 Under section 56 of the Housing Act 2004, the Council may designate an area as subject to additional HMO licensing if it is satisfied that a significant proportion of the HMOs that it proposes to make subject to licensing are being managed sufficiently ineffectively as to give rise, or be likely to give rise, to one or more particular problems either for those occupying the HMOs or members of the public. Before making the designation, however, the Council must:
- a. consider whether there are any other courses of action available to it (of whatever nature) that might provide an effective method of dealing with the problem or problems in question (section 57),
 - b. consider that making the designation will significantly assist the Council to deal with the problem or problems, whether or not it takes any other course of action as well (section 57),
 - c. ensure that any exercise of its power is consistent with its overall housing strategy (section 57),
 - d. seek to adopt a co-ordinated approach in connection with dealing with homelessness, empty properties and anti-social behaviour affecting the PRS, both as regards combining licensing with (i) other courses of action available to the Council and (ii) measures taken by other persons (section 57),
 - e. take reasonable steps to consult persons who are likely to be affected by the designation (section 56), and
 - f. consider any representations made in accordance with the consultation and not withdrawn (section 56).

- 6.3 Under section 58 of the 2004 Act an additional licensing designation cannot come into force unless either (a) it has been confirmed by the Secretary of State or (b) it falls within a description of designations in relation to which the Secretary of State has given a general approval. By the Housing Act 2004: Licensing of HMOs and selective licensing of other residential accommodation (England) General Approval 2015 (the “General Approval”), the Secretary of State has given general approval to all proposed additional HMO licensing designations in respect of which the local authority has consulted those likely to be affected for at least ten weeks (which is the case here). Under Section 58 of the 2004 Act, if by operation of the General Approval, a designation does not require ministerial confirmation, it will come into force on the date specified in the designation, however that date must not be earlier than three months after the date in which the designation is made. Under Section 60 of the 2004 Act the designation may last up to four years.
- 6.4 Under section 63 of the 2004 Act of The Council may specify the requirements in accordance with which a licence application must be made, including a requirement that the application be accompanied by a fee. That fee may include a contribution to costs incurred by the Council in carrying out its functions (a) under Part 2 of the 2004 Act, and (b) under Chapter 1 of Part 4 (i.e., management orders) in relation to HMOs, in so far as the costs are not recoverable under Chapter 1 of Part 4. Under Section 60 of the 2004 Act the Council is required to publish notice of the designation, once made, in accordance with section 59 of the 2004 Act and secondary legislation, and to review the operation of the designation periodically.

Selective licensing

- 6.5 Under Part 3 of the 2004 Act, the Council may designate an area as subject to selective licensing if it is satisfied, broadly (see section 80 and the Selective Licensing of Houses (Additional Conditions) (England) Order 2015 for detail) that either –
- a. the area is or is likely to become an area of low housing demand, and the designation will contribute to the improvement of the social or economic conditions in the area, or
 - b. the area is experiencing a significant and persistent problem caused by antisocial behaviour that some or all PRS landlords are failing to combat, which the designation will either reduce or eliminate, or
 - c. the area contains a high proportion of properties in the PRS relative to the total housing stock, which are occupied under assured tenancies or licences, and either –
 - i. following a review of its housing stock, the Council considers that it would be appropriate to inspect a significant number of the properties to determine whether category 1 or 2 hazards exist, and intends to do so, and considers that the designation will contribute to an improvement in general housing conditions in the area, or
 - ii. the area is experiencing or has recently experienced an influx of migrants, who occupy a significant number of the PRS properties in the area, and the designation will contribute to the preservation or improvement of social or economic conditions and to ensuring that the above properties are properly managed, or
 - iii. the area is suffering from a high level of deprivation affecting a significant number of occupants in the PRS, and the designation will contribute to a reduction in the level of deprivation, or

- iv. the area suffers from high levels of crime affecting those living in the PRS, or its businesses, and the designation will contribute to a reduction in crime levels.

6.6 Before making the designation, however, the Council must:

- a. consider whether there are any other courses of action available to it (of whatever nature) that might provide an effective method of dealing with the problem or problems in question (section 81),
- b. consider that making the designation will significantly assist the Council to deal with the problem or problems, whether or not it takes any other course of action as well (section 81),
- c. ensure that any exercise of its power is consistent with its overall housing strategy (section 81),
- d. seek to adopt a co-ordinated approach in connection with dealing with homelessness, empty properties and anti-social behaviour affecting the PRS, 37 both as regards combining licensing with (i) other courses of action available to the Council and (ii) measures taken by other persons (section 81),
- e. take reasonable steps to consult persons who are likely to be affected by the designation (section 80), and
- f. consider any representations made in accordance with the consultation and not withdrawn (section 80).

6.7 Under section 82 of the Act a selective licensing designation cannot come into force unless either (a) it has been confirmed by the Secretary of State or (b) it falls within a description of designations in relation to which the Secretary of State has given a general approval. By the Housing Act 2004: Licensing of HMOs and selective licensing of other residential accommodation (England) General Approval 2015 (the "General Approval"), the Secretary of State has only given general approval to proposed selective licensing designations (a) which do not cover more than 20 percent of a local authority's geographical area, or affect more than 20 percent of its privately rented stock, and (b) in respect of which the local authority has consulted those likely to be affected for at least ten weeks. In this instance the Council's selective licensing proposal covers more than 20 percent of their privately rented stock therefore the proposal will be submitted to the Secretary of State for confirmation.

6.8 Since the designation requires ministerial confirmation, under Section 82 of the Act it will come into force on a date specified by the Secretary of State, but that date must not be earlier than three months after the date on which the designation is confirmed. Under Section 84 of the 2004 Act the designation may last up to five years.

6.9 Under Section 84 of the 2004 Act the Council is required to publish notice of the designation, once made, in accordance with section 83 of the 2004 Act and secondary legislation, and to review the operation of the designation periodically. Under section 85 of the 2004 Act, once the designation is in force, any house in the designated area that is occupied under one or more non-exempt tenancies or licences will require a licence under Part 3 of the 2004 Act unless (a) it is a house to which Part 2 applies, i.e. an HMO falling within a mandatory or additional licensing description, or (b) a temporary exemption notice or (c) a management order is in force in relation to it.

- 6.10 The 2004 Act contains a suite of provisions enabling the effective enforcement of the designation and individual licences. By section 95 of the 2004 Act, it is an offence, generally, (a) to manage or have control of a licensable Part 3 house without a licence, or (b) to breach a licence condition. By section 72 of the 2004 Act it is an offence, generally, (a) to manage or have control of a licensable HMO without a licence, (b) to knowingly cause a licensed HMO to become overcrowded, or (c) to breach a licence condition. The offences are punishable on summary conviction by an unlimited fine, or by the Council imposing a financial penalty of up to £30,000 for each offence (section 249A The Housing and Planning Act 2016). The 2004 Act and the Housing and Planning Act 2016 contain a further range of provisions designed to disrupt the 38-business model of rogue landlords, including rent repayment orders and banning orders.
- 6.11 Under Section 80 (9) of the Act the Council must take reasonable steps to consult with persons likely to be affected by the proposed designations such as local residents, businesses, landlords, tenants, and managing agents within the proposed and surrounding area and consider any representations made in response. This has taken place as set out in paragraph 2.2. Members must consider the consultation feedback under Appendix 2 and the Council's response to the representations made as set out in Appendix 3 before a decision is made. In line with the case of R v London Borough of Brent ex parte Gunning, four principles must be met in order for there to be a legitimate consultation (The Gunning Principles). Members must be satisfied these have been followed. These are: i) the proposals were consulted on at a formative stage (a final decision has not been made or predetermined), ii) sufficient information and reasons have been given for the proposals to enable the consultees to consider them and respond intelligently, iii) adequate time has been allowed for consideration and response for participants, iv) 'conscientious consideration' has been given to the consultation responses before a final decision is made, providing evidence this has been undertaken.
- 6.12 If both of the designations are implemented, they may, in principle, be challenged by way of judicial review. The Council would need to consider alternative options in the event of a successful challenge. The time limit for issuing a claim for judicial review is three months from the date of the designation. If the new designations are not in force by the expiry of those currently in existence, the Council runs the risk of the designations being unenforceable for a period of time.
- 6.13 As set out in section 5 above, the Council proposes to assess the licence fees as part of the review of the designations. If there is justification for a potential change in fees for example new information comes to light which justifies an increase to maintain cost neutral schemes, the Council would in principle be able to make that change but, depending on the extent of the change, might need to undertake a further public consultation in compliance with The Gunning Principles. The Council will consider the need for any such change and for any consultation at the material time.
- 6.14 Regulation 4 (1) of The Rent Repayment Orders and Financial Penalties (Amounts Recovered) (England) Regulations 2017 states a local housing authority may apply any financial penalty recovered under section 249A of the 2004 Act to meet the costs and expenses (whether administrative or legal) incurred in, or associated with, carrying out any of its enforcement functions in relation to the private rented sector.

This may have an impact on the assessment of the level of fees as set out in paragraph 5 above.

7. Other Implications

- 7.1 Risk Management** - There are a number of potential risks associated with the proposed large-scale additional HMO and selective licensing scheme, and the application to the Secretary of State for confirmation of the large-scale selective licensing scheme.

The selective licensing scheme requires that the Council submit an application to the Secretary of State at DLUHC and there is a risk that this could be rejected. For example, this could happen if the Secretary of State is not satisfied that the statutory criteria are met. Given the evidence supporting the designations and the Council's history of success with past designations, this risk is considered to be low. If the Council's application were to be rejected, however, the Council would need to prepare an alternative application, undertake further public consultation and agree it at Cabinet. This would take several months and require additional officer capacity. In the meantime, if the selective scheme is rejected by DLUHC, the financial implications would mean that staffing levels would have to be reduced, and the only proactive inspections would be for mandatory HMOs.

DLUHC have also advised that they currently take 14 weeks to make their decision on applications for selective licensing schemes. The scheme may not be approved by the time the current scheme ends, and following the decision there is a 3-month period following confirmation, before the designation can come into force. Therefore, there will not be a smooth transition from the current scheme, so to mitigate this risk the application needs to be made immediately. In the months between schemes staff will focus on processing and inspection additional HMOs.

Although the additional HMO licensing scheme does not require confirmation by the Secretary of State, it is still open to a potential legal challenge, which presents a risk. Again, given the evidence supporting the designations, this risk is considered low, but exists, nonetheless.

As noted in section 5 above, the licence fees pay for the Council's costs of licence administration and licensing enforcement activities in the private rented sector. If the Council fails to secure the new schemes, the private sector housing service budget will be significantly reduced. None of the expected income to fund the administer and enforce both schemes, would be received. This in turn will restrict the Council's ability to proactively inspect properties, and will reduce significantly the capacity to meet the objectives of the licensing schemes and the manifesto priorities.

- 7.2 Contractual Issues** - Metastreet which is the software package used for the processing of licences. This system is used for the mandatory HMO licensing scheme and the cost would not reduce if the selective or additional schemes were not approved.

- 7.3 Staffing Issues** - The team comprises of licensing processing officers, compliance inspectors, housing enforcement officers, a tenancy sustainment officer, and unlicensed property investigating officers. If approved, the licensing schemes will

also fund Anti-social behaviour officer posts, and there will be a recruitment drive for more compliance inspectors and enforcement officers. The staffing structure will be reviewed to ensure it is sufficiently resourced and prepared for successful delivery for the schemes and associated objectives, and that it continues to be on track to be cost neutral by the end of year 5.

- 7.4 **Corporate Policy and Equality Impact** - Renewing the borough-wide PRPL scheme directly supports the delivery of Corporate Plan priority 7: 'Residents live in good housing and avoid becoming homeless'. Agreeing this report is a step to being able to continue to raise quality and standards in the private rented housing sector and helps the Council to take enforcement action on housing and anti-social behaviour issues.

A full Equalities Impact Assessment (EQIA) is attached at **Appendix 11**. This has found that the introduction of new additional HMO and selective licensing schemes would have a positive or neutral impact on all protected characteristics. These groups are also often vulnerable in the housing sector and would benefit from the additional protection from exploitation, which is conferred by the licensing schemes. In particular, the fact that the schemes allow the Council to take a proactive approach may benefit groups that would be less likely to approach the Council, Police or other agencies.

- 7.5 **Safeguarding Adults and Children** - The Barking and Dagenham Safeguarding Children Partnership Neglect Strategy has the aim of reducing the impact of neglect on children, young people, families and vulnerable adults in Barking and Dagenham. A key principle is that neglect will be recognised as early as possible, so it can be responded to consistently and robustly. The Private Sector Housing Team are trained to recognise safeguarding concerns as well as detrimental and dangerous housing conditions. The existence of the licencing schemes means that every rented property in the Borough will be visited by officers who have been trained to recognise the signs and risk factors for the early signs of neglect such as school non-attendance, changes in financial circumstances and hidden members of households and families can be supported by early interventions.

An inspection of each licenced premise will identify at an early stage, premises where there are hazards present that would particularly impact vulnerable tenants such as a lack of window restrictors, damp and mould, inadequate fire separation or means of escape.

The licencing schemes enhance the role of the tenancy sustainment officer function. This is important to reduce inequalities and to help the most vulnerable adults and families to maintain their tenancies. This includes both disabled and older tenants who require adaptations made to their properties. We work with landlords by offering advice, signposting to disability services, encouraging permission for adaptations and discouraging evictions.

- 7.6 **Health Issues** - Improving the management and condition of housing accommodation is a key feature in the overall health and well-being of residents in the borough. A focus on addressing non-compliant landlords who provide inadequate accommodation is a key feature in the introduction of any new scheme. The Council's Health and Wellbeing strategy sets out a renewed vision for improving health and wellbeing of residents and communities and reducing

inequalities by 2028. One of the key priorities and methods to achieve this is to address poor housing. The introduction of a new scheme would be instrumental in improving overall health for residents in the PRS. The scheme is designed to reduce the number of service requests received by the reactive Housing Enforcement team. Without the requirement for early compliance visits to rented premises it is likely that we would miss the opportunity to address detrimental housing conditions at an early stage before they have had an irreversible impact on the health of tenants.

7.7 Crime and Disorder Issues - The Council's policy is to tackle Anti-Social Behaviour (ASB) through a triple-track approach of early intervention and prevention, non-negotiable support, and strong enforcement action when necessary. The Private Sector Housing selective licencing scheme has a series of conditions designed to prevent ASB that landlords need to comply with. Landlords are required to actively work to prevent and stop ASB, whether that is from tenants or visitors. Where the ASB team identify serious issues or where landlords have ignored ASB or failed to act, the Private Sector Housing Team will revoke the property licence. The threat of revoking a property licence usually results in the landlord evicting tenants who persistently cause ASB. If they refuse to do so, and the licence is revoked, a new licence holder would have to be appointed to apply for a new licence and take over all management of the property. The Metropolitan Police may also investigate reports of ASB across all tenures, particularly when there is an allegation that a crime has been committed. The Council will work in partnership with the Metropolitan Police to investigate and tackle ASB in our communities.

There will be collaboration across services to tackle HMOs operating without planning permission and properties where work has been carried out that fails to meet the Building Regulations. This will help to tackle 'beds in sheds' and unauthorised or substandard subdivisions where unsuitable properties are used for residential use.

There will be collaboration with Trading Standards colleagues to ensure letting agents are a member of a government approved redress scheme and client money protection scheme, and that they are legally compliant regarding the advertisement and nature of fees that they charge.

The Council may refuse or revoke a licence if the proposed licence holder is not a fit and proper person to be the licence holder or manager of the property, or if the management arrangements or financial arrangements are unsatisfactory. In deciding whether someone is a fit and proper person, the Council will have regard to whether they have committed any offence involving fraud or other dishonesty, or violence or drugs or sexual offences, or if there have been discriminatory practices, or any enforcement action taken against them under the Housing Act by other local authorities.

Public Background Papers Used in the Preparation of the Report:

- [The Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation \(England\) General Approval 2015 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/424242/2015-06-16-PRS-licencing-consultation-response.pdf)

- [Selective licensing in the private rented sector: a guide for local authorities - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

List of appendices:

- Appendix 1: Property Licensing Consultation 2024 Proposal & Evidence Report
- Appendix 2: Property Licensing Consultation 2024 Outcome Report
- Appendix 3: Proposed Council Response to Consultation Representations
- Appendix 4: Supplementary Supporting Data for Final Proposals
- Appendix 5: Selective Property Licence Conditions Designations 1-3 (final proposal)
- Appendix 6: Additional HMO Property Licence Conditions (final proposal)
- Appendix 7: Statement of Fees, Charges and Discounts (final proposal)
- Appendix 8: Compliance Award Guidance (final proposal)
- Appendix 9: Draft LBBB Public Notice: Selective Licensing Designations 1-3
- Appendix 10: Draft LBBB Public Notice: Additional HMO Licensing Designation
- Appendix 11: Updated Equality Impact Assessment
- Appendix 12: Interim Private Sector Housing Strategic Statement

Have your say & help improve private rented homes

Property Licensing Consultation:
Evidence Report

February 2024



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FOREWORD

We firmly believe that every resident in the London Borough of Barking and Dagenham deserves a safe and decent home. Our commitment extends to eradicating rough sleeping and supporting those experiencing homelessness. In our pursuit to improve the rented sector and create a community that benefits everyone, property licensing is a powerful tool at our disposal.

We will use our influence to stand up for private renters and all others in our communities to ensure that everyone can access decent, safe, and affordable homes. The shortage of affordable housing continues to be a real concern for residents, as the nationwide housing crisis is being acutely felt across London. We know that this means far too many residents accessing the private rented sector fall victim to rogue landlords. At a time when the demand for low-cost accommodation is high, it falls to the local authority to work with landlords to ensure that the accommodation is safe, not overcrowded, and that it does not impact negatively upon the health and wellbeing of those who live in it. The accommodation should also not have an adverse impact upon the neighbourhood in which it is located, through unsightly visual impact caused by poor management, or the anti-social behaviour of those living in or visiting the accommodation.

Through active engagement with landlords, our proposed new licensing schemes strive to create a rented sector that meets the needs of our community and is a fair and thriving rental market that enhances the well-being of our borough's residents.



A handwritten signature in black ink, appearing to be 'S. Ghani'.

Councillor Syed Ghani

Cabinet Member for Enforcement & Community Safety

ABOUT THIS CONSULTATION

What is the aim of this consultation?

We are consulting on the future of property licensing in Barking and Dagenham and a range of supporting initiatives. Through the proposals in this consultation, we aim to help set standards, tackle poor management, and improve the quality of private rented homes.

Where will these proposals apply to?

The proposals outlined in this paper will apply to the London Borough of Barking & Dagenham only.

Who do we want to hear from?

We want to hear from anyone interested in private renting in Barking & Dagenham, based either in the borough or the surrounding areas. This includes, but is not limited to:

- Tenants
- Landlords
- Managing agents
- Residents
- Business owners
- Community organisations

Your views and experiences will help us make sure every renter can take pride in their home.

How long will this consultation last for?

This consultation was issued on Friday 16 February 2024 and will run for **ten weeks**. **Please share your views by Friday 26 April 2024.**

How to share your views?

Primary response method: To help us analyse the responses, please share your views using our One Borough One Voice digital platform wherever possible.

Visit our consultation webpage to take part:

<https://oneboroughvoice.lbbd.gov.uk/property-licensing-2024>

Other ways to respond: If you are unable to use the online questionnaire, for example, because you use specialist accessibility software that is not compatible with the system, you may request and complete a Microsoft Word document version of the survey.

By email: prplconsultation@lbbd.gov.uk

Or in writing to:

Property Licensing Consultation 2024
London Borough of Barking & Dagenham
Barking Town Hall
1 Town Square
IG11 7LU

Enquires

If you have any questions about this consultation, please get in touch with us by phone at **020 8724 8898** or by email at prplconsultation@lbbd.gov.uk.

You can also contact us if you have any translation or accessibility requests.

EXECUTIVE SUMMARY

The private rented sector (PRS) in Barking & Dagenham has rapidly grown by over a third since 2011, becoming a long-term housing solution for many of our most deprived and vulnerable residents. Expensive rents, insecure short-term tenancies, and poor conditions are acute problems in the PRS. Fuelled by escalating house prices and limited social housing, this tenure now accounts for 30% of properties in this borough. Alongside this growth, we have seen poor management, substandard conditions, and incidents of harassment and evictions in the PRS.

Our Corporate Plan prioritises raising standards in the PRS, and we are determined to do everything we can so all residents of Barking & Dagenham, regardless of tenure, live in good housing and avoid becoming homeless.

Over the past decade, we have implemented a series of discretionary property licensing schemes for 5-year terms to increase our regulation of the PRS. The current borough-wide selective licensing scheme comes to an end on 31st August 2024. These time-bound interventions have been run in conjunction with the national mandatory Houses in Multiple Occupation (HMO) licensing scheme for homes let to 5 or more unrelated sharers.

To build on the successes of our current licensing schemes, the council is consulting on proposals to designate the borough, or a large part of it, to a new 'selective' licensing scheme for single-household private rented properties, and a boroughwide 'additional' HMO licensing scheme to ensure safety standards for tenants living in small houses in multiple occupation (HMO's) for a further period of up to five years.

The evidence presented in this document highlights the scale of problems relating to the private rented sector in this borough. It explains how a new selective licensing scheme and additional HMO licensing scheme would see resources used to improve these problems.

We have looked thoroughly and objectively and believe that there is sufficient evidence to make this proposal. We have produced the results of our detailed analysis which are contained in this report, and we are committed to listening carefully to the results of the consultation before making any decision about how to proceed.

If the Council's Cabinet decide, as a result of the evidence and the consultation responses, that a new selective licensing scheme would be desirable, an application would then be made to the Department for Levelling Up, Housing and Communities (DLUHC). The UK Government would then either support or refuse an application, based on all the evidence presented. If supported, it is proposed that the selective licensing scheme would come into effect in early 2025. If Cabinet decide, as a result of the evidence and the consultation responses, that an additional HMO licensing scheme would be desirable, it can be implemented without DLUHC approval and may come into effect in late Summer 2024.

The current selective licensing scheme has been successful in that it has given the council a stronger ability to tackle poor property conditions, non-compliant landlords, and poor management. Licensing provides clear guidance for landlords on the expected standards for property conditions and management. It has also

provided a much better understanding of the borough’s growing private rented sector and enabled us to carry out proactive inspections of thousands of privately rented properties every year.

Whilst not completely eradicating the issue, selective licensing provides greater protection to tenants from one of the biggest causes of eviction. Landlords cannot use Section 21 of the Housing Act 1988, a so-called “no-fault eviction notice”, to evict tenants from a property that is subject to licensing but has not been licensed.

However, there remains a concerning number of properties that are sub-standard and dangerous so there is still much scope for improvement. Even well-meaning landlords may not always be up to date with the latest legal and safety requirements, and new landlords enter the market not knowing their responsibilities. These properties not only endanger the health, safety, and wellbeing of tenants, but cause issues with neighbours and end up requiring many interventions from already stretched council teams.

The council proposes that property licensing is the most effective means of regulating and improving the condition, management, and occupation of privately rented properties. We invite your views that large-scale property licensing will help us build on the success of the current scheme in addressing poor housing conditions and a range of other issues associated with private rented housing.

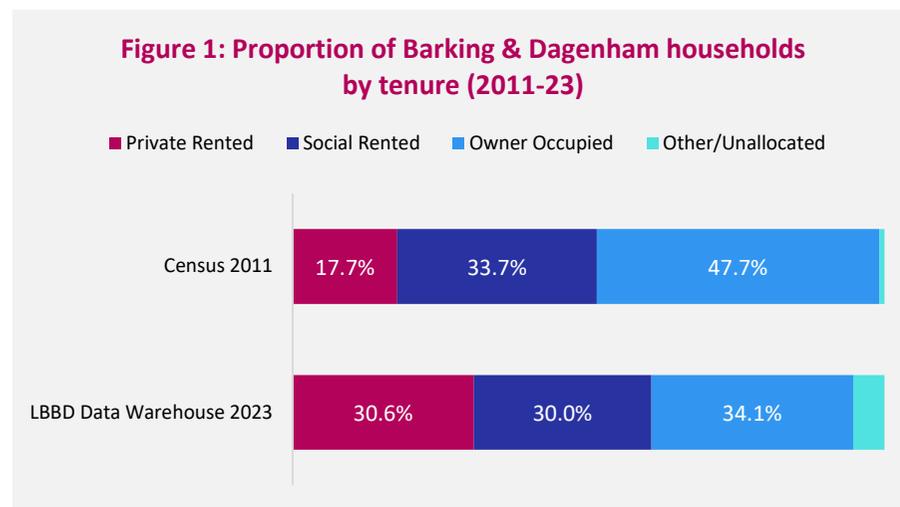
Our questionnaire seeks your opinion about these proposals, our objectives, our proposed licence conditions, our proposed licencing fees, and the alternatives that you think we should consider. Whether you are a private tenant, landlord, managing or letting agent, local resident, or business, we want to hear your views on the councils’ proposals for private property licensing in Barking & Dagenham.

THE PRIVATE RENTED SECTOR IN BARKING AND DAGENHAM

How many residents rent privately?

The Private Rented Sector (PRS) is the fastest-growing tenure in Barking & Dagenham, crucially serving many of our residents’ fundamental right to a place to call home.

The PRS now accounts for 30.6% of households in the borough, compared to 17.7% in 2011. This represents a staggering 83.9% increase in the number of PRS homes over the past 12 years; higher than the trend observed nationally.



There is a total of 74,019 households in Barking & Dagenham, of which 22,669 are privately rented.

Table 1: Number of dwellings by tenure (2011-23)

Tenure	Census 2011	LBBDD 2023
Private rented	12328	22669
Social rented	23459	22218
Owner occupied	33230	25207
Lives rent free	664	No data held
Unallocated	0	3925
Total households	69681	74019

Note: Dwellings without an allocated tenure in the LBBDD Data Warehouse are most likely owner occupied or rent free

The changing role of the PRS

Alongside this growth, the role of the PRS in Barking & Dagenham has changed significantly, fuelled by the needs of its increasingly diverse renters. The typical profile of a private tenant is no longer the student or young person who values the sector’s flexibility and short-term tenancy conditions¹.

¹ [London Assembly | At Home With Renting | 2016](#)

Since the millennium, house prices in Barking & Dagenham have risen faster than wages. This has led to a sharp drop in affordability. Full-time workers in the borough can now expect to spend around 10.9 times their annual earnings when buying a home².

At the same time, demand for social housing continues to exceed supply. Barking & Dagenham are proudly delivering one of the country's most ambitious housing programmes. Our development partner, Be First, is the

Table 2: Demographic profile of Barking & Dagenham's private renters based on Census 2021 primary respondent's characteristics

62.3% of private renters are experiencing deprivation.

Nearly half of private renters are aged 35 to 49 years.

1 in 10 private renters are disabled under the Equality Act 2010.

59.8% of private renters have dependent children.

84.1% of private renters are from an ethnic minority background.

1 in 10 private renters felt they could not speak English well.

largest council home builder in London. While each new home is helping to close the gap, 4,337 people remain on our housing register³.

With no other options, the PRS has become a long-term housing solution for many residents. There are more families and vulnerable and deprived residents privately renting than ever before. 62.3% of private renters in the borough are experiencing deprivation; the 3rd-highest proportion in London and the 14th-highest proportion of all English & Welsh local authorities.

A rise in 'accidental' landlords and a landscape of mixed compliance

Over the past decade, the profile of a private landlord has evolved. Most notably, there has been an increase in inexperienced or 'accidental' landlords entering the sector. The 2021 English Private Landlord Survey found that 43% of landlords had first become landlords 'accidentally'. 35% originally bought their property to live in themselves, and 8% had either inherited or received it as a gift⁴.

The legal requirements for letting out a property can be complex and hard to understand for many landlords. This learning curve is often steeper for inexperienced and 'accidental' landlords operating without a managing agent. Currently, 45% of private rented homes registered in the borough are let directly by a landlord.

² [ONS | Housing affordability in England and Wales 2022 | 2023](#)

³ [DLUHC | Live tables on rents, lettings and tenancies | 2024](#)

⁴ [DLUHC | English Private Landlord Survey 2021: main report | 2022](#)

Only 30% of landlords nationally are likely to comply with both the legislation and good practice indicators for letting their properties. Most landlords (59%) report either mixed compliance with legislation and good practice indicators (24%) or compliance with most legislation with limited compliance of good practice indicators (35%)⁵.

Mounting housing insecurity amidst the cost-of-living crisis

The ongoing cost of living crisis is putting many residents under increased financial pressure and, with it, at greater risk of losing their homes. Food and energy prices, particularly gas, have risen markedly since 2022, partly in response to the conflict in Ukraine. This situation has been further exacerbated by the global recovery from the Coronavirus (COVID-19) pandemic.

At the peak of the crisis, in the year to October 2022, prices of consumer goods and services rose by 9.6%— the fastest rate in four decades⁶.

Nearly half of children in the borough (42.1%) were in poverty after housing costs in 2021/22. This was the 4th-highest rate in London and the 13th-highest in England and Wales⁷.

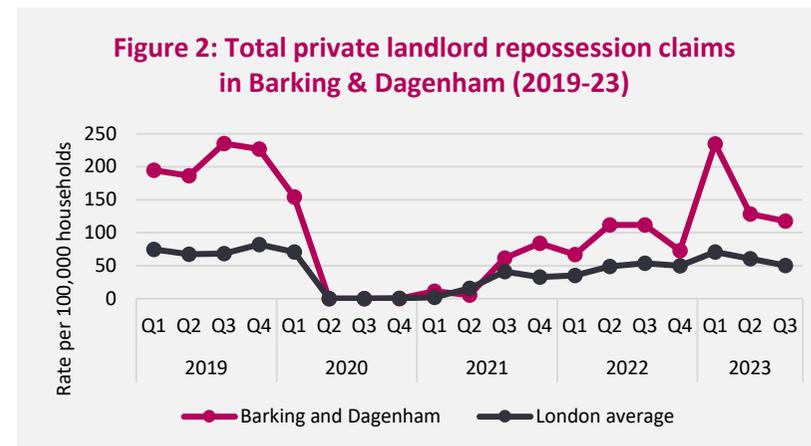
Our residents privately renting face added precarity, as they are more likely to have an insecure, short-term tenancy.

We experience one of the country's highest rates of private landlord possession action. Between July and September 2023, there were 117.4

⁵ [DLUHC | A fairer private rented sector | 2022](#)

⁶ [ONS | Cost of living latest insights | 2024](#)

repossession claims per 100,000 households owned by a private landlord. This was the 7th highest rate nationally and 3rd highest in London⁸.



Record-breaking mortgage interest rates

Landlords also face increased financial pressures as inflation and record-breaking mortgage interest rates squeeze profit margins. The Bank Rate, the single most important interest rate in the UK, is currently at 5.25%, its highest level in 15 years⁹.

⁷ [End Child Poverty | Child poverty in your area | 2022](#)

⁸ [Ministry of Justice | Mortgage and Landlord Possession Statistics | 2021](#)

⁹ [Bank of England | Interest rates and Bank Rate | 2024](#)

Most landlords with mortgages have interest-only mortgages and are, therefore, very exposed to changes in interest rates¹⁰. Landlords with low rental incomes feel the most substantial impact because there is less headroom between operating costs and income.

Our role in supporting the PRS to thrive

Local councils are responsible for enforcing relevant regulations and working with their local PRS; usually to intervene in poor conditions, poor management, or unlawful evictions. We also have a duty to prevent and relieve homelessness, including by helping families to sustain their tenancies or access new properties¹¹.

Working closely with our delivery partners, we take a broad, cross-cutting approach to raising standards across the PRS using a mixture of formal and informal measures and the enforcement tools available to us under various legislation.

¹⁰ [Trust for London | Supply of Private Rented Sector Accommodation in London | 2023](#)

¹¹ [DLUHC | Local authority enforcement in the private rented sector: headline report | 2022](#)

WHAT IS PROPERTY LICENSING?

What is property licensing?

Property licensing allows the council to improve the condition and management of privately rented properties. This helps to make renting in the private rented sector safer and fairer for tenants.

There are three types of property licensing schemes operating in England:

Mandatory HMO licensing

Mandatory licensing of certain larger Houses in Multiple Occupation (HMOs) came into force on 1 April 2006 under Part II of the Housing Act 2004. The licensing scheme applies throughout England and Wales. The definition of an HMO is contained in section 254 of the act.

Mandatory licensing applies to an HMO that:

- is three or more storeys high;
- contains five or more people in two or more households; and
- contains shared facilities such as a kitchen, bathroom, or toilet.

There are statutory exemptions in Schedule 14 to the act and in the Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006. Notable exemptions include properties controlled by certain public sector bodies, those occupied by religious communities, and owner-occupied properties with no more than two lodgers. Each local authority has responsibility for administering and enforcing the mandatory HMO licensing scheme.

Additional HMO licensing

Part II of the Housing Act 2004 gives councils the power to implement an additional licensing scheme for HMOs that fall outside the mandatory HMO licensing scheme. It is subject to the same exemptions as above. An additional licensing scheme can only be introduced if a council is satisfied that a significant proportion of the HMOs are being poorly managed and are giving rise, or likely to give rise, to problems affecting the occupiers or members of the public.

A scheme can apply to all or part of a borough and can relate to all HMOs or be restricted to certain types, such as smaller ones prevalent in a given area.

Selective licensing

Part III of the Housing Act 2004 gives councils the power to implement a selective licensing scheme for properties within a defined geographical area. The Selective Licensing of Houses (Additional Conditions) (England) Order 2015 states that councils can implement a scheme to address problems stemming from a high proportion of private properties, alongside one of the following criteria: poor property conditions; large amounts of inward migration; a high level of deprivation; or high levels of crime.

Local authorities are required to obtain confirmation from the Secretary of State for any selective licensing scheme which would cover more than 20% of the total geographic area of the authority, or would affect more than 20% of privately rented homes in the local authority area.

There are statutory exemptions in the Selective Licensing of Houses (Specified Exemptions) (England) Order 2006, such as properties controlled by certain public sector bodies, holiday homes, and occupants living with resident landlords where the accommodation is shared.

Benefits of licensing scheme to residents, tenants, and landlords

- The ability to refuse a licence where the landlord has a criminal conviction or is otherwise found not to be fit and proper.
- Provides a level playing field for all landlords/licence holders in the borough running legitimate businesses.
- Protection for private tenants to ensure that they have proper tenancies with legal tenancy agreements.
- Reduces the high level of “churn” that can be the result of illegal tenancy arrangements.
- Assists to provide oversight and proper regulation for the significant amount of taxpayer’s funded private rented accommodation.
- Protects vulnerable households, including those from ethnically diverse communities, who are disproportionately represented in the private rented sector.
- The ability to ensure rented homes are safe by requiring current gas and electrical safety certificates as a licence condition.
- A requirement that a landlord/licence holder provides 24/7 contact details to ensure consistent property management to assist both tenants and the Council to solve problems such as emergency rehousing after fires or floods.
- Provide specific powers to control overcrowding in all licenced rented homes.
- Tackles anti-social behaviour by imposing a requirement on the property licence for landlords/licence holders to investigate problems in their

properties, such as noise nuisance and bad behaviour, instead of leaving it solely for the Council to resolve.

- Provides a whole toolbox of enforcement powers for the Private Sector Housing Enforcement Team to use to tackle rented housing conditions, including Financial Penalty Notices and prosecutions.
- Imposes specific obligations on the property licence requiring landlords/licence holders to prevent fly tipping and illegal dumping.
- Enables the Council to contact all licence holders with offers of training and other support services.
- The licensing framework, with its penalties and obligations, largely prevents criminal landlords from operating on any scale.
- Has a positive impact in addressing critical issues within the borough's private rented sector. For example, the information gathered through licensing helps inform joint operations with the Police and other agencies to crack down on crime – helping to mitigate deprivation in the borough.

PROPERTY LICENSING IN BARKING AND DAGENHAM

In September 2014, we adopted two discretionary property licensing schemes which ran for 5 years; a selective licensing scheme focused on reducing ASB in homes let to single households or two unrelated sharers, and an additional HMO licensing scheme aimed at improving the management of small HMOs not covered by the mandatory Houses in Multiple Occupation (HMO) licensing scheme.

By the end of the schemes in August 2019, addressing high levels of deprivation and supporting the surge in migration to the PRS emerged as our top priority areas of concern. A replacement borough-wide selective licensing scheme was introduced in September 2019 to help us address both issues.

We are currently carrying out around 160 licence inspections a month, inspecting each property within 2-4 weeks of a complete application being received. We would not be aware of these properties without a licensing scheme unless the tenants contacted us with a complaint. The inspections enable us to carry out a proactive visit, and enable us to check every gas safety certificate, electrical installation condition report, and energy performance certificate for each privately rented property. Over the many years of landlord licensing, we have learnt a considerable amount about private renting in Barking and Dagenham. We know that many landlords are not property professionals and need information, guidance, and support if they are to look after their tenants and manage their properties effectively without having a negative impact on neighbourhoods.

Utilising the data from our Licensing Statutory Register, we have introduced a digital newsletter to update licensed landlords with information on legal issues and property management, as well as our partnership with the London Landlord Accreditation Scheme who hold regular training in the Town Hall, and our promotion of bodies such as the National Residential Landlords Association.

We have also been trying to provide more support and assistance for the increasing number of private tenants. We have employed a tenancy sustainment officer for their expertise in supporting and assisting private tenants suffering harassment and illegal evictions. We have investigated or provided advice regarding 591 cases relating to alleged harassment or illegal eviction in the last two years.

We work hard to prevent homelessness and illegal evictions, as well as providing mediation for landlords and tenants. However, we have found that approximately 80% of the complaints we receive from tenants about illegal eviction are in unlicensed properties. Tenants of unlicensed properties have not been afforded the same level of protection as the tenants of landlords who have complied with the requirement to licence their properties. Had a licence been applied for, it would have set out conditions to ensure there is adequate management of the property.

An unlicensed project team was established to further investigate these suspected cases in 2022. As a result of that team, 496 landlords have applied for a licence and we have inspected each property. The team have also issued 46 Civil Penalty Notices.

We also work closely with our Trading Standards colleagues to ensure that Barking and Dagenham Residential Letting Agents are operating fairly

regarding tenancy deposits and other consumer rights issues. This will benefit both private tenants looking for a home and landlords using agents to manage their properties.

The scale of properties that fail to meet housing standards on our first inspection has been extensive. We have continued to invest in robust enforcement against those landlords who fail to licence, rent out sub-standard properties and put tenants' safety at risk, cause anti-social behaviour, or profit from overcrowding.

Since 1st September 2019 the Council has recorded the following private sector housing enforcement activities:

- 4,501 Housing Act Notices of Entry have been served on landlords.
- 17,556 selective licences and 345 mandatory HMO licences have been issued.
- 1,388 licences were issued for a reduced term.
- 595 licences were revoked.
- 64 prosecutions against criminal landlords.
- We have dealt with over 7903 requests and contacts from private landlords/tenants.
- Carried out 8,032 licence inspections.
- Served 509 notices on landlords relating to property standards.
- Imposed 203 Financial Penalty Notices on non-compliant landlords.

Case Study 1: Using Selective Property Licensing Powers to Deal with a Rogue Landlord Demonstrating Unscrupulous Practices Found by Our Tenancy Sustainment Officer

Context

Legally, landlords are obliged to have sufficient management arrangements in place including protecting deposits and having a tenancy agreement in place.

Summary

Our Tenancy Sustainment Officer was contacted by two tenants who had received a Notice for Possession in four weeks. The tenants did not have a written tenancy agreement, but they had occupied the property and been paying rent for two years giving them rights to reside there. They were advised by the Council that as the property was unlicensed, the notice for possession served under Section 21 of the Housing Act 1988 wasn't valid. The landlord attempted to change the locks on the property to prevent them gaining access to their home, but our officer intervened to ensure they were provided the new keys and could re-enter the property. One tenant left a few days later, but the other remained, and again the landlord changed the locks, and again our officer intervened.

The landlord was sent a letter advising them to make a licence application, which was duly made. A full inspection was carried out to ensure the property was safe. The landlord is now aware of the legal process to gain possession, and that if they collect rent that is a tenancy agreement. Without this service, an illegal eviction would have taken place, and the tenants would have been without a home and unable to collect their possessions.

How licensing helped?

Requiring the landlord to apply for a property licence enabled us to enter the property for a full compliance inspection to ensure that it was safe. The licence sets out the *conditions to ensure there is adequate management and that the landlord is fit and proper*. In this instance, we issued a reduced term licence of one year due to our management concerns, but it has enabled us to have contact details, tenancy agreements, safety documents, evidence of deposit protection, evidence of tenancy management, etc. making the expectations we have of a landlord clear.

THE CASE FOR MORE PROPERTY LICENSING IN BARKING & DAGENHAM

Requirements for New Schemes

A data-driven approach

Our property licensing schemes have had a tremendous impact on improving the quality and health of many residents' lives by helping us ensure their homes are safe and decent. However, amidst the ongoing recovery from the COVID-19 pandemic, housing and cost of living crises, our local private rental sector faces numerous social and economic pressures. High levels of deprivation persist, anti-social behaviour is on the rise, and mounting concerns remain about property conditions and the management of smaller shared homes. There is a clear need for further action.

To maintain the progress in raising standards within the PRS, we must adequately equip ourselves to continue to address existing and emerging challenges. Implementing a third-round of discretionary property licensing schemes will be crucial to our mission to make sure every resident has a home they can take pride in. These schemes offer the unique benefit of proactive interventions and enable us to enhance engagement with landlords.

Our Insights and Innovation Hub has conducted a comprehensive and robust feasibility study utilising council intelligence, stakeholder input, and national and regional data. This study has informed the development of our proposed replacement selective licensing scheme and new additional (HMO) licensing scheme. In this chapter, we will outline our findings.

Government criteria

Selective Licensing

Under Part 3 of the 2004 Housing Act, a local authority can designate the whole or any part of its area as subject to Selective Licensing, per Section 80 of the 2004 Housing Act under The Selective Licensing of Houses (Additional Conditions) (England) Order 2015.

Selective licensing can be deployed as an additional tool to help tackle a range of social and physical factors affecting a local area linked to the PRS. All factors can be used as grounds for making a designation.

The Government has set clear criteria for satisfying each condition, as the table below summarises.

Social or physical factor/condition	Specific Criteria	High Proportion of PRS properties.
Low housing demand	High turnover of residential premises; high number of long-term unoccupied residential premises available to buy or rent; and a lower-than-expected value of residential premises in the area.	No
Significant and persistent anti-social behaviour	Significant number of one or more ASB incidents linked to the PRS AND a significant number of multiple ASB incidents linked to the PRS.	No
Poor housing conditions	Significant number of properties suspected to contain category 1 or 2 hazards in comparison to national average.	Yes
High levels of migration	Population increases of 10% or more over a 5-year period.	Yes
High levels of deprivation	High levels of deprivation in comparison to national (preferred) or regional averages.	Yes
High levels of crime	Significant rise in crime over the previous 12 months linked to high levels of PRS AND higher than local authority or national average.	Yes

Some conditions also require evidence that the proposed area to be covered by a designation has a high proportion of privately rented

properties above the national average. A selective licensing scheme can be formed of multiple designations targeting different conditions. The positive impact of each designation on addressing its grounding conditions must be demonstrated.

Additional HMO Licensing

Under Part 2 of the Housing Act 2004, a local authority can designate a whole or part of its area to be subject to Additional (HMO) Licensing, applicable to smaller HMOs housing 3 or 4 people.

Additional (HMO) licensing can be introduced when it is believed that a significant number of smaller HMOs in the proposed area are being poorly managed, leading to issues for residents. The rationale behind such concerns must be substantiated with evidence.

Evidence for Selective Licensing

A High Proportion of Private Rented Properties

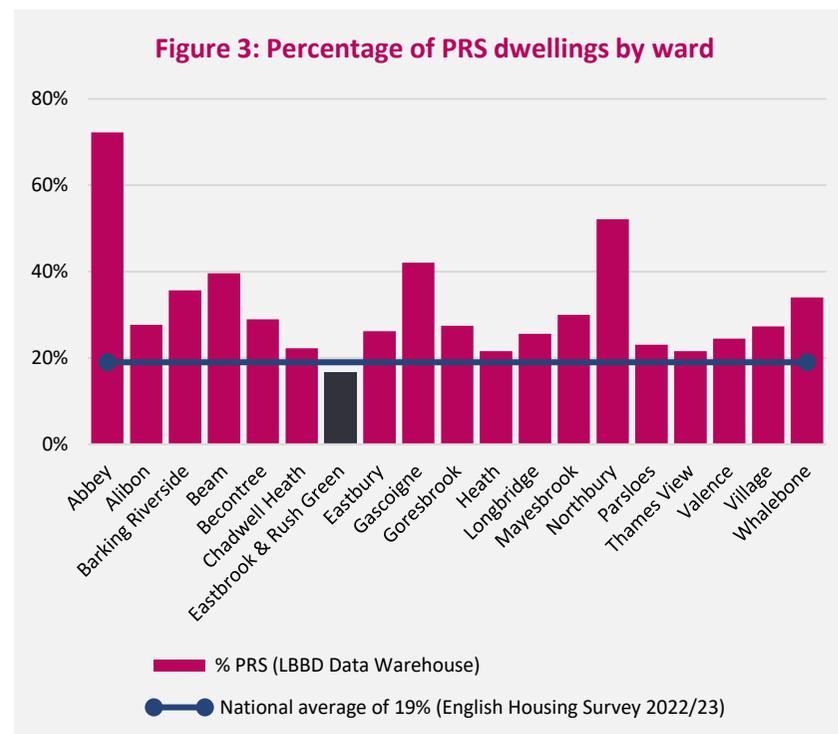
The local PRS is spread across all the borough's 19 wards. The percentage of PRS properties in each ward ranges between 72.3% in Abbey and 16.6% in Eastbrook & Rush Green.

Nationally, the PRS currently makes up 19% of the total housing stock in England¹². If the proportion of PRS stock in an area is above this figure, it can be considered to have a high proportion of privately rented properties. 18 out of 19 wards in Barking and Dagenham have a higher percentage of PRS dwellings than the national average.

The usual form of tenancy for private renters is an Assured Shorthold Tenancy (AST).

Since introducing our existing borough-wide Selective licensing scheme, the makeup of the borough's electoral wards has changed significantly. The Local Government Boundary Commission for England recently reviewed our electoral and boundary arrangements to ensure they were fair.¹³ As a result, ward boundaries were redrawn, and the total number of wards in the borough increased from 17 to 19. This was effective from the May 2022 local elections.

One of the new wards to emerge from these changes was Eastbrook & Rush Green. It is now the first ward in the borough to have a lower proportion of PRS properties than the national average in 5 years.



¹² [DLUHC | English Housing Survey 2022 to 2023: headline report | 2023](#)

¹³ [LGBCE | Barking and Dagenham | 2021](#)

Poor Property Conditions

Prevalence of hazards

As part of our feasibility study, we reviewed our compliance inspection data to determine whether a significant number of homes in the PRS were in poor condition and adversely affecting residents' health and safety.

Between 2021 and 2023, over 6,500 inspections of privately rented homes were carried out across the borough to assess the management and safety of the premises. Upon completion, inspections were graded on a pass-or-fail basis per the criteria outlined below:

- Satisfactory (Pass): No hazards present
- Unsatisfactory (Fail): Presence of one or more Category 1 or Category 2 hazards as defined by the Housing Health and Safety Rating System.

Over half (57%) of properties inspected contained one or more Category 1 or 2 hazards. This was more than double the national average for non-decent private rented homes, which is currently 21%.

Licensing inspections have given us a great insight into property conditions in the PRS across the borough. The evidence reliably shows an exceptionally high failure rate, and therefore to ensure tenant safety, we believe it is crucial for us to seek to inspect all licensable PRS properties.



Other contributing factors

Damp homes

Condensation and damp in homes can lead to mould growth, which seriously threatens health. Black mould produces spores to reproduce and grow. Inhaling or touching mould spores can cause an allergic reaction, developing or worsening asthma, respiratory infections, coughs, wheezing, and shortness of breath. Left untreated, the effects of black mould can even be deadly. The tragic death of two-year-old Awaab Iwshak, who died in 2020 due to prolonged exposure to mould in his home, is a stark and sombre reminder of this threat.

Damp problems are more prevalent in the PRS. According to the English Housing Survey, 9% of private renters had a problem with damp in 2022, compared to 5% of social renters and just 2% of owner occupiers.

Locally, analysis of recent inspection data found that 18% of privately rented homes inspected in 2023 suffered from damp & mould, ranging from minor to severe. This is double the national average.

Energy efficiency

The English Housing Survey says there is a “strong relationship between the energy efficiency of the home and its overall housing quality”¹⁴.

An EPC rating is an assessment of a property’s energy efficiency. It is primarily used by buyers or renters of residential properties to assess the energy costs associated with heating a house or flat. The rating is from A to G. A indicates a highly efficient property; G indicates low efficiency.

An energy efficient property is less likely to be affected by condensation, one cause of damp and mould, provided it is adequately ventilated. A recent government survey on ‘thermal comfort, ventilation, and damp and mould’ found that households with an EPC E rating (36%) and F or G rating (40%) were more likely to report damp and/or mould problems compared with those in the A, B, and C bands (21%)¹⁵.

The statistical evidence also shows that there is a continuous relationship between indoor temperature and vulnerability to cold-related deaths¹⁶. The colder the dwelling, the greater the risk. The percentage rise in deaths in winter is greater in dwellings with low energy efficiency ratings.

¹⁴ [DLUHC | English Housing Survey 2021 to 2022: housing quality and condition | 2023](#)

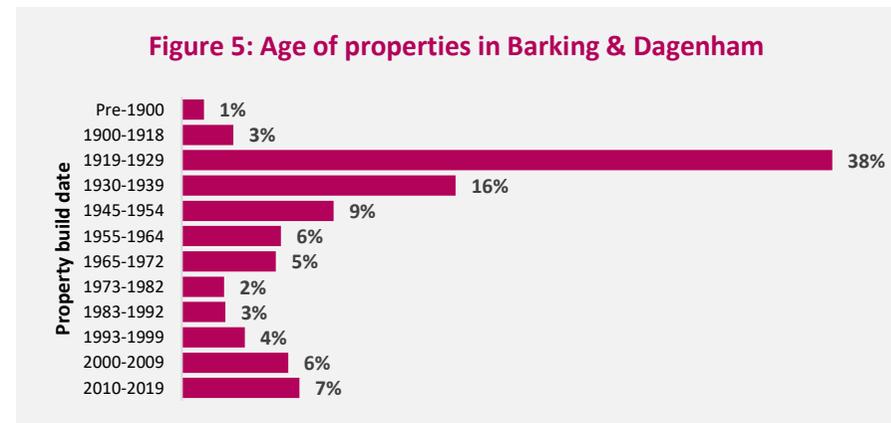
¹⁵ [DBEIS | Energy Follow Up Survey | 2021](#)

Currently in Barking & Dagenham, 44% of the PRS homes have a D or worse rating, which means these properties are at higher risk of experiencing condensation and excess cold.

Age of properties

More than half (58%) of properties in the borough were built before the 2nd world war. Older homes are more likely to have damp or an excess cold hazard.¹⁵

[OBJ]



Child poverty

¹⁶ [Office of the Deputy Prime Minister | Housing Health and Safety Rating System | 2006](#)

Households on low incomes are also more likely to live in homes with damp. 7% of households classified as in poverty were living with damp, compared with 3.5% of households not in poverty¹⁷.

Nearly half of children in the borough (42.1%) were in poverty after housing costs in 2021/22. This was the 4th highest rate in London and the 13th highest in England and Wales.

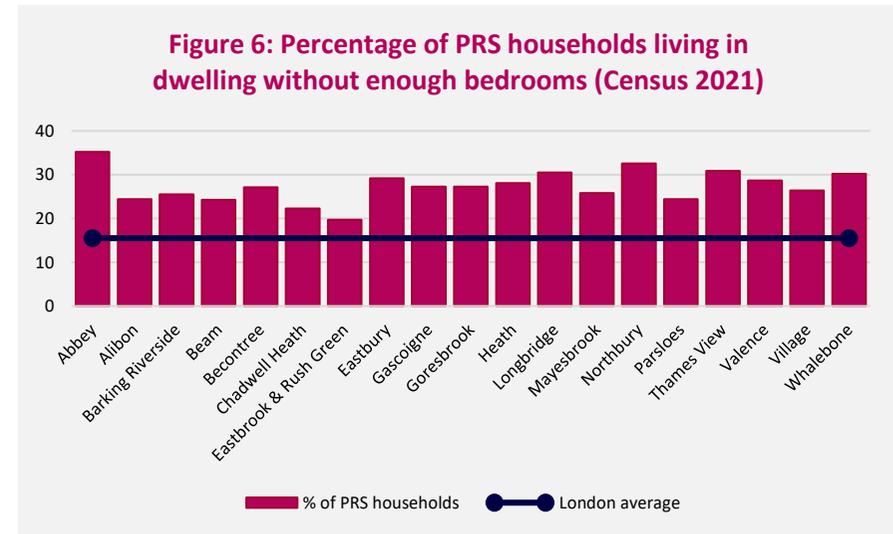
Overcrowding

On Census Day, 27.6% of Barking & Dagenham households living in a private sector dwelling did not have enough bedrooms. This was the highest proportion of overcrowded PRS households in England & Wales.

Overcrowding exacerbates hazards such as damp and mould due to the increased laundry and cooking activities required to cater to more people in a confined space. Insulation and ventilation cannot generally cope with the extra demand. The Housing Health and Safety Rating System states that ‘crowded’ conditions can result in a moisture burden above that which the dwelling is designed to safely deal with, and this can be a cause of condensation and high humidities, giving rise to associated health risks¹⁸.

Evidence indicates that poor housing and overcrowding negatively affect physical and mental health, and can also have a major impact on educational achievement¹⁹. For example, children’s education may be affected by overcrowding directly, through a lack of space for homework, as well as indirectly because of school absences caused by illness.

Every Barking & Dagenham ward has a higher proportion of private rented sector households living in a dwelling without enough bedrooms compared to the average London ward.



¹⁷ [House of Commons | Health inequalities: Cold or damp homes | 2023](#)

¹⁸ [Housing Health and Safety Rating System | 2006](#)

¹⁹ [Shelter | Chance of a lifetime | 2006](#)

How can licensing help to deal with poor property conditions in impacted neighbourhoods?

Summary of impacted wards:

Our feasibility study concluded that 18 of 19 wards currently meet the requirements for enacting poor property conditions as a ground for designating them to be subject to Selective Licensing:

Alibon, Abbey, Barking Riverside, Beam, Becontree, Chadwell Heath, Eastbury, Gascoigne, Goresbrook, Heath, Longbridge Mayesbrook, Northbury, Parsloes, Thames View, Valence, Village, and Whalebone.

These wards have a high proportion of PRS homes occupied under assured tenancies and a suspected high level of Category 1 and 2 hazards.

What can be done?

The worryingly high inspection failure rates for non-HMO PRS homes across the borough indicate that many PRS homes are experiencing disrepair and require intervention to protect residents' health and wellbeing.

Selective licensing will allow us to conduct the vital exercise of proactively inspecting every PRS home in the impacted areas to accurately identify the type and severity of Category 1 or 2 hazards present. We will require landlords to resolve any issues identified during an inspection within a reasonable period, as per their severity.

Where necessary, we will take enforcement action under Part 1 of the Housing Act 2004 to improve the condition of these homes. Such

measures can include Improvement Notices, Overcrowding Notices, and Prohibition Orders. We will charge the landlord if a formal notice is issued.

Prospective licence holders will be issued a short guide to ensuring their rental property passes the inspection criteria upon submission of a licence application. This guide will act as a helpful prompt to identify any existing disrepair within the property, remind landlords of their statutory duties, and address them.

We will set licence conditions to ensure the continued adequate management of licensed privately rented homes and compliance with statutory standards to prevent deterioration. For example, licence holders must conduct 6-monthly inspections of the rented home to identify any problems relating to its condition and management and take prompt action to investigate complaints relating to disrepair or pest infestation.

Licence conditions will support our efforts to prevent overcrowding by setting occupancy permissions for all licensed PRS homes; one of the key problems facing the local PRS.

Tenants and residents will be encouraged to report any suspected breaches of a property's licence conditions to trigger an investigation and possible re-inspection by the Private Sector Housing team. There will also be a single point of contact for professionals to notify us of any concerns for tenants' health related to unsafe living conditions and share appropriate information.

We will continue to take a rigorous, data-driven approach to identifying and pursuing unlicensed premises. Landlords who fail to licence their properties could receive a civil penalty or be prosecuted. We will also continue to work with the local Police, the London Fire Brigade, the Home

Office, and other council departments to identify properties that need improvement and unlicensed premises.

We firmly believe that prevention is better than cure. We will continue to leverage licensing to further our engagement with landlords in helping them understand their duties and strengthen their property management skills. In partnership with our delivery partners, we will achieve this through the continued publication of the quarterly landlord newsletter, the production and publication of guidance and resources for landlords, and participation in landlord forums (both in person and online). We will also continue our drive to encourage more landlords to become accredited by leveraging our licensing database.

A particular focus will be placed on advising landlords to prevent damp and mould in homes. Per the government's guidance for best practice for addressing dampness and mould, we will make it clear that tenants should not be blamed for damp and mould. Damp and mould in the home are not the result of 'lifestyle choices', and we will ensure landlords take responsibility for identifying and addressing the underlying causes of the problem, such as structural issues or inadequate ventilation.²⁰

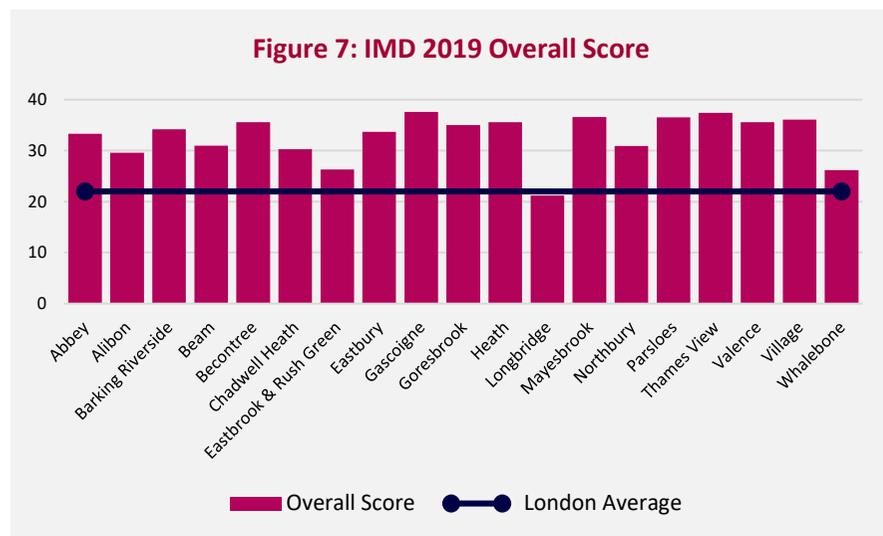
²⁰ [GOV.UK | Understanding and addressing the health risks of damp and mould in the home | 2023](#)

Deprivation

Indices of Multiple Deprivation

The Indices of Multiple Deprivation (IMD) is a Government measure of deprivation based on a number of social and other factors including income, employment, health, housing, and crime. In 2019, the IMD found that Barking & Dagenham was the most deprived local authority in London and the 21st most deprived local authority area in the country.

On a ward level, 5 wards are amongst the 10% most deprived wards in England, and 11 wards are amongst the 20% most deprived.



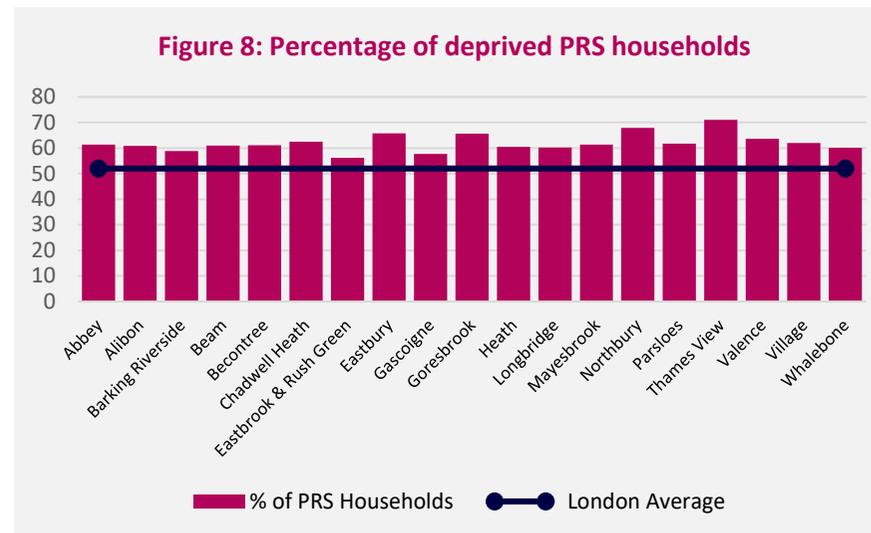
Since the 2019 IMD rankings were published, our residents have faced increased challenges, including the biggest cost-of-living crisis in over 30 years and the residual effects of the COVID-19 pandemic.

The household deprivation measure from the 2021 Census provides granular insight into deprivation challenges in individual households by four dimensions: education, employment, health, and housing.

62.4% of households in Barking & Dagenham were deprived in at least one dimension; the highest proportion in England & Wales.

Of those renting privately, just over 3 in 5 households were deprived (62.3%). This was the 14th highest proportion of all English and Welsh local authorities and the 3rd highest proportion in London.

Every Barking & Dagenham ward has a higher proportion of deprived private rented sector households compared to the average London ward.



2021 Census results

Fuel poverty

Fuel poverty relates to households that must spend a high proportion of their household income to keep their home at a reasonable temperature. It is affected by three key factors: a household's income, fuel costs, and energy consumption (which in turn is impacted by the energy efficiency of the dwelling).²¹

Fuel poverty leads to cold homes, which can have adverse effects on both mental and physical health, contributing directly to excess winter deaths²². Health consequences of cold homes include a heightened risk of heart attack or stroke, respiratory illnesses, inadequate diet due to "heat or eat" decisions, mental health issues, and exacerbated or prolonged recovery from existing conditions. Vulnerable groups most susceptible to health issues resulting from fuel poverty include children, older people, and individuals with long-term illnesses or disabilities.²³

With energy prices rapidly increasing since late 2021, coupled with the broader cost of living pressures, fuel poverty levels throughout the UK have reached epidemic proportions.

Fuel poverty represents a significant challenge in Barking and Dagenham. In England, fuel poverty is assessed using the Low-Income Low Energy Efficiency (LILEE) indicator. According to the fuel poverty score generated by the Department for Business, Energy & Industrial Strategy (BEIS) using 2019 data and published in 2021, Barking & Dagenham has the highest proportion of households in fuel poverty in England (22.5%).²⁴ This percentage significantly exceeds the national average (13.4%) and the London average (15.2%).

²¹ [House of Commons | Fuel poverty in the UK | 2023](#)

²² [Committee on Fuel Poverty | Annual Report | 2018](#)

²³ [Public Health England | Cold Weather Plan for England | 2014,](#)

²⁴ [Department for Energy Security and Net Zero | Fuel poverty statistics | 2024](#)

How will licensing help to improve factors contributing to deprivation in impacted neighbourhoods?

Summary of impacted wards:

18 out of 19 wards met the criteria to address factors contributing to deprivation as grounds for their designation.

All these wards have a high proportion of PRS homes and are experiencing elevated levels of deprivation. These wards are:

Alibon, Abbey, Barking Riverside, Beam, Becontree, Chadwell Heath, Eastbury, Gascoigne, Goresbrook, Heath, Longbridge Mayesbrook, Northbury, Parsloes, Thames View, Valence, Village, and Whalebone.

What can be done?

Poor housing conditions are a significant driver of deprivation. Selective licensing will enable us to address subpar housing through the interventions described when discussing poor property conditions in Barking & Dagenham.

Conducting inspections on all licensable properties will have a tremendous impact on uncovering tenant welfare issues such as addiction, depression, alcoholism, mental health issues, unemployment, and modern slavery. Our Compliance Officers will receive regular training to adequately refer vulnerable tenants to local community groups and external agencies, including our Cost-of-Living Alliance member organisations. The mission of the Alliance is to assist people in hardship or crisis promptly and work towards addressing long-term poverty.

All referrals will be logged for monitoring purposes to inform the development and improvement of support for vulnerable tenants by the council and our partners.

Many residents are resorting to 'self-disconnecting' and drastically reducing their energy usage as Barking and Dagenham continues to be one of the hardest-hit areas by fuel poverty nationally.

Since April 2020, landlords can no longer let or continue to let properties covered by the Domestic Minimum Energy Efficiency Standard (MEES) Regulations if they have an EPC rating below E, unless they have a valid exemption. All applicants will be required submit a valid Energy Performance Certificate for their properties as part of the licensing application process, allowing us to detect non-compliance.

Failure to meet MEES obligations, such as letting properties with F or G ratings, may result in us serving compliance notices and financial penalties using our powers under the MEES regulations.

Through the licensing scheme, we will be able to reach private renters experiencing financial hardship and encourage self-referrals to our recently relaunched Cosy Homes Scheme. This award-winning scheme, delivered in partnership with E.ON, offers free cavity, external wall, and loft insulation to improve the energy efficiency of homes. Some homes may also qualify for renewable energy technologies like solar PV and air-source heat pumps.

We will provide guidance to all landlords to help them refer tenants who are struggling to keep their properties warm to organisations that can support them.

Unaffordable housing has a detrimental impact on health. According to a recent poll by Shelter, one in five renters (21%) in England stated that the

constant struggle to pay rent adversely affected their mental and physical well-being²⁵. The stress levels associated with falling into arrears on housing payments are comparable to those experienced during unemployment. Additionally, the possibility of eviction without cause with just two months' notice, under the so-called 'no-fault' Section 21 evictions, often leaves tenants feeling anxious and hesitant to challenge substandard living conditions²⁶.

Licensing data will enable us to target private renters better and raise awareness of their rights and responsibilities, including protection from unlawful rent rises and evictions. Our dedicated PRS Tenancy Sustainability Officers will continue to support tenants and landlords in resolving tenancy disputes. All suspected breaches of licence conditions and unlicensed properties will be referred to our enforcement team for further investigation.

²⁵ [Shelter | Health of one in five renters harmed by their home | 2021](#)

²⁶ [DLUHC | A fairer private rented sector | 2022](#)

Case Study 2: Using Selective Property Licensing Powers to Deal with the Presence of Hazards to Health

Context

Licence conditions audits are a main tool that allows the Council to assess a licence holder's general level of compliance with property management and safety requirements. These are either issued as part of a proactive programme or as part of a response to reactive complaints that are received by the Council.

Summary

A licensing compliance inspection was carried out at a property in Dagenham where a mother and her 5 children, including a baby, resided. The inspection highlighted hazards including high levels of damp and mould in all bedrooms caused by defective guttering. The staircase was a fall hazard due to a missing spindle, the bathroom had the incorrect light fitting, and there was an untested gas fireplace with an active gas supply in a child's bedroom.

The officer issued the landlord with a schedule of works to be carried out within 14 days, instructing them to have all remedial works completed by a qualified contractor and to meet the outlined specifications. This included treating the mould growth with specialist damp removal products or removing and replacing the affected areas and redecorating.

The tenant had been living with these hazards for over two years without contacting the local authority. As a direct result of the licensing inspection, the landlord carried out the works to avoid enforcement action, leaving the mother and her children to live in a home free of hazards; particularly damp and mould which can result in significant health problems after 2 years of consistent exposure.

How licensing helped?

Without a licensing scheme the resident may have never contacted the council for help, perhaps through fear of being evicted or a lack of knowledge, and she would have had to raise her children in a highly unsafe property. An inspection was booked after the licence application was received, and we could immediately identify the proposed licence holder as the responsible person and provide them with the schedule of works. Works were carried out swiftly which prevented the service of an enforcement notice and the costs in so doing being charged to the landlord.

Anti-Social Behaviour

Prevalence of ASB incidents

Despite often being described as ‘low-level crime’, existing evidence suggests anti-social behaviour (ASB) can result in a range of negative emotional, behavioural, social, health, and financial impacts. These include negative mental health effects, avoidance behaviours, and decreased economic productivity.

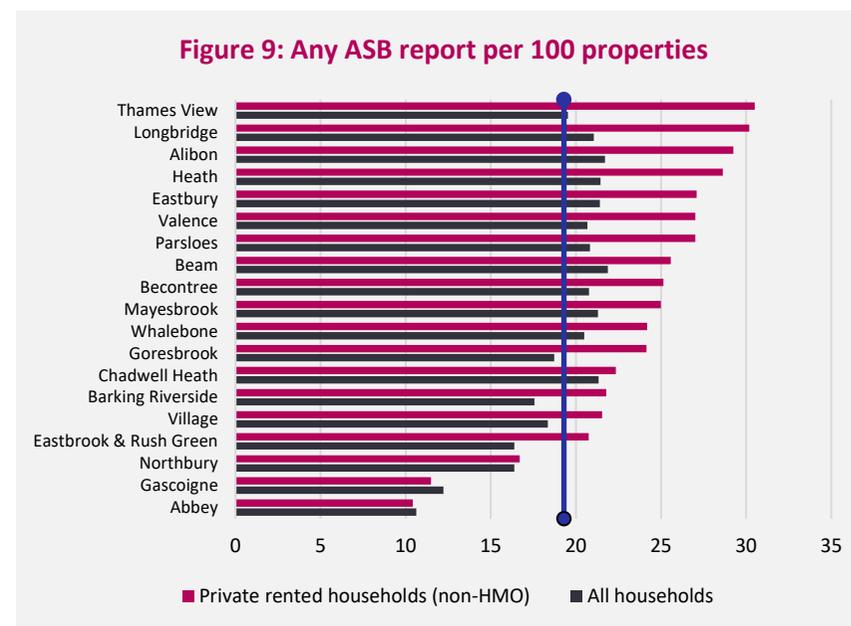
During our feasibility study, we examined whether significant and persistent levels of ASB were occurring within the boundary or immediate vicinity of privately rented homes in the borough. ASB-related issues can include intimidation or harassment, noise disturbances, rowdy and nuisance behaviour, vehicle-related nuisances, anti-social drinking, drug-related activities, graffiti, fly-posting, littering, and waste disposal.

Since September 2019, many neighbourhoods with a high number of privately rented homes reported higher rates of ASB linked to PRS homes than for all households. However, three wards deviated from this trend: Abbey, Gascoigne, and Northbury.

There is a possibility that ASB may be generally underreported in these three areas, which are among the most deprived in the borough. Recent research commissioned by the Home Office has highlighted a paradox concerning ASB reports in more deprived areas. While ASB tends to be more prevalent in these areas, fewer incidents are reported to relevant

agencies and organizations. Conversely, more affluent communities are perceived to be less tolerant of ASB, while more deprived communities may accept a higher level of ASB.²⁷

In 16 of 19 wards, reports of ASB incidents per 100 properties were significantly higher in the private rented sector than all households and exceeded the borough average of 19.3 incidents per 100 households.



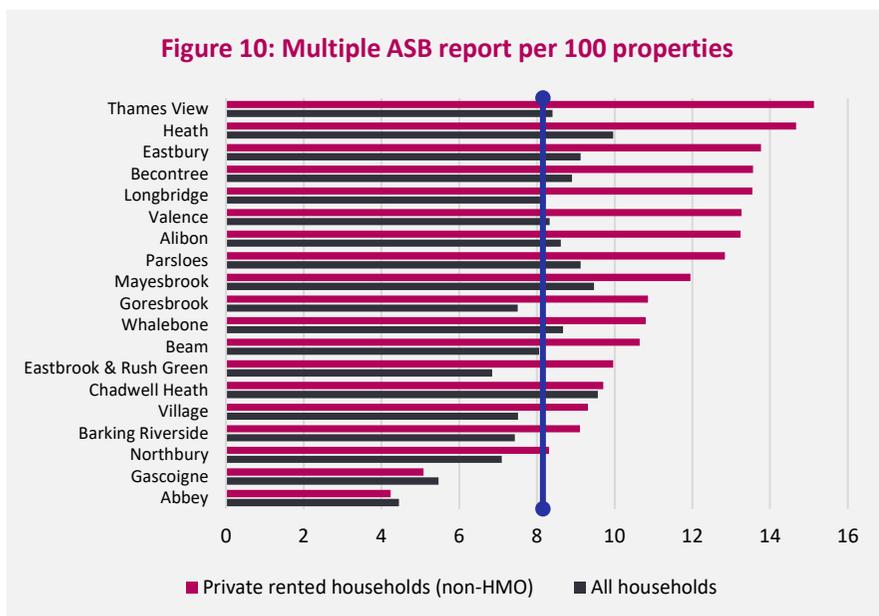
Prevalence of persistent ASB incidents

²⁷ [Home Office | Anti-social behaviour: impacts on individuals and local communities | 2023](#)

For the purpose of this analysis, ASB is classified as persistent if a property experiences two or more incidents of ASB. Persistent ASB data shows that some landlords are failing to take the appropriate action to deal with ASB in their properties when it first occurs.

16 of 19 wards experienced higher rates of persistent ASB incidents in the private rented sector than all households, surpassing the borough average of 8.2 incidents per every 100 households.

Figure 10: Multiple ASB report per 100 properties



How will licensing help to improve ASB in impacted neighbourhoods?

Summary of impacted wards:

16 of 19 wards met the requirement to address tackling ASB as a ground for their designation. These wards are:

Alibon, Barking Riverside, Beam, Becontree, Chadwell Heath, Eastbrook & Rush Green, Eastbury, Goresbrook, Heath, Longbridge, Mayesbrook, Parsloes, Thames View, Valence, Village, and Whalebone.

What can be done?

The prevalence of ASB and recurring reports indicate that some PRS landlords are not effectively managing tenancies to address ASB promptly. Designating ASB as a ground for selective licensing in the impacted wards will provide us with greater information and authority to proactively work with landlords to address properties causing issues for neighbours and the community, ultimately reducing the problem.

In addition to standard licence conditions promoting good management practices in PRS homes, we will impose enhanced licence conditions on landlords in wards affected by significant and persistent ASB to outline their responsibilities in preventing and addressing ASB incidents.

Failure to comply with a licence condition without reasonable excuse is a criminal offence. In cases of alleged ASB, an ASB warning letter will be issued to landlords, getting them to promptly investigate in line with their obligations under relevant licence conditions and report their findings and actions to the Council. We intend to allocate funding for new ASB Officer positions dedicated to addressing severe and persistent ASB issues in the PRS to enhance our enforcement capacity. These positions will sit within the Anti-Social Behaviour team.

Complex or severe ASB complaints will be escalated to one of two primary multi-agency forums, as appropriate.

- 1) **Community Safety Task & Finish Group:** This operational sub-group of the Community Safety Partnership Board brings together Regulatory Enforcement teams from the Council, including CCTV, Environmental Enforcement, Licensing, Housing Providers, Landlord Services, Trading Standards, Planning Enforcement, and the Metropolitan Police, to address cross cutting complaints about ASB, tackle crime hotspots, and monitor emerging crime trends. The group meets fortnightly to share intelligence and collaborate to resolve Community Safety issues. On average, 10 multi-agency taskings are seen through to resolution each fortnight.
- 2) **Community Multi-Agency Risk Assessment Conference (CMARAC):** The Barking and Dagenham CMARAC is a forum for information to be shared on the complex and challenging ASB cases in the borough. It looks at repeat perpetrators and repeat victims. At the heart of a CMARAC is the working assumption that no single agency or department/service can work independently to find a resolution. The CMARAC has a core membership of the ASB Team, Landlord Services, Social Housing Providers, Youth Offending, Adults and Children's Services, Early Help, the Metropolitan Police, Tenancy Sustainment, Mental Health Services, and Substance Misuse Services with other agencies invited to attend when this directly impacts on specific cases being discussed.

We will also provide Landlords with guidance and support on managing tenants who cause ASB, particularly in severe cases that require formal court action.

Summary of Findings

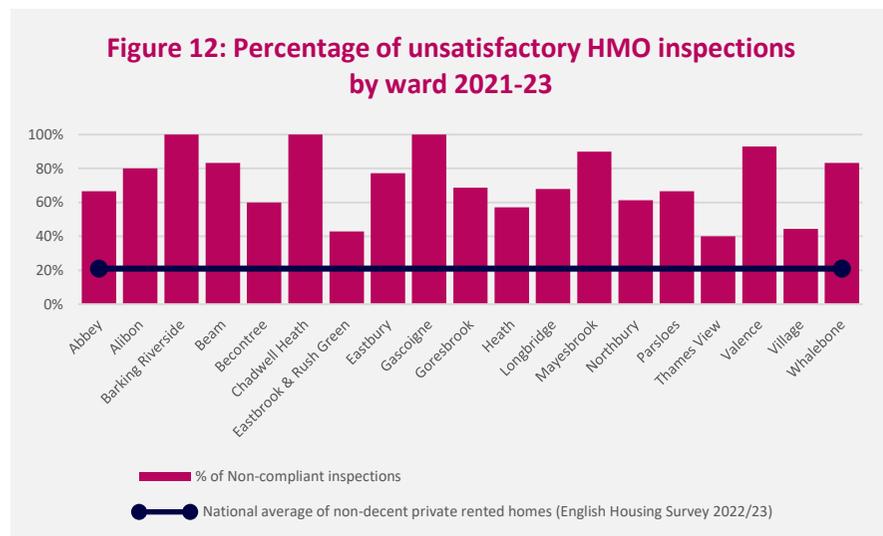
Table 4	Size of PRS	Poor property conditions:	Deprivation:		Anti-social behaviour:	
	Percentage of PRS dwellings higher than national average 19% (English Housing Survey 2022-23)	At least 21% of PRS properties at high risk of Cat 1 or 2 hazards (non-decent), based on selective licensing inspection failure rate 2021-23	Ward in the top 40% most deprived nationally (IMD 2019)	% PRS households deprived in at least 1 dimension in comparison to London average 52% (Census 2021)	Proportion of PRS properties reporting at least ONE ASB incident higher than borough average for all households 19.3	Proportion of PRS properties reporting MULTIPLE ASB incidents higher than borough average for all households 8.2
Abbey	✓	✓	✓	✓	x	x
Alibon	✓	✓	✓	✓	✓	✓
Barking Riverside	✓	✓	✓	✓	✓	✓
Beam	✓	✓	✓	✓	✓	✓
Becontree	✓	✓	✓	✓	✓	✓
Chadwell Heath	✓	✓	✓	✓	✓	✓
Eastbrook & Rush Green	x	-	-	-	✓	✓
Eastbury	✓	✓	✓	✓	✓	✓
Gascoigne	✓	✓	✓	✓	x	x
Goresbrook	✓	✓	✓	✓	✓	✓
Heath	✓	✓	✓	✓	✓	✓
Longbridge	✓	✓	✓	✓	✓	✓
Mayesbrook	✓	✓	✓	✓	✓	✓
Northbury	✓	✓	✓	✓	x	x
Parsloes	✓	✓	✓	✓	✓	✓
Thames View	✓	✓	✓	✓	✓	✓
Valence	✓	✓	✓	✓	✓	✓
Village	✓	✓	✓	✓	✓	✓
Whalebone	✓	✓	✓	✓	✓	✓

KEY: (✓) met criteria | (-) does not qualify for criteria based on % of PRS homes | (x) did not meet criteria

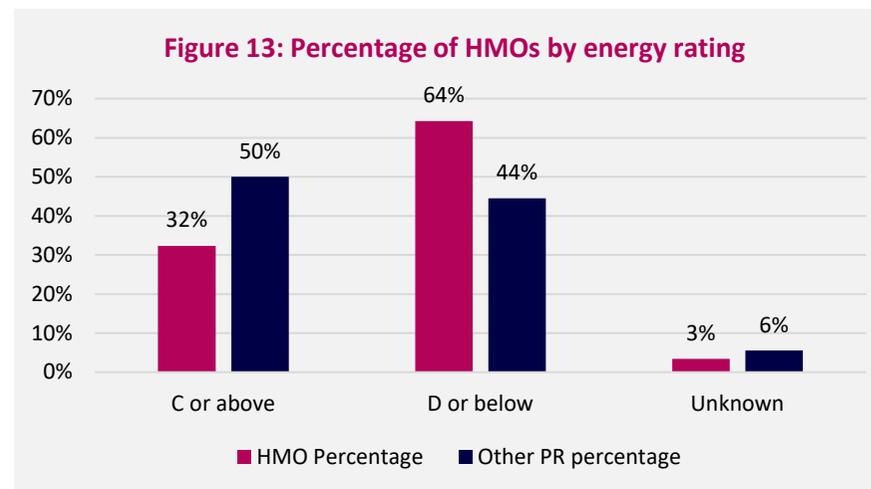
Evidence for Additional HMO Licensing

Prevalence of Hazards

Under the Mandatory HMO licensing scheme, we inspect all larger shared homes rented to 5 or more people. Our feasibility study revealed that HMOs are more prone to experiencing category 1 or 2 hazards than other PRS homes. A staggering 72% of mandatory HMO inspections since 2021 have received a non-compliant rating due to hazard detection. Considering this and their current exclusion from our property licensing schemes, we strongly suspect that a large proportion of smaller HMOs in the borough have a high presence of hazards requiring intervention. Such homes will thus pose increased risks to the health, safety, and welfare of their tenants.



Energy Efficiency

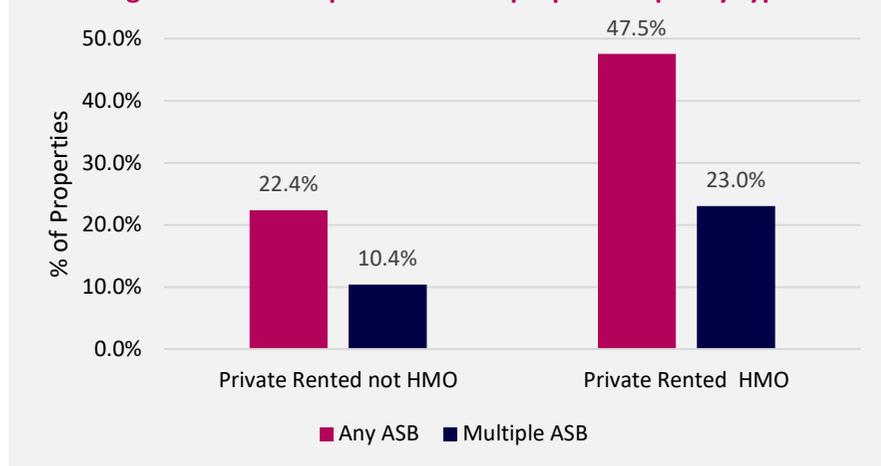


As previously discussed, properties with low energy efficiency ratings are a greater health risk to residents as they are more susceptible to excess cold, dampness, and mould. HMOs in Barking and Dagenham are 20% more likely to have an energy efficiency rating of D or below.

ASB

Since 2019, the total ASB and persistent ASB reports per 100 households are more than double those received for other PRS homes. For every hundred properties, 22.4 non-HMOs had at least one report of ASB compared to 47.5 for mandatory HMOs. Moreover, 10.4 non-HMOs had multiple reports of ASB compared to 23 for mandatory HMOs.

Figure 14: ASB for private rented properties split by type

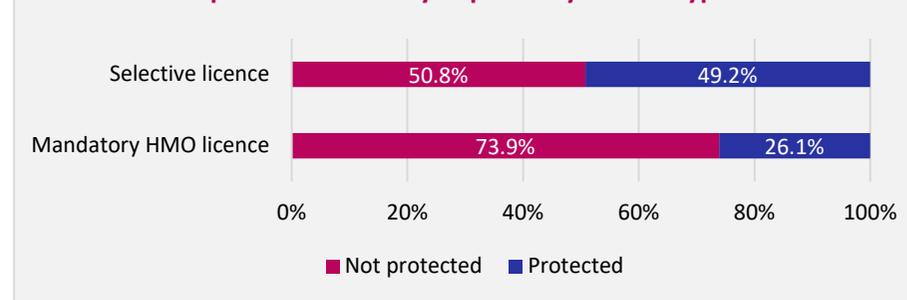


Tenancy Deposits

Landlords are required to hold tenants' deposits in a government-approved tenancy deposit scheme (TDP) if they rent their home on an assured shorthold tenancy that began after 6 April 2007. Nationally, it is estimated that TDP schemes cover between 59% to 77% of households in the PRS.²⁸ However, analysis of tenancy deposit protection data from the three national TDP schemes found that only 26.1% of landlords in the borough with a mandatory HMO licence had protected their tenants' deposits. We believe this is indicative of poor awareness from HMO landlords of their property management responsibilities, which will likely lead to other forms of non-compliance.

²⁸ [DLUHC | English Private Landlord Survey 2021: main report | 2022](#)

Figure 15: Percentage of licensed properties with protected tenancy deposits by licence type



Location of Smaller Shared Homes

Using council records and data from external partners, including TDP schemes, we have identified 323 smaller shared homes occupied under assured shorthold tenancies eligible for potential inclusion in an Additional HMO licensing scheme.²⁹ These homes are dispersed across the borough.

Summary of Findings

While we have made significant progress in identifying and improving large HMOs licensable under the Mandatory HMO scheme, HMOs continue to pose a higher risk to the health and well-being of our residents. They are more likely to report ASB, disrepair, and poor management. It is imperative to reintroduce licensing for smaller HMOs to ensure that all shared homes are effectively managed and maintained to decent standards.

²⁹ Appendix 1 – Supplementary Data

Case Study 3: Using Property Licensing Powers to Help Deal with the Presence of a Severe Fire Safety Hazard in an HMO

Context

People who live in HMOs are at more risk than those who occupy a property as a family unit, and HMOs that are poorly managed and badly maintained can put an extra burden on council services and have a negative impact on the area. As highlighted by the evidence, the likelihood of fires and ASB is much higher in HMO's making these an area of concern.

Summary

The Private Sector Housing team received a complaint regarding a Dagenham property with an eyesore garden and six sharers. The property was unlicensed and a visit by an Environmental Health Officer highlighted significant fire issues. This included no fire detection throughout, no fire blanket in the kitchen, no door between the lounge and kitchen and only a glass door between the kitchen and ground floor bedroom. Additionally, there was only one electrical socket in each of the sleeping rooms leading to excessive use of extension leads, and a removable key was used to lock the front door.

As the property had more than five tenants, the landlord was notified of his requirement to obtain a mandatory licence and was provided with a schedule of works to address the fire hazards in the property. If there was ever a fire, there would have been no warning alarm for the tenants to leave and no secure fire route for them to depart from. The works were to be conducted by a qualified person and a satisfactory installation or test certificate provided on completion.

All works were completed as requested and this resulted in a safer home for the tenants and the property was licensed for five people.

How licensing helped?

Having a licensing scheme means every HMO will be inspected to check fire precautions, means of escape, the facilities, that they are properly managed, and will state the permitted number of households and occupants to prevent overcrowding. We check every fire risk assessment, gas safety certificate, electrical installation condition report, and details of fire doors and alarm systems to ensure they are safe for residents. The licensing inspection enabled us to gather evidence of the eyesore garden and refer this to Environmental Enforcement who promptly resolved that matter.

OUR PROPOSED NEW SCHEMES: A FIRMER & FAIRER APPROACH

Selective Licensing Scheme 2024-2029

The findings from our data-driven feasibility study highlight the pressing need for a third round of selective licensing in Barking & Dagenham. As our local PRS landscape continues to shift and evolve rapidly, we must stay ahead of the curve to support the ever-growing complexities faced by tenants and landlords alike.

Our borough is diverse, with each neighbourhood presenting challenges and opportunities. We are proposing a fresh, more targeted multi-designation approach to selective licensing from late 2024 onwards.

By grouping neighbourhoods based on their pertinent issues, we can effectively deploy our resources to tackle the varying levels of antisocial behaviour, poor housing conditions, and deprivation across our borough.

Together, the three proposed designations will ensure tailored Selective Licensing protection for all private renters in Barking & Dagenham, reinforcing our ethos of 'one borough, one community; no one left behind.'

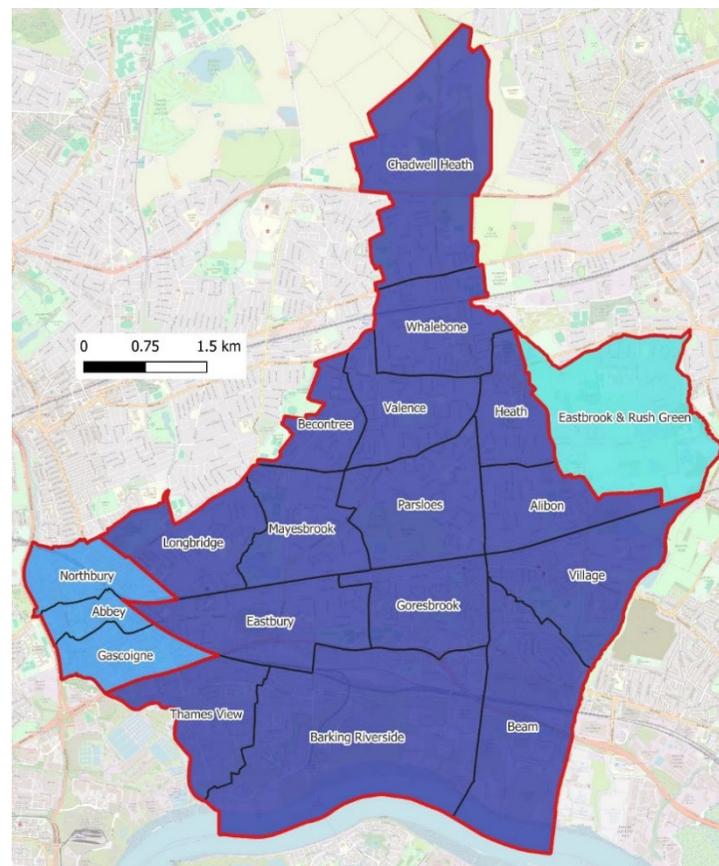


Table 5: Selective Licensing

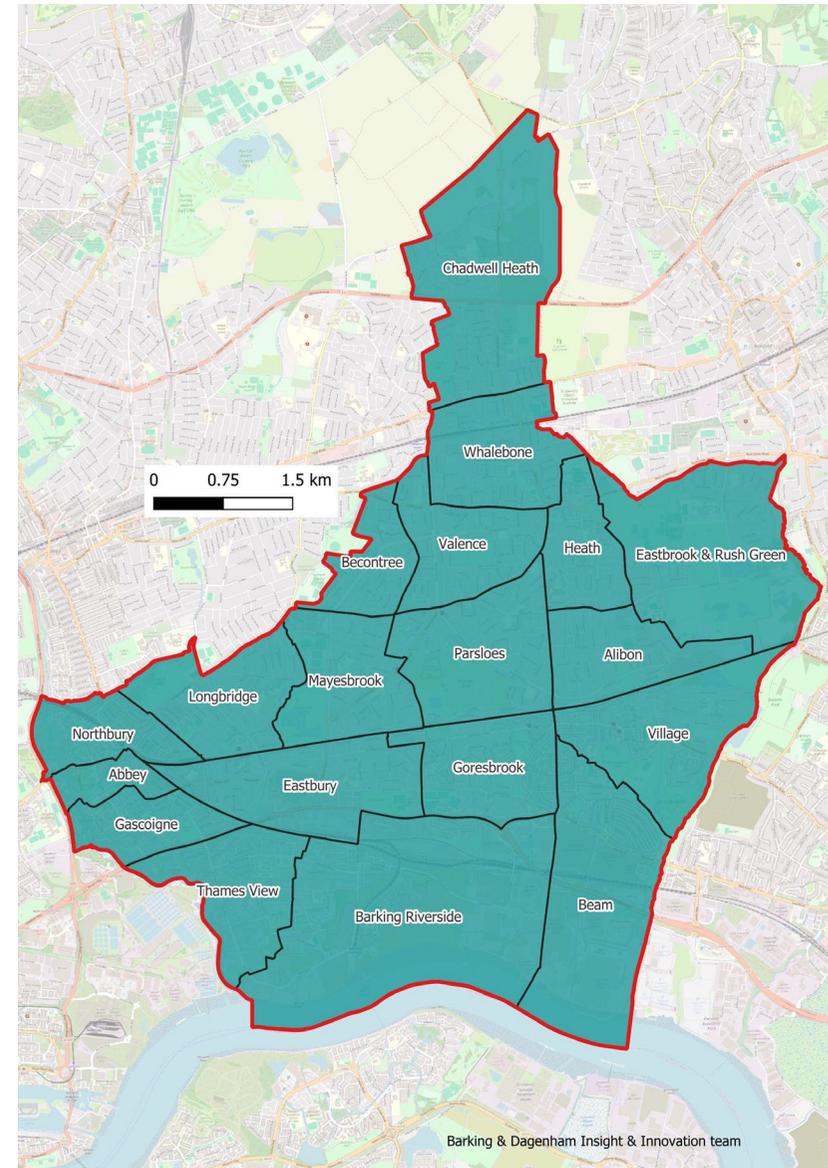
Designation 1: Deprivation, Poor Property Conditions & ASB	Designation 2: Deprivation & Poor Property Conditions	Designation 3: ASB
Alibon, Barking Riverside, Beam, Becontree, Chadwell Heath, Eastbury, Goresbrook, Heath, Longbridge, Mayesbrook, Parsloes, Thames View, Valence, Village, Whalebone.	Abbey, Gascoigne, Northbury.	Eastbrook & Rush Green.

Additional HMO Licensing Scheme 2024-2029

We're also proposing the introduction of a new five-year borough-wide additional HMO licensing scheme. This supplementary scheme will cover all HMOs currently not under the Government's Mandatory HMO licensing scheme, including smaller properties housing three or four unrelated individuals who share amenities like kitchens or bathrooms. It will include certain converted blocks of flats known as section 257 HMOs. In turn, this will plug the current gaps in protection for renters in smaller shared homes and support for landlords.

Our feasibility study has revealed that all HMOs across the borough are experiencing higher instances of disrepair and poor management. Additionally, these properties pose higher fire risks, leading to enhanced fire safety requirements compared to regular PRS homes.

Given the dispersed nature of the borough's estimated 300 smaller shared homes, we believe a borough-wide approach is essential for fairness and consistency. Through the new scheme, we will proactively inspect all shared homes to ensure they are safe and decent.



Scheme Objectives

Property licensing is a key part of the Council’s overall approach to help improve the private rented sector and it will work alongside other initiatives and enforcement tools. Below are proposed objectives for the new licensing schemes. This will be applied to each designation based on their relevance. We will review and monitor our performance on an ongoing basis.

Licensing Scheme		Applicable objectives				
		1	2	3	4	5
Selective	Designation 1	X	X	X	X	X
	Designation 2	-	X	X	X	X
	Designation 3	X	-	-	X	X
Additional HMO		X	X	X	X	X
Mandatory HMO		X	X	X	X	X

	Objective	What will success look like?	How will we know?
1	Improving the safety and desirability of our neighbourhoods by tackling ASB connected to PRS homes	<ul style="list-style-type: none"> Reduced in ASB connected to PRS homes. Coordinated and regular partnership working to proactively target nuisance areas to reduce ASB in the PRS and resolve severe cases. Increased guidance and support to help landlords act efficiently to tackle antisocial behaviour. 	<ul style="list-style-type: none"> A reduction in the disparity in the occurrence rate of ASB incidents in PRS homes compared to the borough-wide average for all households. A reduction in the disparity in the occurrence rate of repeat ASB incidents in PRS homes compared to the borough-wide average for all households. Landlord, tenant, and resident feedback.
2	Improving housing conditions in PRS homes	<ul style="list-style-type: none"> Tenants feel their homes are safe and decent. Increased guidance and support to help landlords act efficiently to maintain the conditions of their properties. 	<ul style="list-style-type: none"> A reduction in compliance audit inspection failures. A reduction in complaints relating to property conditions. Landlord, tenant, and resident feedback.
3	Reducing factors that contribute to deprivation connected to PRS homes	<ul style="list-style-type: none"> Tenants experience economic benefits such as reduced heating costs, bringing them out of fuel poverty. Tenants feel confident in raising concerns with landlords relating to property management and conditions. Landlords feel confident in signposting vulnerable tenants to support services. Strong engagement with tenant support services. 	<ul style="list-style-type: none"> Landlord engagement and sign-ups to improvement initiatives to target fuel poverty and climate emergency/carbon reduction. Number of tenant referrals to support services through property licensing, in particularly those for energy support. A reduction in cases of suspected and attempted illegal evictions. An active enforcement programme for investigating allegations of harassment and illegal evictions. Landlord, tenant, and resident feedback.
4	Raising the quality of management of PRS homes	<ul style="list-style-type: none"> All licensable private rented homes are inspected within 6 months of an application being made, and prompt enforcement action is taken if they do not provide a safe and healthy environment for any potential occupier or visitor. Strong working relationships with landlords, including regular two-way engagement. Strong tenant voice. 	<ul style="list-style-type: none"> Monthly compliance audit inspection performance metrics. A reduction in general complaints relating to private rented properties. Regular quarterly landlord newsletters. An increase in the number of accredited landlords in the borough. An increase in landlord attendance to training programmes. Regular engagement with private tenants to understand and respond to their concerns.
5	Reducing the number of non-compliant, unlicensed, and criminal landlords operating in the borough.	<ul style="list-style-type: none"> Unlicensed and criminal landlords are proactively identified, and robust and prompt enforcement action is taken. 	<ul style="list-style-type: none"> Monthly performance figures for the unlicensed property team. Referrals from the general public.

Service Improvements

If these licensing schemes are adopted, we intend to have an adequately resourced and robust service to carry out the following improvements:

To proactively inspect every licensable property across the borough.

To clearly set out the standards we expect in privately rented properties, and to communicate those standards to landlords in advance of inspections.

To monitor licence processes, striving to reduce processing times as much as possible, and to issue licences from the date of application.

To continue hosting landlord accreditation courses, and to promote this and other recognised accreditation courses.

To use discounts on fees as a driver for change.

To produce a tenant information pack so they understand their rights and responsibilities, and to signpost other services. To provide this pack for landlords to include in their communication to tenants, which, for example, will include information on refuse disposal, and how to heat and ventilate the property to reduce the likelihood of condensation and mould.

To produce a landlord information pack with compliance advice and helpful tips for addressing common issues.

To collaborate with tenant representative bodies to establish a private tenant forum.

To work with neighbouring boroughs and landlord organisations, to proactively seek more two-way engagement opportunities with local landlords (in-person and online) and strengthen communication.

To improve our collaboration with partners to tackle ASB and environmental nuisances that affect the street scene.

To continue, and improve, our landlord newsletter, working with partners to create content that is useful and informative to the landlord community.

To regularly review our enforcement policy to ensure we have a clear and up to date framework for enforcement.

To actively use legislative powers to enforce licence conditions against criminal and exploitative landlords.

To employ another member of staff to investigate allegations of harassment and illegal eviction.

To improve education around the causes and remediation of damp and mould. To analyse cases of damp and mould to see if there are common themes to enable us to have a targeted campaign to reduce this hazard that blights so many homes in the colder months.

To work with our Trading Standards partners to ensure all residential letting agents in Barking and Dagenham are fully compliant with consumer protection and rights legislation.

Our Proposed Licence Conditions

Under the Housing Act 2004, all licences must include certain management conditions. Local authorities also have the power to set discretionary conditions to help combat the specific grounds for introducing a licensing designation.

Licence conditions provide the framework for the expectations the Council has of landlords. They set out requirements around tenancy management to help landlords and tenants know their responsibilities.

They also set out the clear requirements around responses to complaints, tenancy agreements, tenant references, occupancy levels, refuse disposal, safety of gas and electrics, nuisance and pest control, smoke and carbon monoxide alarms, and regularity of inspections. As such, enabling the Council to intervene early if there are problems.

Barking and Dagenham is proposing to include further conditions for our proposed designations for tackling the issues that are negatively impacting the private rented sector in the borough, such as:

- Overcrowding of substandard living accommodation.
- Anti-social behaviour (ASB) – by requiring landlords to take reasonable and practical steps to prevent or reduce ASB.
- Inadequate standards of property management.

While most management-related licence conditions are the same across the proposed three Selective licensing designations, some conditions are specific to issues each designation seeks to address such as ASB.

The licence conditions in respect of homes for Selective licensing are attached in Appendix 2, 3 & 4, and for Additional and Mandatory HMO licensing see Appendix 5.

In addition, there are some specific licence conditions for individual licence holders, for example, if required the Council can request copies of all inspection reports carried out (being once every 3 months for HMOs and once every 6 months for single household properties).

This places the responsibility correctly on the licence holder to ensure that their property is being managed and maintained properly, as opposed to waiting for their tenants or neighbours to complain, then requiring intervention from the Council.

Proposed Fees, Charges and Discounts

Fees

The Council has the legal power to charge fees for property licence applications which are levied in two parts as a split fee structure.

- Part A of the fee is for the application for a licence and covers the costs of processing, administration and validation of the application, and the inspection of the property.
- Part B of the fee is payable after the licence has been approved and covers the administration cost of issuing the final licence, and the management and enforcement costs required to meet the scheme's objectives.

More detailed information on fees and charges can be found in Appendix 6 – Proposed schedule of fees, charges and discounts.

As the fees are a cost to the landlord community, the Council wishes to keep the fees as low as practicable. Investments in IT, regular reviews of business processes, investment in staff training, and improvements to the licensing process have kept costs to a minimum.

The Council want to make these schemes as successful as possible to meet the objectives. To do this, the proposal is to inspect every property in all licensing schemes, to make our engagement with landlords equal across the board but it is offset considerably due to the efficiencies we have made.

The Council is aware that HMO licences are more costly to administer due to more complex compliance inspections which involve assessing fire precautions and means of escape, and ensuring the amenities are suitable for the number of households. This is reflected in the higher level of fee

proposed for additional HMO licences which is similarly reflected across other London Boroughs. We recently reviewed our fees for Mandatory HMO licences and we have found we need to increase those to reflect the considerable higher costs associated with management and enforcement of those properties that come with a well proven higher associated risk. The proposed fee for additional HMO licences will be in line with the new mandatory HMO licence fees.

In the event that we decide to refuse a licence application, only the Part A fee will be payable. Licences are not transferable. If a person wants to become the new licence holder for a property, they must apply for a new licence, and pay a new licence fee. Full payment must be received and cleared before a licence is issued. For all licences issued under the current scheme with expiry dates between 2024 and 2029, landlords won't need to seek a new licence until their current licence expires.

Discounts

The discounts set out in Appendix 6 are intended to act as an incentive for landlords to keep their properties in good condition, and for them to become fully engaged with landlord organisations, which in turn can help drive up the standard of management and professionalism within the landlord community.

It is likely that many landlords may eventually end up paying less in fees than for the current selective scheme if they are eligible for either the silver or gold compliance award. Likewise, applicants could pay less for an additional HMO licence than the lowest current fee for a mandatory HMO licence if they are eligible for a discount.

How we calculated the fees

The proposed fees have been calculated on the basis that the schemes will be cost neutral to the Council, with licence fees covering our costs of administering the schemes and meeting the scheme objectives. A significant proportion of the licence fee income will meet the necessary staffing costs over the 5-year period to deliver the scheme outcomes, with deductions for matters not directly related to administering, managing, and enforcing the scheme, and applying that against the anticipated number of privately rented properties which will fall within the scheme. The fees will also meet other running costs, such as IT expenditure, with appropriate allowances made for inflationary increases during the life of the scheme. The proposed fees are underpinned by assumptions about the level of income the fees will generate, based upon the number of properties that we expect to be licensed during the life of the schemes and the numbers of those properties that we expect to be eligible for the discounts. These fees form part of the consultation, and the Council welcomes any views on them.

Selective and Additional licensing exemptions

Selective licensing applies to all privately rented properties, unless they are licensable HMOs or exempt by law. Such exemptions include tenancies granted by public bodies (for example housing associations), holiday homes and some business tenancies. A full list of exemptions for Selective Licensing can be found at [The Selective Licensing of Houses \(Specified Exemptions\) \(England\) Order 2006 \(legislation.gov.uk\)](#).

Schedule 14 of the Housing Act provides an exemption from HMO licensing law for some types of buildings. These include buildings controlled by public sector bodies (for example, housing associations), some buildings occupied by students, and some owner-occupied

buildings. A full list of exemptions can be found at [Housing Act 2004 \(legislation.gov.uk\)](#).

ASSESSING THE POTENTIAL RISKS OF THE NEW SCHEMES

It is important to consider some of the possible effects or risks of making a designation.

- **Some may argue that it penalises good landlords** – We have listened to our landlord customer base over the years and propose a discount for landlords who have properties that meet our standards on our first inspection. We have responded to requests from landlords for more information and advice, and we are in the process of developing a landlord digital advice pack. We will clearly set out criteria for the standards we expect.
- **There may be inspection delays** - We aim to inspect every property after a licence application is received. The aim is to do so within 6 months, although the wait for an inspection is expected to reduce significantly after the initial surge in applications, to closer to the current time of 2-4 weeks. Licences will be issued from the date of application.
- **Landlords may sell, leave the market, or move to other areas** - The borough of Barking and Dagenham is bordered by the London boroughs of Redbridge, Havering and Newham. All three boroughs have selective and additional property licensing schemes: Redbridge has a borough wide additional scheme and a selective scheme in two wards which is being extended to a further 15 wards in April 2024, Havering has had an additional scheme covering all of the borough but in two separate schemes and it has a selective scheme in two wards, and Newham has an additional and selective licensing scheme in all but two wards.
- **Landlords may pass on the costs to tenants** - We have had a borough wide selective scheme for over 9 years and a mandatory HMO licensing scheme for 18 years, therefore the fees are in place already. The pandemic, cost of living crisis, and move to a period of relatively low economic growth have affected supply and demand in the market. Demand for private rented homes is believed to have increased due to a growing number of would-be first-time buyers who are unable to buy due to rising costs and deposit requirements, and due to rising numbers of low-income or vulnerable households unable to access social housing. With all the other influencing factors, the cost of the licence spread over the period of 5 years is not likely to be a determining factor in the rent level.

THE WIDER STRATEGIC ALIGNMENT OF THE NEW SCHEMES

The Borough Manifesto provides a long-term vision for Barking and Dagenham, and the Council's approach to realising this long-term vision is translated into medium-term priorities and programmes of activity in the Corporate Plan. Given its proven impact, property licensing remains a crucial tool for supporting our broader efforts to elevate standards within the PRS and fulfilling our strategic objective of "ensuring the provision of quality housing and preventing homelessness" for our residents as outlined in the Corporate Plan. The Corporate Plan also states that "Private Rented Property Licensing is driving up quality and standards of housing in the private rented sector".

[LBBB Corporate Plan 2023-2026](#)

The implementation of property licencing schemes directly supports a number of other key Barking and Dagenham strategies and policies including the following:

Together Borough Manifesto: [Together Borough Manifesto](#)

In 2015, an Independent Growth Commission set out a blueprint for the future of the Borough. This resulted in the development of a long-term vision for Barking and Dagenham which 3,000 residents helped to define through long term targets for the Borough to be achieved over the next 20 years.

Inclusive Growth: [Inclusive Growth Strategy 2022 to 2026](#)

The Inclusive Growth strategy aims to remove social and economic barriers to ensure that all residents benefit from growth in the borough.

Poverty, homelessness and housing issues, the environment and unemployment are barriers which have a negative impact on residents and families. The strategy looks to create stronger employment and skills pathways, better transport links, cultural heritage sites to attract more tourism and boost the local economy, and partnerships with key industries. Strategy around new homes aims to have a positive impact on homeless and overcrowded households and help to manage the ongoing demand for local housing options. Net zero carbon ambitions will help steer us towards cleaner air, more green spaces, and more active travel routes which will offer health benefits to all residents.

Community Safety Partnership Plan: [Community Safety Partnership Plan 2023 to 2026](#)

Antisocial Behaviour Policy: [ASB Policy and Procedure](#)

The LBBB ASB policy defines Antisocial behaviour and maps out how it will be investigated by the local authority. The Council's policy is to tackle Anti-Social Behaviour (ASB) through a triple-track approach of early intervention and prevention, non-negotiable support, and strong enforcement action when necessary. The Private Sector Housing selective licencing scheme has a series of conditions designed to prevent ASB that landlords need to comply with. Landlords are required to actively work to prevent and stop ASB, whether that is from tenants or visitors. Where the ASB team identify serious issues or where landlords have ignored ASB or failed to take action, the Private Sector Housing Team will revoke the property licence. The threat of revoking a property licence usually results in the landlord evicting tenants who persistently cause ASB. If they refuse to do so, and the licence is revoked, a new licence holder would have to be appointed to apply for a new licence and take over all management of the property. The Metropolitan Police may also investigate reports of ASB across all tenures, particularly when there is an allegation that a crime has

been committed. The Council will work in partnership with the Metropolitan Police to investigate and tackle ASB in our communities.

Health and Wellbeing Strategy: [Health and Wellbeing Strategy 2023 to 2028](#)

The Council's Health and Wellbeing strategy sets out a renewed vision for improving health and wellbeing of residents and communities and reducing inequalities by 2028. One of the key priorities and methods to achieve this is to address poor housing.

Homelessness Strategy: [Homelessness Strategy 2019-23](#)

The Homelessness Strategy connects to the Council's overall vision of 'no one left behind'. This vision aims to drive inclusive growth, empower citizens, and by definition, design services that address the root cause of the problems Barking and Dagenham residents face, including homelessness. It cites the significance of private rented housing to the borough and the importance of the private rented sector in the Council's focus on preventing homelessness.

Please note that an updated strategy is currently in development.

LBBB Enforcement and Regulatory Services Enforcement Policy: [LBBB Enforcement Policy](#)

Empty Homes Policy

This policy is currently in development. The policy aims to bring empty homes back into use to ensure a diverse range of housing choices to meet local need. The Council has made a commitment to tackle empty homes to specifically target long term or derelict properties as these often generate wider community issues such as ASB. Bringing empty properties

up to standard and back into use as decent liveable homes is complimentary to the objectives of the proposed licensing schemes.

Cosy Homes: [Cosy Homes Barking & Dagenham](#)

The 'Cosy Homes' programme delivered the highest uptake of free installations under the ECO3 scheme London, winning London region's best largest retrofit and insulation scheme at the 2021 Energy Efficiency Awards. In the last two years, we have delivered installations to 2,000 low-income households.

Housing Delivery Test Action Plan -[Housing Delivery Test Action Plan](#)

The Housing Delivery Test (HDT) is an annual measurement of housing delivery within a local planning authority introduced by the Central Government. Under the 2019 rules, if delivery falls below 95%, the respective authority must publish an action plan to describe how they will increase housing delivery going forward. The London Borough of Barking and Dagenham (LBBB) have created a HDT Action Plan that identifies barriers to housing delivery over the last 3 years and lists actions that the local authority has been and will continue to take to improve housing delivery in the borough.

WHAT ARE THE ALTERNATIVES

As this is a consultation exercise, the Council is interested in hearing your views regarding alternatives to having further extensive property licensing schemes. Any alternative, however, needs to be able to ensure that housing in the private rented sector is well managed, tenants are protected, and that residents are not burdened with further problems caused by absentee landlords and irresponsible letting practices. Other options could include:

Voluntary landlord accreditation to seek improvements in private rented management: The Council has been encouraging training and accreditation for Barking and Dagenham landlords but currently it is estimated that fewer than 2% of Barking and Dagenham landlords are members of any scheme, so this is not considered to be a significant viable alternative to licensing at present.

Use of current Housing powers to regulate landlords: There are significant limitations in practice as Part 1 of the Housing Act 2004 Act neither allows the Council to regulate the management of privately rented properties, nor requires landlords to proactively ensure that their properties meet minimum health and safety standards. The ability to deal with hazards in the home under Part 1 of the Housing Act 2004 (known as Category 1 & 2 hazards depending on severity) is a complex, time-consuming process and is currently under review as it is widely recognised that this legislation requires updating. Only a very small proportion of rented homes can be regulated with this option. Where formal action is taken, the Council prosecution costs are often not fully recovered. It is acknowledged that these powers alone would be insufficient to tackle the

scale of the problems in the private rented sector in Barking and Dagenham. HMOs carry higher risk due the nature of how they are occupied, but the difficulty in dealing with smaller HMO's is significant compared the effective action we can take for large HMOs that already require a licence under the Mandatory HMO scheme, despite the similar risk level.

Use of current ASB powers and formal notices to remedy ASB: Action would generally be taken against the tenant in occupation but does not place any obligation on landlords/licence holders to be proactive in managing their properties to prevent or reduce the likelihood of ASB occurring.

Discretionary Additional (HMO) licensing scheme only: This is a less extensive licensing option for borough wide regulation of shared properties with Council approval. This would cover properties with three or four occupants, not in the same household, sharing kitchens/bathrooms. We have estimated approximately 320 licensable additional HMOs across the borough. While the total numbers are relatively low, evidence suggests a high proportion of these properties suffer from poor management. Given their widespread dispersal, we deem it necessary to implement a borough-wide approach. Moreover, we anticipate discovering more properties as the proposed scheme progresses.

A reduced selective property licensing scheme without further government approval: With Council approval this can apply to less than 20% of the borough which would only be a few of our 19 Barking and Dagenham wards, for single-family homes. However, this would leave approximately 80% of Barking and Dagenham's private renters without licensing protection and only require a minority of Barking and Dagenham

landlords who rent properties in the poorest neighbourhoods to be licensed, which could be unfair and unjust to the landlord community as a whole.

Government planned housing reforms: The government has announced that they want to provide more protection for private tenants and national registration for landlords. However, the details of any legal reforms affecting private rented housing are still unknown and without a clear timetable.

Grants to improve sub-standard properties: Generally, there are few government grants available. Barking & Dagenham Council has limited scope to offer landlords grants through successful external funding such as energy efficiency green home grants. Any grant scheme would be discretionary, would rely on voluntary property owner engagement, and is unlikely to be substantial enough to have a notable impact on property conditions.

Therefore, having regard to the options outlined above, the Council believes there is a need to continue with large scale property licensing schemes when used alongside, and in conjunction with, other regulatory and enforcement powers.

PUBLIC SECTOR EQUALITY DUTY

At Barking & Dagenham, we are committed to putting equality and diversity at the heart of everything we do.

In developing the proposals discussed in this report, under the Equality Act 2010, we must ensure that we are taking steps to:

- eliminate discrimination,
- advance equality of opportunity, and
- foster good relations between different people when carrying out our activities.

We are interested in hearing your views on the potential impacts of any of the proposals in this consultation document on persons with a protected characteristic(s). Protected characteristics, as defined by the Equality Act 2010, are:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

We have conducted an initial assessment of the potential equality implications of the current proposals, which is provided at Appendix 10.

Please share any feedback where relevant in your survey response.

CONCLUSION

The Council recognises that for many households renting privately is their only option, so we want to use all the tools available to improve standards, reduce overcrowding, and to prevent adverse impacts on the community from poorly managed properties. We do not want our residents to suffer at the hands of non-compliant landlords by living in unsafe or overcrowded conditions.

While the Council has improved a large number of privately rented homes, the vast increase in the private rented sector means that our work is not done. We believe that in the current London housing market, licensing will enable us to continue to support and protect our residents who rent privately.

The licensing proposals will put into practice and contribute towards many elements found in the Borough Manifesto, the Corporate Plan, and Council strategies to elevate standards within the private rented sector and ensure the provision of quality housing and prevention of homelessness. We want to improve housing quality across all tenures, by working with partners, landlords, and other agencies.

Whether you are a tenant, landlord, managing or letting agent, business, service provider, local authority, voluntary organisation, local resident, or another key stakeholder, this is your chance to have your say on private rented property licensing in Barking and Dagenham.

Due to the size of the proposed selective licensing designation, if the scheme is agreed by our Council's Cabinet Committee, it will need confirmation by the Secretary of State at the Department for Levelling Up, Housing and Communities (DLUHC).

GLOSSARY OF KEY TERMS

Assured Shorthold Tenancy (AST): The most common type of agreement used by landlords to let residential properties to private tenants. Most new tenancies are automatically this type. A tenancy can be an AST if all of the following apply: it is let by a private landlord or housing association; the tenancy started on or after 15 January 1989; the property is a tenants' main accommodation; a landlord does not live in the property. A landlord can end a tenancy of this type with either a section 8 notice and possession ground, or a section 21 notice and does not have to provide a reason.

Assured Tenancy (AT): These are tenancies agreed under the Housing Act 1988, which offer more security than ASTs. A landlord can end with section 8 notice and possession ground. Currently most commonly offered to tenants of private registered providers of social housing.

Banning Order: An order by the First-tier Tribunal that prohibits landlords and agents who have committed relevant offences from letting or managing residential properties.

Category 1 Hazard: see Housing Health and Safety Rating System (HHSRS)

Category 2 Hazard: see Housing Health and Safety Rating System (HHSRS)

Civil Penalty: A financial penalty imposed by a local housing authority on an individual or organisation as an alternative to prosecution.

Client Money Protection (CMP) scheme: Compensates landlords and tenants if property agents cannot repay their money, for example if the

agent goes into administration. Membership of a CMP scheme has been a legal requirement since 1 April 2019.

Database of Rogue Landlords and Property Agents: A database in which local councils must make an entry when a landlord or property agent has received a Banning Order.

Decent Home: A property that meets 4 criteria: (1) it meets the current statutory minimum standard for housing (2) it is in a reasonable state of repair (3) it has reasonably modern facilities and services and (4) it provides a reasonable degree of thermal comfort.

Decent Homes Standard: The government's definition of what is a decent home. See Decent Home

Discretionary Housing Payment: Financial support awarded by a local council to those in receipt of Housing Benefit or Universal Credit Housing Element to help with rent or housing costs.

English Housing Survey (EHS): A national survey commissioned by the Department for Levelling Up, Housing and Communities. Collects information about people's housing circumstances and the condition and energy efficiency of housing in England.

English Private Landlord Survey (EPLS): A national survey of landlords and letting agents who own and/or manage privately rented properties in England. Commissioned by the Department for Levelling Up, Housing and Communities. Informs government understanding of the characteristics and experiences of landlords and how they acquire, let, manage, and maintain privately rented accommodation.

Energy efficiency: The measurement of energy-expenditure required to achieve a benefit.

Energy Performance Certificate (EPC): Contains information about a property's energy use with a rating from A to G and typical energy costs as well as recommendations about how to reduce energy use and save money. They are needed whenever a property is built, sold, or rented.

House in multiple occupation (HMO): A property rented out to at least 3 people who are not from 1 'household' (for example a family) but share facilities such as the bathroom and kitchen.

Housing Health and Safety Rating System (HHSRS): A risk assessment tool used to assess hazards in all residential accommodation and specifically by councils to enforce standards in the Private Rented Sector. A hazard can be rated as Category 1 (the most serious, posing an imminent risk to a person's health) or Category 2 (a hazard that is less serious or less urgent).

Local Housing Allowance (LHA): Determines the maximum amount of housing support available to claimants in the Private Rented Sector. A claimant's LHA rate depends on where they live and the number of bedrooms their household is deemed to need, up to a maximum of 4 bedrooms.

Mortgage guarantee scheme: A scheme which helps to increase the supply of 5% deposit mortgages for credit-worthy households by supporting lenders to offer these products through a government backed guarantee on new 95% mortgages until 31 December 2022.

'No fault' eviction: Also known as a Section 21 eviction.

Pre-action protocol: Explains the conduct and sets out the steps a court would normally expect parties to take before commencing proceedings for particular types of civil claim.

Private Rented Sector: Homes for rent that are owned and managed by private landlords.

Property Ombudsman: A scheme that provides a free, fair, and independent service to resolve disputes between consumers and property agents.

Redress scheme: Allows a consumer to escalate a complaint they have against a member of the scheme.

Renter: Refers to a person who is either a tenant or a licensee. This includes Park Home Residents, Property Guardians, Lodgers, HMO tenants, and students in the Private Rented Sector.

Rent Repayment Order (RRO): An order made by the First-tier Tribunal requiring a landlord to repay a specified amount of rent.

Rogue Landlord Database: See Database of Rogue Landlords and Property Agents.

Rent-to-Rent Scheme: An arrangement where one landlord (superior landlord) lets their property to another landlord (intermediary landlord) who lets it out to a tenant. The intermediary landlord generally manages the day to day relationship with the tenant.

Section 8: Refers to Section 8 of the Housing Act 1988. A Section 8 notice is served to end a tenancy agreement for 1 (or more) of the grounds for repossession.

Section 21: Refers to Section 21 of the Housing Act 1988. A Section 21 notice is served to end a tenancy agreement, so that the landlord can regain possession. No reason is required.

Selective licensing: A licensing regime for privately rented properties that applies to a specified area designated by the relevant local council.

Shared Ownership scheme: A scheme which enables home buyers to purchase a share of their home of between 10% and 75% of the home's value and pay rent on the remaining share. The owner can then buy more shares in their property later on, should they wish to, with a minimum 1% gradual staircasing.

Supported housing: Accommodation where support, supervision or care is provided to help people live as independently as possible in the community.

Tenant: A person who rents a property from a landlord and has exclusive occupation of that property. Usually has an Assured Shorthold Tenancy.

Tenant Deposit Protection (TDP): Regulations and services that protect a tenant's deposit for the duration of the tenancy.

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London Borough of Barking and Dagenham

Consultation Outcome Report

May 2024

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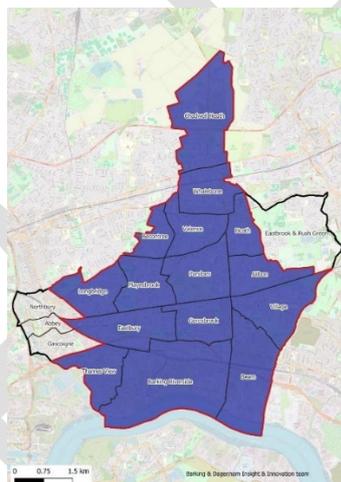
INTRODUCTION

About this consultation

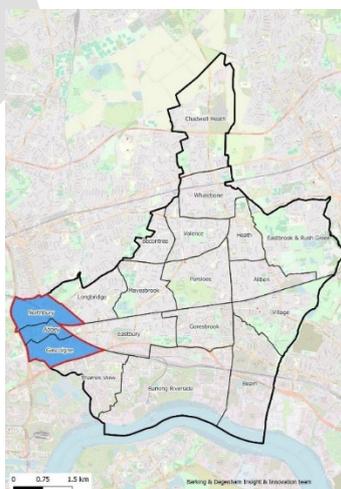
This consultation sought input on the future of property licensing in Barking and Dagenham, including a range of new supporting initiatives. Through the proposals in the consultation, we aim to set standards, tackle poor management, and improve the quality of private rented homes. We value all views and experiences regarding the local private rented sector, including thoughts on our proposed initiatives, whether these were positive or negative. All input helps to shape the approach of delivering our mission to ensure every renter can take pride in their home.

Barking and Dagenham are proposing to introduce a borough-wide selective licensing scheme across three designation areas, targeting deprivation, poor property conditions and ASB. These designations are:

Designation 1 (deprivation, poor property conditions, and ASB) – Alibon, Barking Riverside, Beam, Becontree, Chadwell Heath, Eastbury, Goresbrook, Heath, Longbridge, Mayesbrook, Parsloes, Thames View, Valence, Village, Whalebone.



Designation 2 (deprivation and poor property conditions) – Abbey, Gascoigne, Northbury.



used as the principal method of consultation, with paper copies of the questionnaire and a phone line available for those who preferred to complete the survey in that manner. A consultation email address was also set up for interested parties to provide written comments and ask any questions. These comments have also been analysed and included in the appendices.

Online survey

The online survey hosted on our One Borough Voice platform covered: views on the current state of the PRS, experiences of the local PRS, view on the impact of existing property licensing schemes, opinions on proposed new selective licensing scheme and additional HMO licensing scheme including designations, licence conditions, and fees and discounts, alternatives to the proposed schemes, and suggestions for enhancing support for private landlords and tenants.

Our online survey was completed by 824 respondents and a breakdown of the respondent profile is below. The demographic profile of respondents can be found in Appendix 3.

Figure 1: Respondent profile to the online survey

	Number of respondents	Percentage of total
Resident – private tenant	133	16.1%
Resident – other tenures	155	18.8%
Landlord	493	59.8%
Managing or Letting Agent	13	1.6%
Partner or community organisation representative	4	0.5%
Any other type of local business representative	2	0.2%
Other	24	2.9%
Total	824	100%

Public meetings

Throughout the consultation, the response rate and demographic profile of respondents was periodically reviewed. Originally, the landlord respondents were much higher, so the Council responded by posting letters to all private rented homes and pop-up stalls were organised for Barking Market and Dagenham Heathway to increase the number of tenant and resident respondents.

Seven public meetings were held as part of this consultation, which were all bookable by Eventbrite. Two of these were held in person at Barking Town Hall, in the evening on 3rd April 2024 and at lunchtime on 5th April 2024. Due to a higher online take up, five sessions were held online, one at lunchtime on 14th March 2024 and the remainder in the evening on 12th March, 9th April, 11th April and 16th April 2024. These meetings offered people the chance to hear and see Barking and Dagenham’s proposals, and to ask questions and to voice their own opinions. In total, 33 people attended the meetings, whilst 71 booked to attend.

Figure 2: Attendance Breakdown

Meeting Date	No. of people booked to attend	No. of attendees
12 th March 2024	16	6
14 th March 2024	6	4
3 rd April 2024	14	5
5 th April 2024	9	8*
9 th April 2024	3	1
11 th April 2024	12	4
16 th April 2024	11	5

*including 3 unregistered attendees who received a letter in the mail

Written responses

Respondents were given the opportunity to submit written responses to the consultation, either via letter or to the dedicated consultation email address. 14 email responses were received, 3 written responses were received via letter, and 5 letters of support were received. Full copies of the written responses can be found in Appendix D. A summary of the written responses can be found on page 58.

Stakeholder interviews

We spoke to seven stakeholders representing external agencies in and around Barking and Dagenham. Three other stakeholders were invited to take part in an interview. The stakeholders interviewed were:

1. National Residential Landlords Association (NRLA) – landlord agency
2. Propertymark – property agent body
3. SafeAgent – property agent body
4. Cambridge House Safer Renting – tenant support
5. Justice for Tenants – tenant support
6. Home Office
7. Metropolitan Police

A summary of the stakeholder views can be found on page 57.

Communication Channels

The council used a wide range of communication channels to promote the consultation and make stakeholders aware of the proposals.

Activities to engage all stakeholder groups, inside the borough, and raise their awareness included:

- Adding a banner to the top of the council website on all pages from 18th April to 26th April 2024.
- Issuing press releases on 16th February and 19th April 2024
- Using the council's social media:
 - o 18 X (Twitter) posts with a total of 5.5k impressions, 1.4% engagement rate, 8 shares, and 8 likes

- 26 Facebook posts, with a total of 61k people reached, 62.2k impressions, 119 clicks, 14 shares, and 29 likes
- Digital advertising on local newspaper websites from Thursday 14th March to Friday 26th April 2024 which resulted in 144,792 impressions, 525 clicks, and a 0.44% click through rate
- Working with the faith forum to distribute consultation documents to all faith leads in the borough.
- Letter drop to 18,523 private rented homes on 15th April 2024, which included information about the public meetings being held
- Leaflet drop to a random selection of 4,800 houses on 23rd and 24th April 2024
- The consultation was included as an item in emails sent to resident mailing lists on:
 - 28th February 2024 – 37,944 recipients, 12,440 opens, 78 clicks
 - 13th March 2024 – 38,191 recipients, 13,216 opens, 72 clicks
 - 27th March 2024 – 41,554 recipients, 12,513 opens
 - 10th April 2024 – 38,518 recipients, 14,679 opens, 45 clicks
 - 24th April 2024 – 38,635 recipients, 10,784 opens, 99 clicks
- Adverts were added to outdoor digital boards across the borough. The campaign on the outdoor digital boards ran from 26th February to 26th April 2024
- Text message sent to 20,000 residents via the Thames View GP text messaging service on 23rd April 2024
- Advertising posters placed in all 11 Community Hubs in the borough throughout the duration of the consultation
- Four drop-in sessions per week from 19th April 2024 to 26th April 2024 at Whalebone Lane Community Reporting Hub and Dagenham Library Community Reporting Hub
- Local authority officers handing out business cards during all visits during the period of the consultation
- Pop up stalls in Barking Market on 4th April and 25th April and on Dagenham Heathway on 10th April 2024.
- Officers handing out consultation business cards outside Ripple Road Mosque on 26th April 2024
- Council staff laptop screensaver from 28th March to 26th April 2024
- The Leaders briefing on 1st March 2024
- CEO's briefing to all staff on 1st March 2024
- Council staff newsletter on 28th February 10th April and 24th April 2024

Activities to engage all stakeholder groups, outside the borough, and raise their awareness included:

- A digital campaign on the London Property Licensing website. London Property Licensing is the leading website for informing private landlords in the UK. The campaign started on 26th February 2024 and ran until 26th April 2024. the campaign included:
 - A 300x400 pixel banner advert was placed on the home page and sixteen London borough pages from 27th February 2024 to 26th April 2024. Anyone clicking on the advert was taken directly to the council's licensing consultation webpage.
 - From 27th February to 26th April 2024, high profile scheme promotion was achieved by inserting a banner headline which remained one of the top three rotating landscape images at the top of the LPL home page. The banner headline had a hyperlink to the LPL Barking & Dagenham property licensing consultation webpage.
 - On 26th February 2024, the LPL Barking & Dagenham webpage was updated with information about the licensing consultation and a direct link to the council's

consultation webpage in the orange 'At a Glance box' to encourage people to find out more and take part in the consultation.

- From 27th February to 26th April 2024, a LBBB licensing consultation listing was displayed on the LPL website and promoted on the home page, the licensing consultations page, and on sixteen borough pages. The listing summarised the purpose of the consultation and explained how people could take part.
- The consultation webpage promoted consultation events taking place on 12th and 14th March and 3rd and 5th April 2024.
- A news article about the additional and selection licensing consultation was published on 3rd March 2024 and promoted via social media and the LPL newsletter.
- A regular newsletter is sent out to people who have requested updates on housing regulation and property licensing schemes. The newsletter is widely distributed to landlords, letting agents, organisations, local authority officers and government officials. The consultation was promoted in newsletters distributed on 4th March and 8th April 2024 with each newsletter sent to between 3,729 and 3,742 people. The newsletters also displayed the LBBB banner advert with a direct link to the consultation page on the council's website.
- Tweets about the licensing consultation were published on the LPL X (Twitter) feed on average every 9-11 days, timed to cover mid-week and weekends with a variety of morning, afternoon and evening posts between 04/03/2024 and 26/04/2024. During this period, the LPL Twitter feed had over 2,300 followers which generated impressions, likes and retweets.
- On 5th March and 23rd April 2024, posts about the licensing consultation were published on the London Property Licencing LinkedIn and Facebook pages.
- Email to all London borough CEOs on 16th April 2024
- Email to all London Private Sector Housing team leaders on 25th March 2024, notifying them of the consultation.

Activities to engage all stakeholder groups, inside and outside the borough, and raise their awareness included:

- Placing adverts in local and neighbouring borough newspapers:
 - Barking and Dagenham Post – 13th March and 17th April 2024
 - Newham Recorder – 13th March and 17th April 2024
 - Ilford Recorder – 14th March and 18th April 2024
 - Romford Recorder – 15th March and 19th April 2024
- Running a digital advertising campaign from 23rd February 2024 to 26th April 2024 which resulted in 3,663,392 impressions, 8,814 clicks to the consultation page with a cost per click of 0.68p, which is a good figure considering the landlord strategy. The digital campaign placed adverts on websites and social media pages related to Barking and Dagenham and the private rented sector, including:
 - rightmove.co.uk
 - gumtree.com
 - zoopla.co.uk
 - propertytorenovate.co.uk
 - homebuilding.co.uk
 - theprimarymarket.com
 - facebook.com
 - Instagram.com

- dailymail.co.uk
- investing.com
- metro.co.uk
- An email to 10,806 licence holders on 28th February 2024 to inform them about the consultation and NRLA landlord forum session we were presenting at
- The consultation was included on the landlord newsletter sent to 10,814 licence holders on 28th March 2024
- An email to 10,823 licence holders on 12th April 2024 to inform them about the consultation
- A final chance email to 10,830 licence holders on 23rd April 2024 to inform them about the consultation

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SUMMARY OF KEY FINDINGS

The key findings from the online survey are summarised by respondent type in the table below.

	Overall	Residents – Private tenants	Residents – Other tenures	Landlords, managing & letting agents	Organisations, businesses & other respondents
Agree with Selective Licensing in designation 1	32%	60%	56%	16%	50%
Disagree with Selective Licensing in designation 1	35%	10%	18%	47%	34%
Agree with Selective Licensing in designation 2	30%	56%	51%	17%	33%
Disagree with Selective Licensing in designation 2	31%	9%	17%	40%	33%
Agree with Selective Licensing in designation 3	28%	48%	47%	16%	40%
Disagree with Selective Licensing in designation 3	31%	9%	16%	41%	30%
Agree with the Additional HMO Licensing designation	45%	62%	64%	34%	70%
Disagree with the Additional HMO Licensing designation	25%	7%	18%	33%	23%
Agree with the proposed fee for Selective Licensing designations (percentage of 'about right' responses only)	15%	29%	24%	7%	38%
Disagree with the proposed fee for Selective Licensing designations (% of 'much too high' responses only)	54%	17%	27%	73%	28%
Agree with the proposed fee for Additional HMO Licensing designation (% of 'about right' responses only)	18%	31%	20%	12%	41%
Disagree with the proposed fee for Additional HMO Licensing designation (% of 'much too high' responses only)	39%	16%	26%	50%	24%
Agree with the proposed silver compliance award discount for both schemes	45%	43%	39%	48%	49%
Disagree with the proposed silver compliance award discount for both schemes	20%	12%	18%	24%	21%
Agree with the proposed gold compliance award discount for both schemes	44%	45%	40%	44%	46%
Disagree with the proposed gold compliance award discount for both schemes	21%	9%	18%	35%	21%
Agree that the proposed conditions for Selective Licensing designations 1-3 are reasonable	32%	55%	48%	20%	45%
Disagree that the proposed conditions for the Selective Licensing designations 1-3 are reasonable	40%	9%	22%	55%	24%
Agree that the proposed conditions for the Additional HMO Licensing designation are reasonable	30%	48%	51%	18%	46%
Disagree that the proposed conditions for the Additional HMO Licensing designation are reasonable	19%	8%	15%	24%	21%

Figure 3: Summary of responses to the online survey (overall/by respondent type)

ONLINE SURVEY RESULTS

In this section, we present the results of our online survey. We received a total of 824 responses, from a range of stakeholders within and outside the borough. The demographic profile of respondents is detailed in Appendix A.

Views on the private rented sector in Barking and Dagenham

To commence the main survey, we sought respondents' views on the effectiveness of the local private rented sector by asking whether they perceived the sector to be facing any of the challenges we had identified in our consultation evidence report.

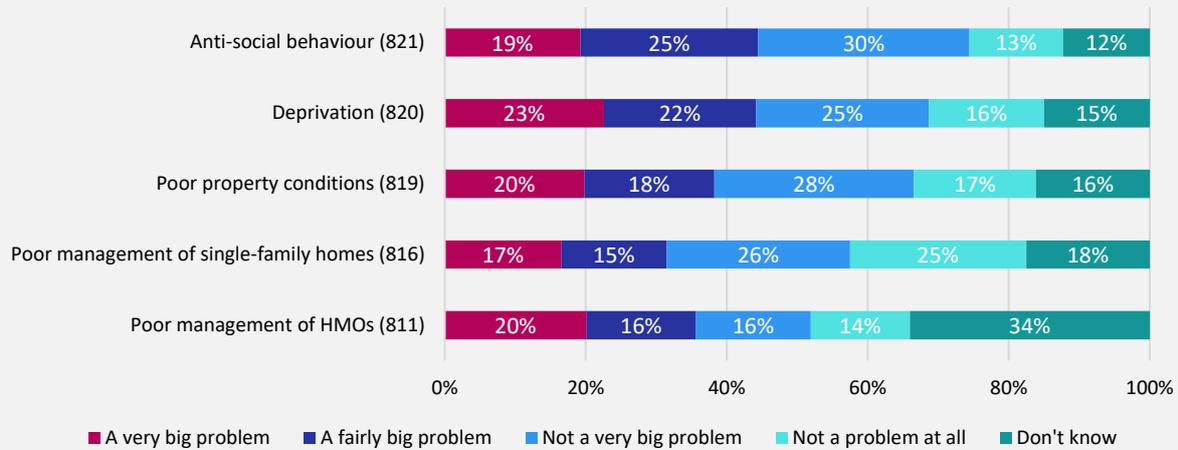
Thinking about the private rented sector, to what extent do you believe the following to be problem in Barking and Dagenham?

- Anti-social behaviour (such as noise nuisance and harassment of neighbours)
- Deprivation worsened by poor quality and insecure housing (such as fuel poverty or unlawful rent rises)
- Poor property conditions (such as damp and mould)
- Poor management of single-family private rented homes (including singles, couples and two unrelated sharers).
- Poor management of shared private rented homes for multiple households (HMOs).

For all five issues, a significant portion of respondents, comprising almost a third or more, identified them as either fairly or very big problems. These proportions ranged from 32% for the management of single-family rented homes up to 45% for deprivation. Following deprivation, anti-social behaviour was the second most cited issue by respondents as a fairly or very big problem (44%).

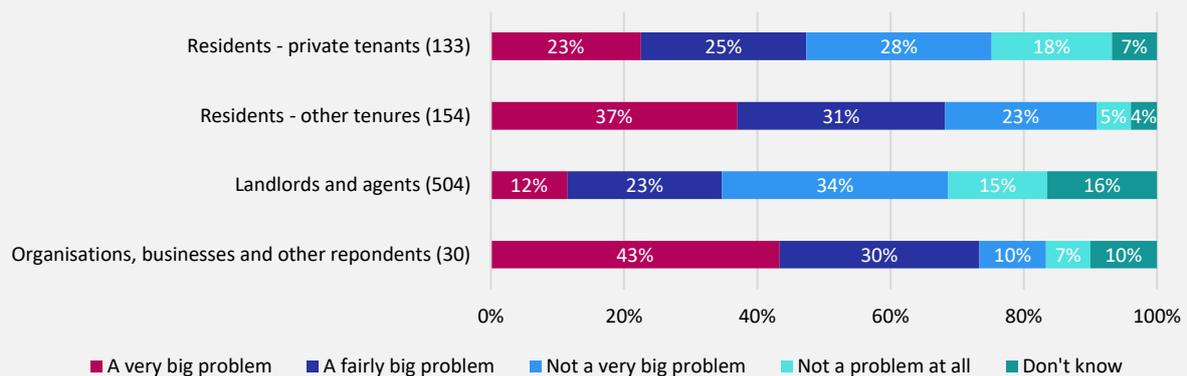
Conversely, a higher proportion of respondents disagreed with the notion of poor property conditions being a problem (45%) compared to those who agreed (38%). The same pattern emerged for the management of single-family homes, with more respondents disagreeing (32%) than agreeing (51%). Notably, respondents were most likely to be uncertain about whether the management of rented HMOs was a problem in the borough, with 34% indicating they did not know. Figure 4 shows the levels of agreement or disagreement with issues identified as a concern by the Council.

Figure 4: Extent that identified issues were perceived as problems within the private rented sector in Barking & Dagenham



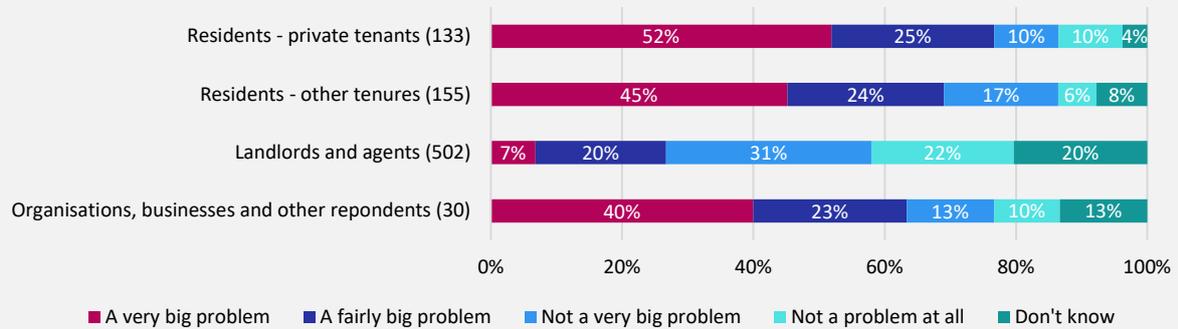
Views varied when broken down by type of respondent. Organisations, businesses, and other respondents were more inclined to perceive anti-social behaviour (ASB) as a very or a fairly big problem in the private rented sector (73%). This sentiment was echoed by private tenants themselves, with nearly half considering it a considerable issue (48%). An even larger proportion of other residents in the borough felt ASB was a problem of significance (68%). In stark contrast, private landlords and agents were most likely to consider ASB to be of little or no concern (49%). Full results are shown below in figure 5.

Figure 5: Extent that ASB was perceived as a problem within the private rented sector in Barking & Dagenham - by respondent type



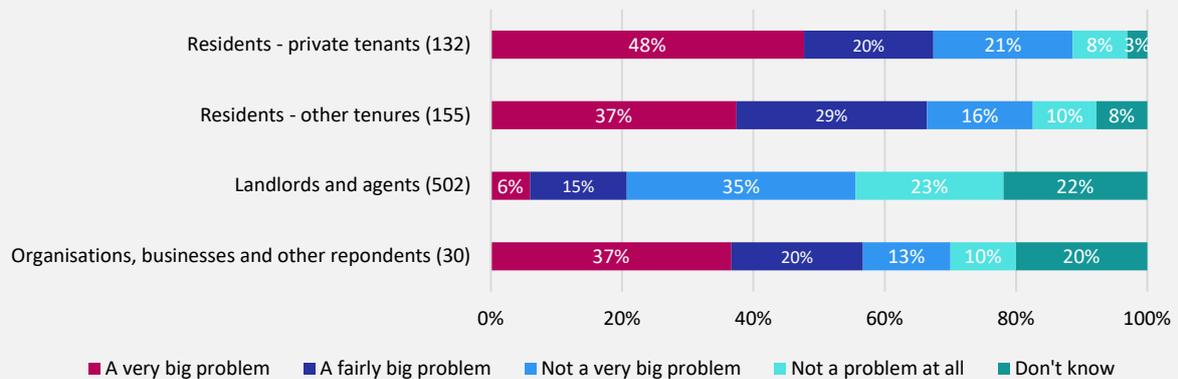
Nearly two-thirds or more of private tenants (77%), other residents (69%), and organisations, businesses, and other respondents (63%) believed deprivation was a fairly or very big problem. Conversely, landlords and agents were least likely to view it as a significant issue (27%). Full results are shown below in figure 6.

Figure 6: Extent that deprivation was perceived as a problem within the private rented sector in Barking & Dagenham - by respondent type



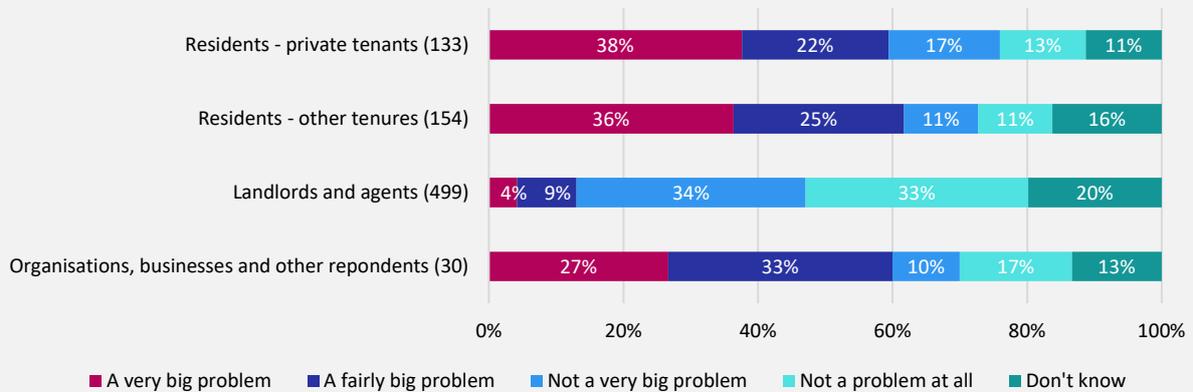
The extent of poor property conditions was considered a fairly big problem by the majority of respondents from private tenants (52%), residents of other tenures (45%) and businesses organisations and other respondents (40%). The second most popular response across the above three respondents was that it was a fairly big problem. Landlords either assessed poor property conditions as either not a big problem (31%) or not a problem at all (22%). Full results are shown below in figure 7.

Figure 7: Extent that poor property conditions was perceived as a problem within the private rented sector in Barking & Dagenham - by respondent type



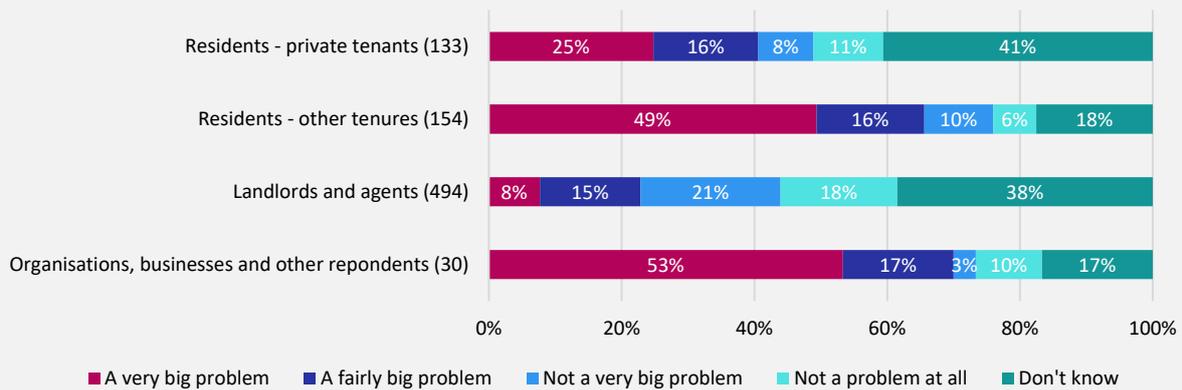
The extent of poor management of single family homes was felt by private sector tenants (48%) and residents of other tenures (37%) to be a very big problem with and for businesses, organisations and other respondents to be a fairly big problem (37%). The majority of landlords felt that it was either not a very big problem (35%) or not a problem (23%). Full results are shown below in figure 8.

Figure 8: Extent that poor management of single-family homes was perceived as a problem within the private rented sector in Barking & Dagenham - by respondent type



The extent of poor management of HMOs was questioned and the highest responses were that it was viewed as a very big problem by 38% of private tenants and as a fairly big problem by 22%. It was viewed as a very big problem by 36% and a fairly big problem by 25% of residents of other tenures. Businesses, organisations and other respondents had 33% report it as a fairly big problem and 27% as a very big problem. Landlords tended to respond that it was not a big problem (34%) or not a problem at all (33%). Full results are shown below in figure 9.

Figure 9: Extent that poor management of HMOs was perceived as a problem within the private rented sector in Barking and Dagenham - by respondent type

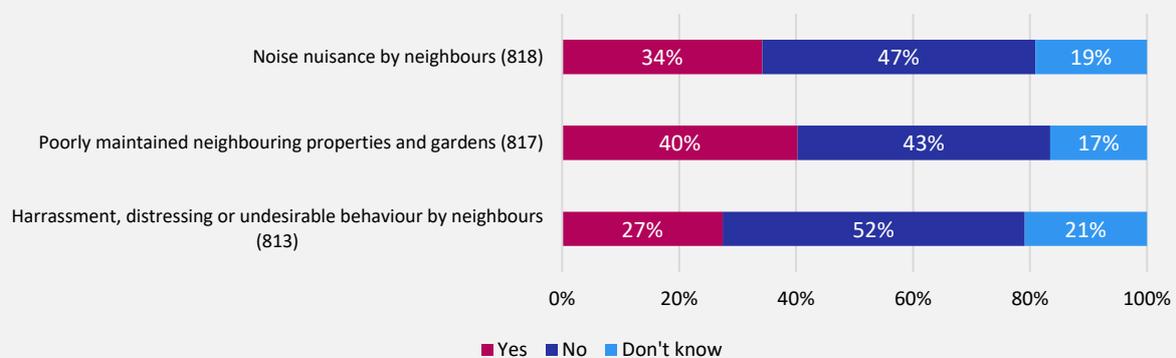


Experiences of the private rented sector in Barking and Dagenham

Please indicate if, in the past 3 years, you or anyone you know have experienced any of the following issues related to private rented homes in Barking and Dagenham.

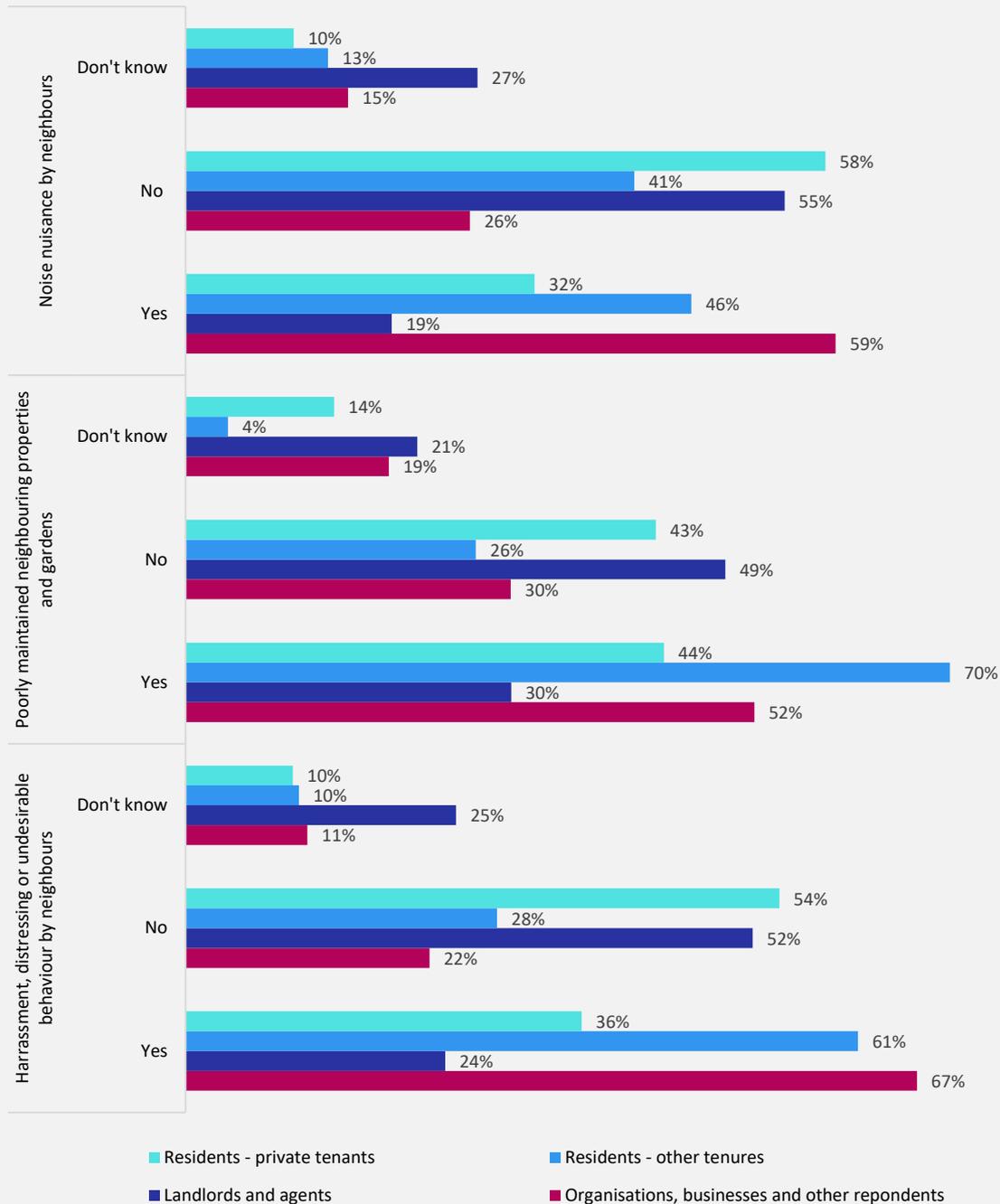
- Anti-Social Behaviour
 - o Noise nuisance by neighbours
 - o Poorly maintained neighbouring properties and gardens
 - o Harassment, distressing or undesirable behaviour by neighbours.
- Poor property conditions
 - o Disrepair
 - o Overcrowding
 - o Illegal or poor-quality conversions
 - o Concerns about fire safety
- Poor management
 - o Unlawful rent increases by a landlord or agent (outside terms set by tenancy agreement)
 - o Unfair additional charges by a landlord or agent
 - o Poor landlord or agent responses to tenants' complaints
 - o Failure by landlord or agent to protect tenancy deposits.

Figure 10: Experiences of ASB related to the private rented sector in Barking and Dagenham



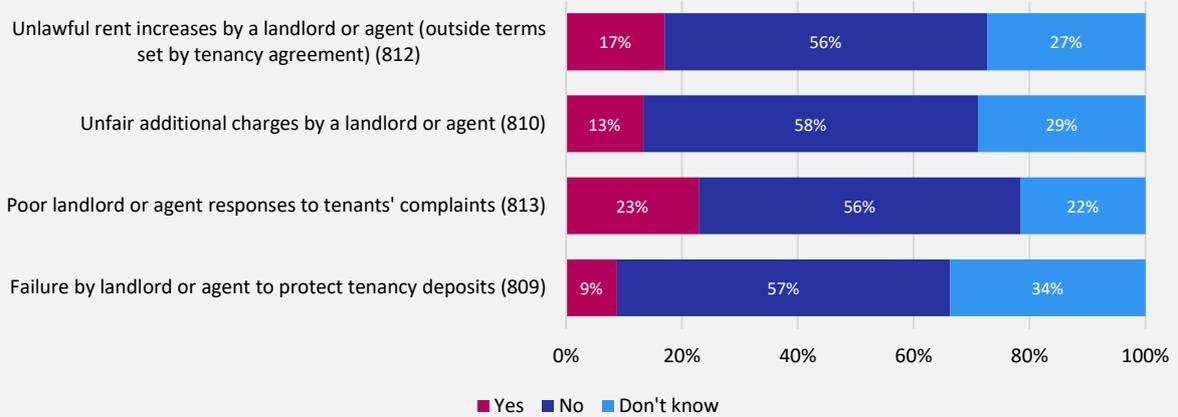
Survey respondents were asked questions around their experience of the private rented sector in Barking and Dagenham. The first question asked about their experiences of ASB. 34% of respondents had experience noise nuisance by neighbours, whilst 47% hadn't. 40% of respondents had experienced poorly maintained neighbouring properties and gardens, whilst 43% hadn't. Finally, 27% had experience harassment, distressing or undesirable behaviour by neighbours whilst 52% hadn't. Full results are shown above in figure 10.

Figure 11: Experiences of ASB related to the private rented sector in Barking & Dagenham - by respondent type



This graph shows the breakdown of respondents but respondent profile. Namely, private tenants, other residents, landlords and agents, and organisations, businesses and other respondents. Those categorised as organisations, businesses and other respondents had experienced the most noise nuisance by neighbours (59%) and the most harassment and undesirable behaviour by neighbours (67%), while residents (other tenures) had experienced the most poorly maintained neighbouring properties and gardens (70%). Full results are shown above in figure 11.

Figure 12: Experiences of poor management related to the private rented sector in Barking & Dagenham



The second experiences question was regarding their experiences of poor management of private rented properties in Barking and Dagenham. 17% of private tenant respondents had experienced unlawful rent increases beyond those set by their tenancy agreement. 13% had been given unfair additional charges by their landlord or agent. 23% said they had received poor landlord or agent responses to their complaints, and 9% stated their landlord or agent had failed to protect their tenancy deposit. Full results are shown above in figure 12.

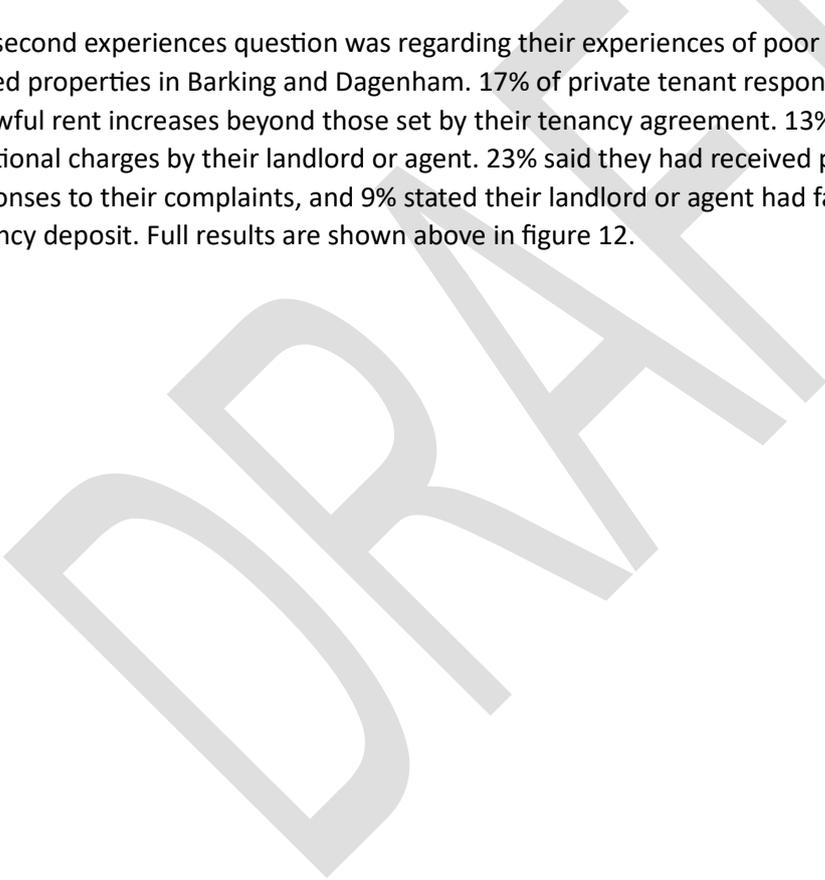
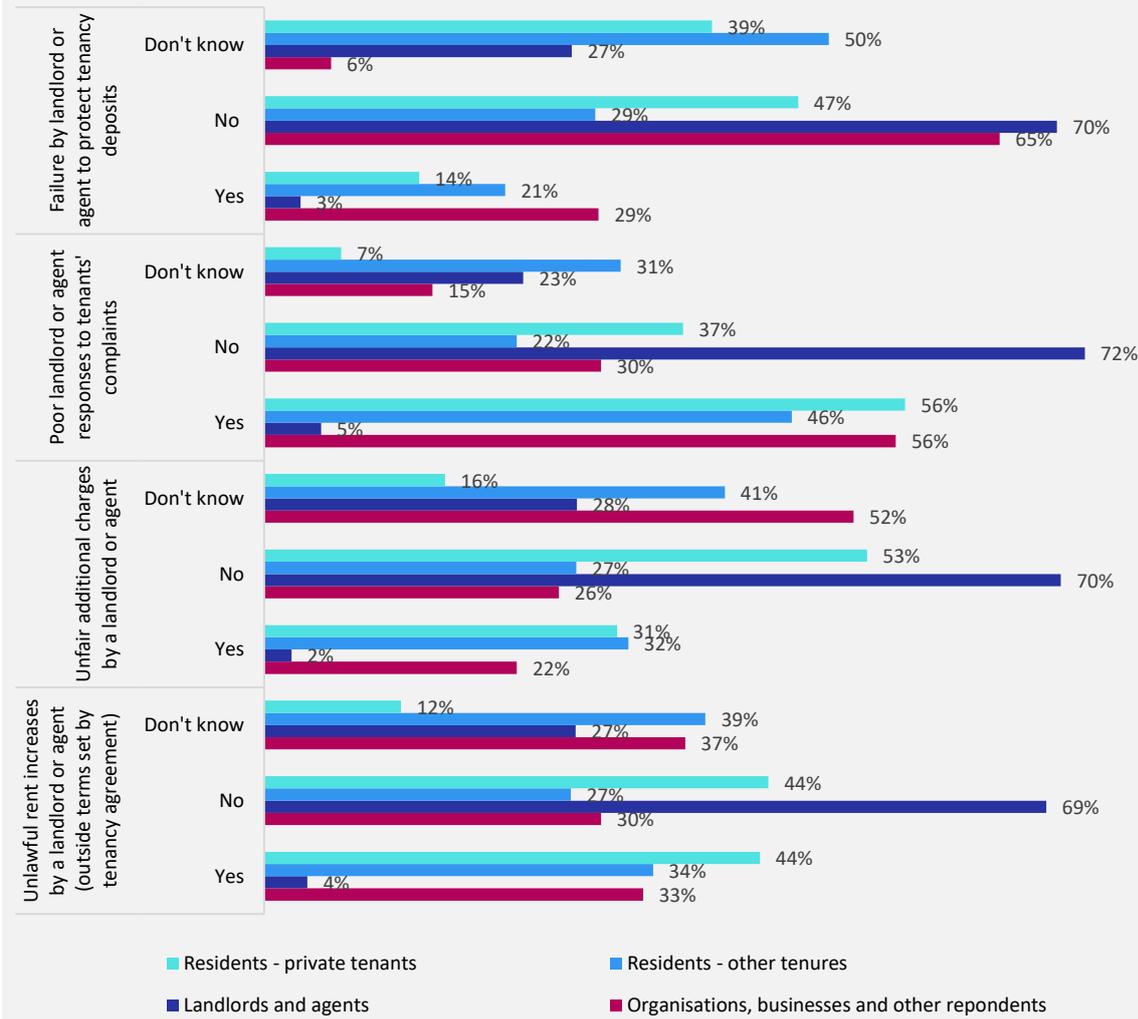


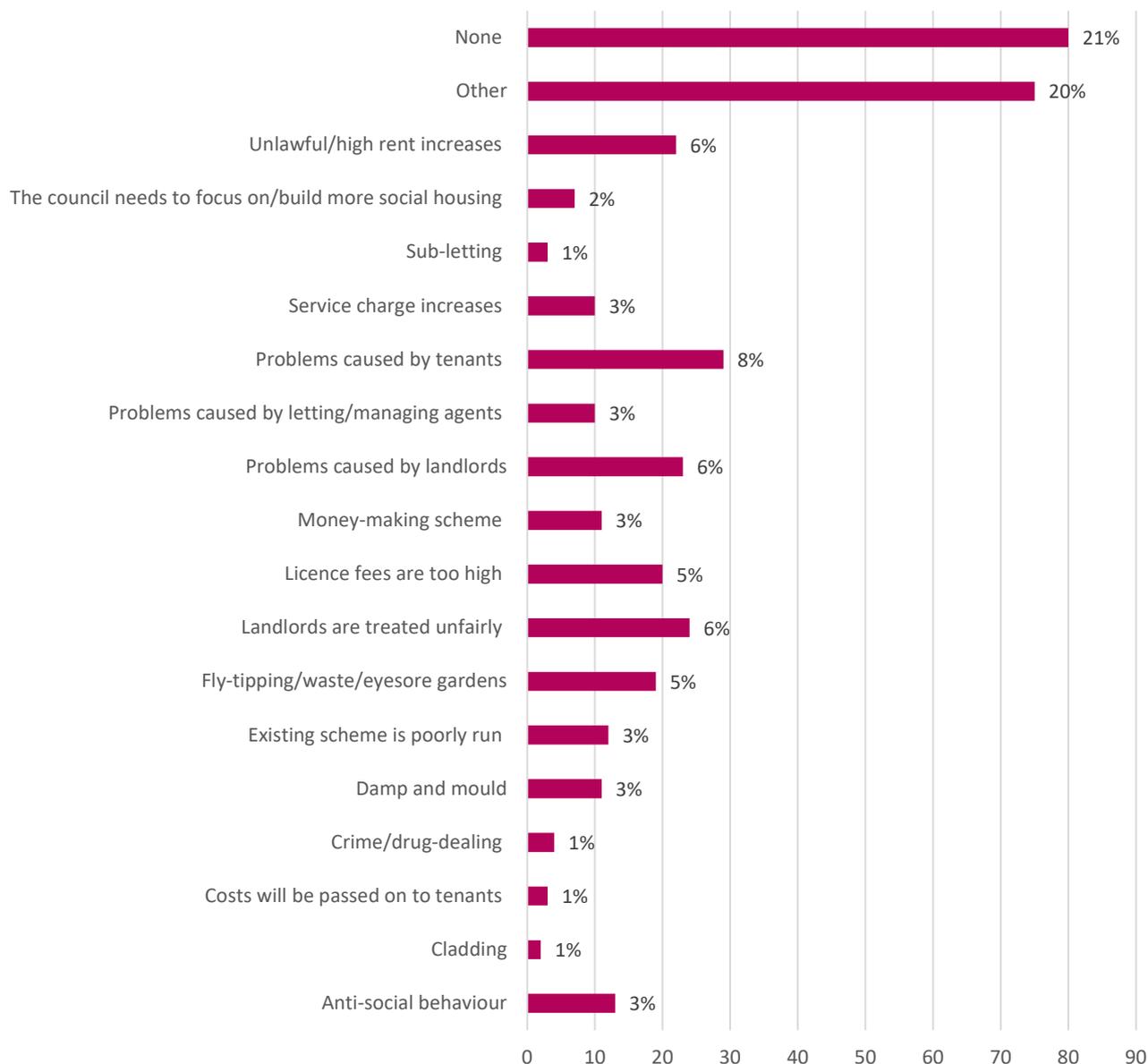
Figure 13: Experiences of poor management related to the private rented sector in Barking and Dagenham - by respondent type



When broken down by respondent type, you can see that organisations, businesses and other respondents had the most experience with landlords or agents failing to protect tenancy deposits (29%). 56% of private tenant residents, and 56% of organisations, businesses and other respondents had experienced poor responses to tenants' complaints. Other tenure residents were the highest percentage (32%) to have experienced unfair additional charges by landlords or agents. Finally, private tenants were the most common respondent type to have experience unlawful rent increases (44%). Full results are shown above in figure 13.

Are there any other issues you would like to tell us about?

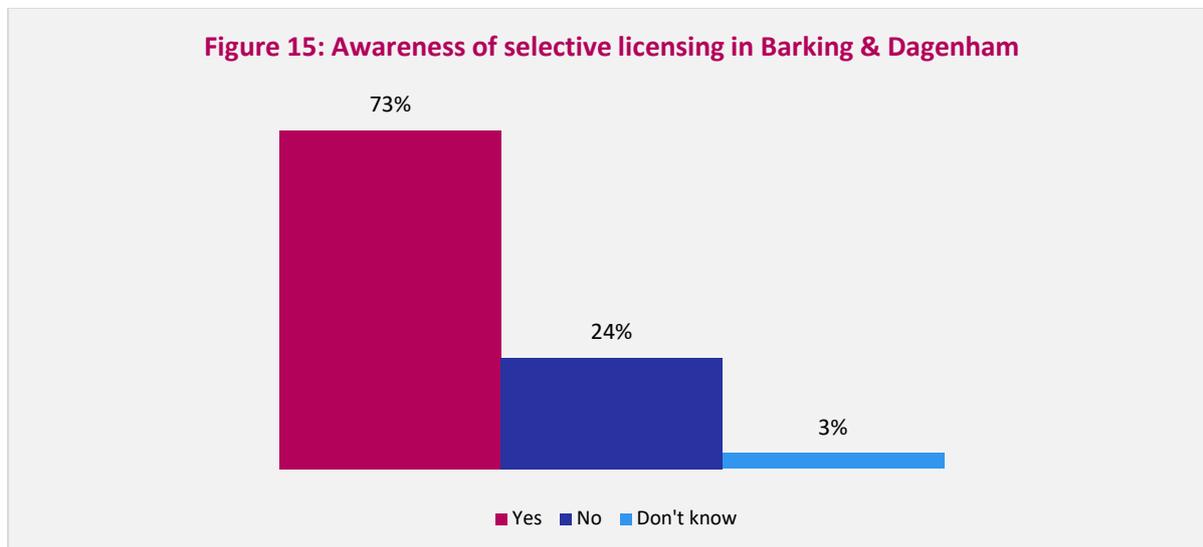
Figure 14: Survey comments around experiences in Barking and Dagenham (themed by common responses)



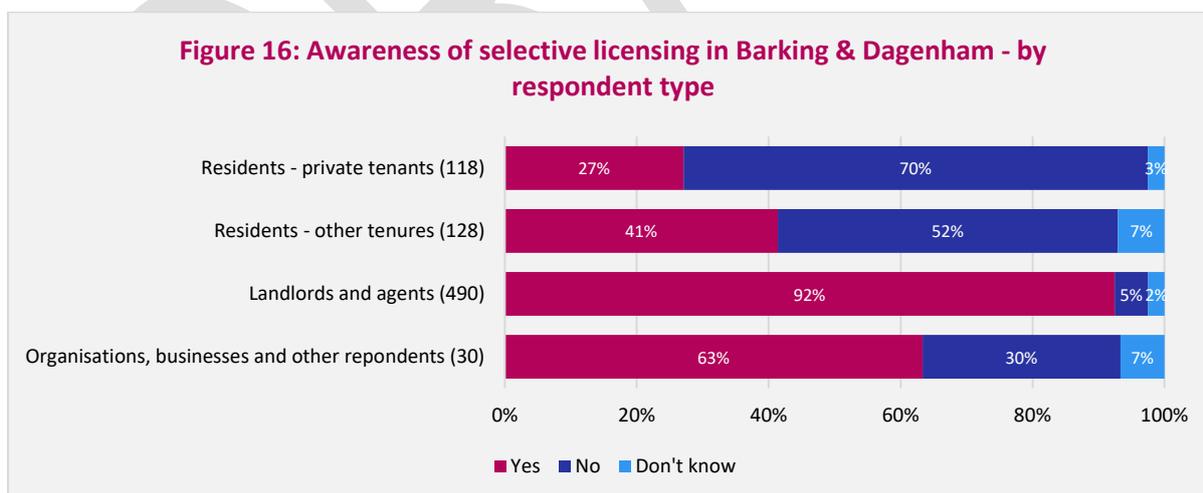
Respondents were asked to tell us about their experiences of the private rented sector in Barking and Dagenham and were given the opportunity to tell us about any other issues they have faced that had not yet been mentioned. Comments show that the most common issues faced are **problems caused by tenants** (29 respondents), **landlords being treated unfairly** (24 respondents), **problems caused by landlords** (23 respondents), and **unlawful/high rent increases** (22 respondents). Full results are shown above in figure 14.

Awareness of current schemes

Before taking part in this consultation, were you aware of the selective licensing scheme for single-family privately rented homes?



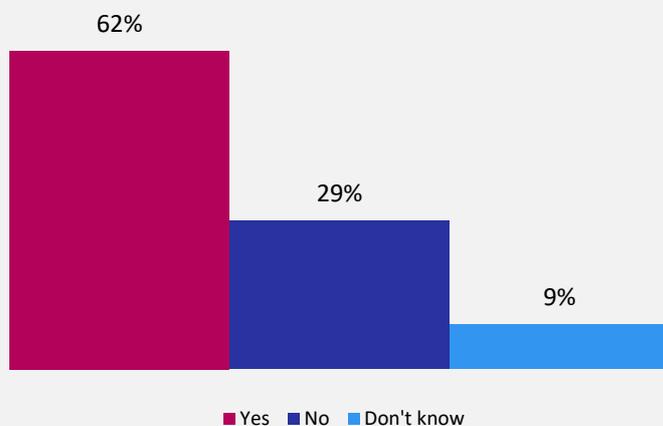
Survey respondents were asked whether they were aware of the selective licensing scheme for single-family privately rented homes in Barking and Dagenham before taking part in the consultation. 73% of respondents said they were aware of the scheme, while 24% were not aware of the scheme. Full results are shown above in figure 15.



When broken down to respondent type, 92% of landlords and agents were aware of the selective licensing scheme whilst on 27% of private tenant residents and 41% of residents from other tenures were aware. Organisations, businesses and other respondents had slightly more awareness of the scheme than residents at 63%. Full results are shown above in figure 16.

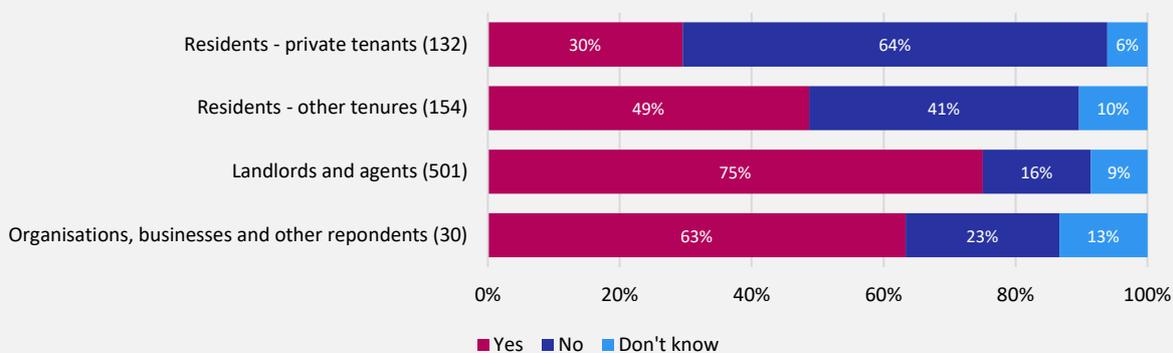
Before taking part in this consultation, were you aware of the mandatory licensing scheme for large, shared homes (HMOs) let to 5 or more unrelated people?

Figure 17: Awareness of mandatory HMO licensing in Barking & Dagenham



Survey respondents were asked whether they were aware of the mandatory licensing scheme for large, shared homes (HMOs) let to five or more unrelated people in Barking and Dagenham prior to taking part in the consultation. 62% of respondents were aware of the scheme while 29% were not. Full results are shown above in figure 17.

Figure 18: Awareness of mandatory HMO licensing in Barking & Dagenham - by respondent type

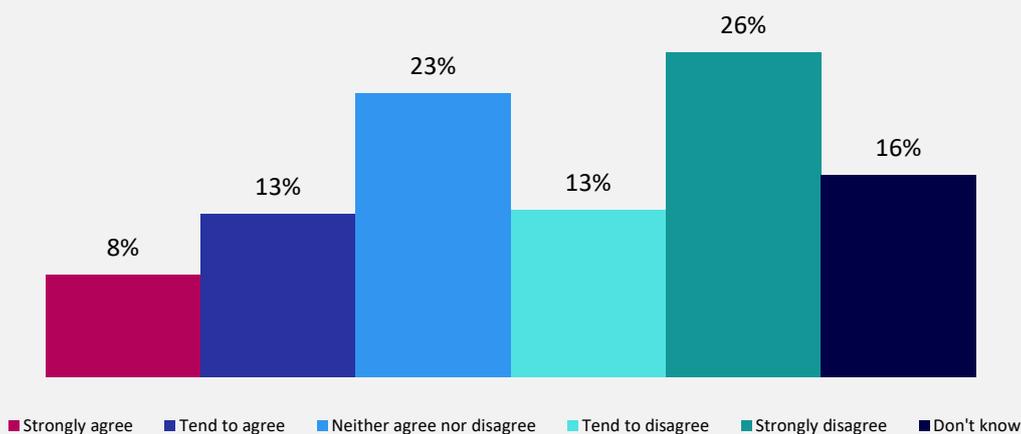


When broken down into respondent type, landlords and agents again were the most aware of the scheme at 75%, followed by 63% of organisations, businesses and other respondents. Residents were again the least aware of the mandatory HMO licensing scheme with 49% of residents from other tenures being aware of the scheme and only 30% of private tenants knowing about the scheme prior to consultation participation. Full results are shown above in figure 18.

Impact of current licensing schemes

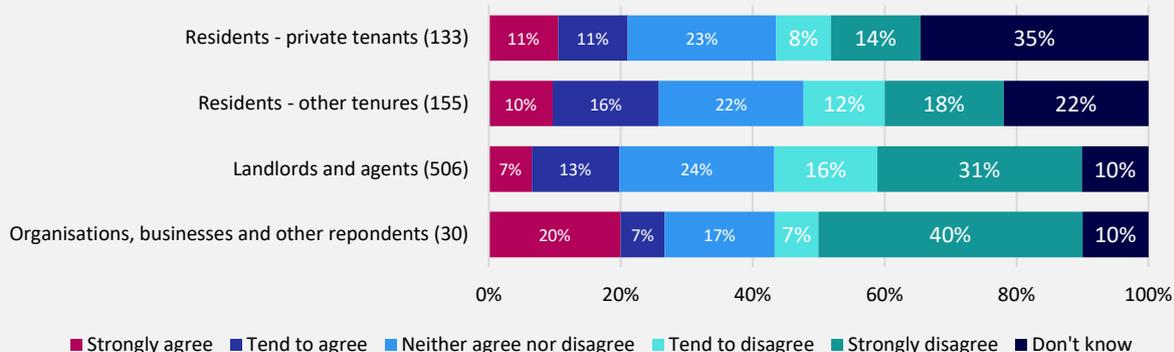
To what extent do you agree that the current selective licensing scheme has helped to improve the condition and management of private rented properties in Barking and Dagenham?

Figure 19: Extent of agreement that the current selective licensing scheme has helped to improve the condition and management of private rented properties in Barking and Dagenham (N: 824)



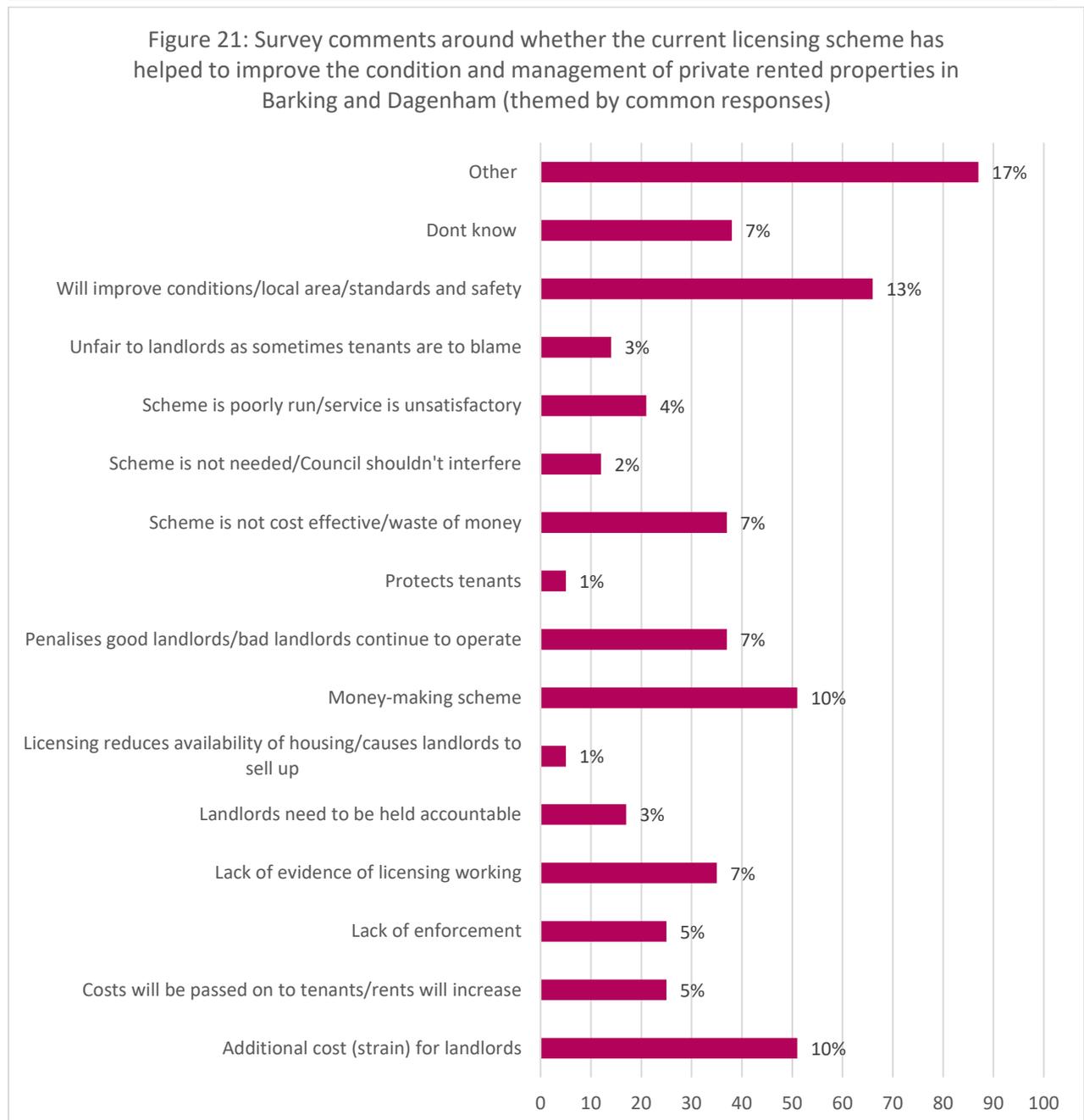
The next section of the survey moved on to look at the impact of the current licensing schemes. This was firstly done by asking survey respondents the extent to which they agree that the current selective licensing scheme has helped to improve the condition and management of private rented properties in Barking and Dagenham. 8% of respondents strongly agreed, and 13% tended to agree. Conversely, 13% tended to disagree and 26% strongly disagreed. 23% neither agreed nor disagreed and 16% didn't know. Full results are shown above in figure 19.

Figure 20: Extent of agreement that the current selective licensing scheme has helped to improve the condition and management of private rented properties in Barking & Dagenham - by respondent type



When broken down by respondent 40% of businesses, organisations and other respondents strongly disagreed with the statement that the scheme had improved property conditions. 31% of landlords also strongly disagreed. Residents from private tenures tended not to know (35%) as did residents from other tenures (22%). Full results are shown above in figure 20.

Please give the reason for your answer.

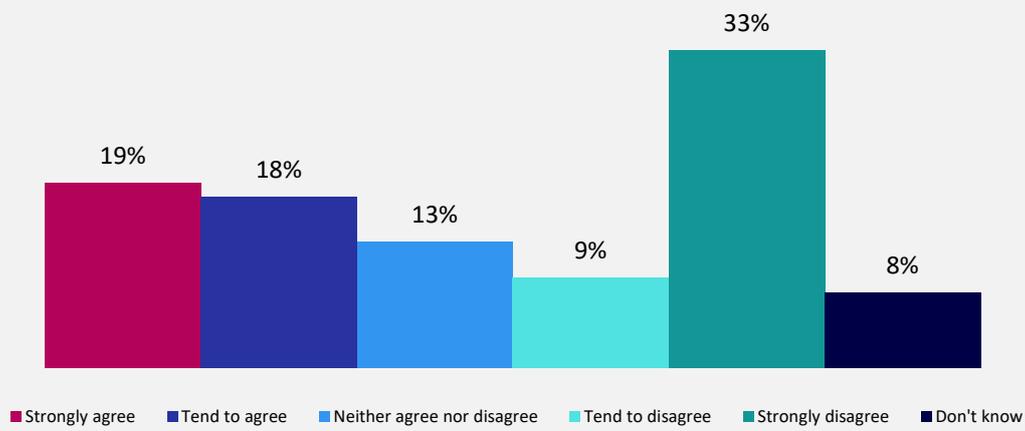


Respondents were asked whether they felt that the current licensing scheme had helped to improve the condition and management of private rented properties in Barking and Dagenham. 8% strongly agreed, 13% tended to agree, 23% neither agreed nor disagreed, 13% tended to disagree, 26% strongly disagreed, and 16% didn't know. They were then asked to provide a reason for their answer. The most common response was that it has **improved conditions/local area/standards and safety**

(66 respondents), followed by it being a **money-making scheme** (51 respondents), and the **additional cost being a strain for landlords** (51 respondents). Full results are shown above in figure 21.

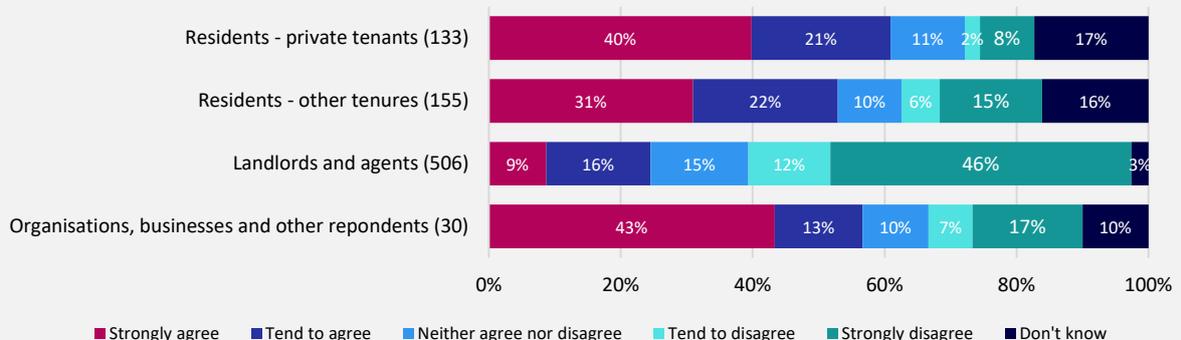
To what extent do you agree that the Council should continue to use selective licensing as a tool to help to improve, or further improve, the condition and management of private rented homes?

Figure 22: Extent of agreement that the Council should continue to use selective licensing as a tool to help to improve, or further improve, the condition and management of private rented homes (N: 824)



Whilst 33% of respondents disagreed that the council should continue to use selective licencing, the majority of respondents agreed with the continued use of selective licensing. Strongly in agreement were 19% and a further 18% tended to agree. Full results are shown above in figure 22.

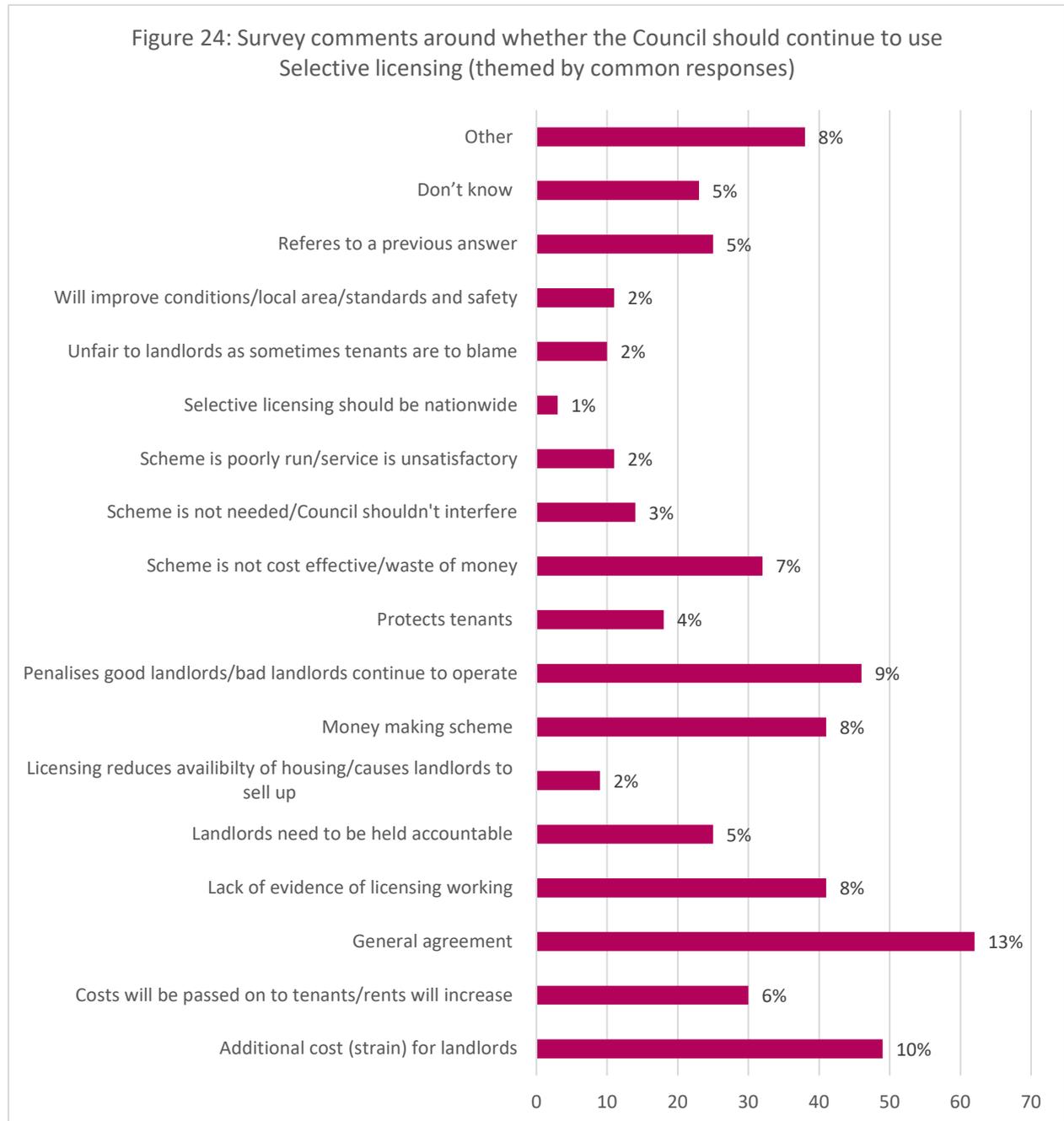
Figure 23: Extent of agreement that the Council should continue to use selective licensing as a tool to help to improve, or further improve, the condition and management of private rented homes - by respondent type



When broken down by respondents 43% of organisation and businesses were strongly in favour of continuing selective licensing with 13% tending to agree. 40% of private tenants also strongly agreed with 21% tending to agree. For residents in other tenures 31% strongly agreed with a further 22%

tending to agree. The majority of landlords (46%) strongly disagree with the continuance of selective licensing. Full results are shown above in figure 23.

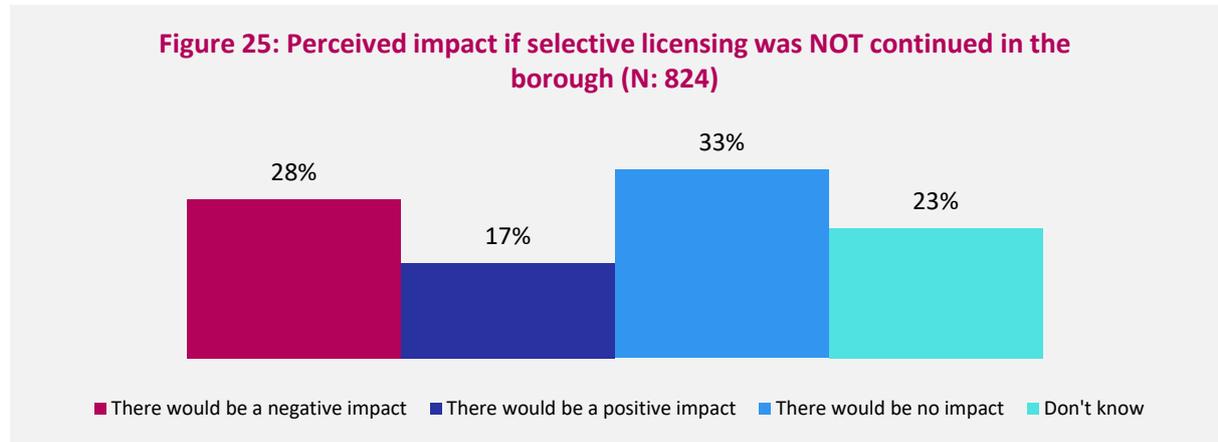
Please give the reason for your answer.



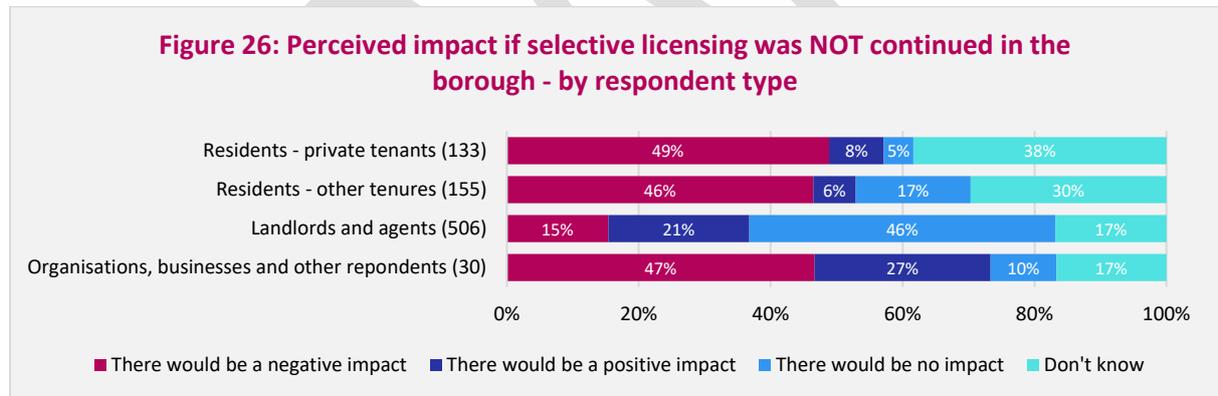
Following their views on the impact of the current licensing scheme, respondents were asked whether they thought the Council should continue to use selective licensing as a tool to help improve, or further improve, the condition and management of private rented homes in Barking and Dagenham. 19% strongly agreed, 18% tended to agree, 13% neither agreed or disagreed, 9% tended to disagree, 33% strongly disagreed, and 8% didn't know. When asked to give a reason for their answer, the most common response was a **general agreement** with the continued use of selective licensing (62 respondents). This was followed by the **additional cost being a strain to landlords** (49

respondents), and that **licensing schemes penalise good landlords while bad landlords continue to operate** (46 respondents). Full results are shown above in figure 24.

If selective licensing was NOT continued in the borough, what impact do you think this would have?



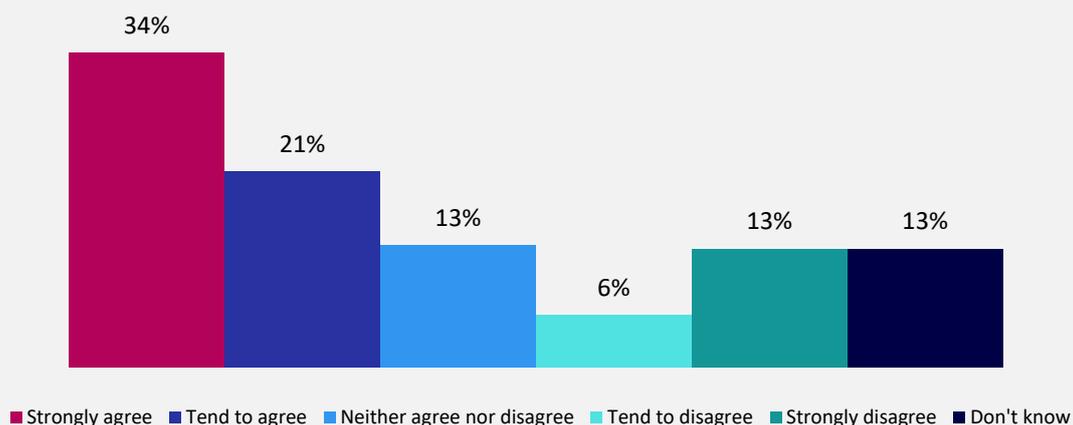
33% of respondents felt there would be no impact. The next highest response was that there would be a negative impact (28%). Full results are shown above in figure 25.



When broken down into respondents, the majority of businesses, organisations and other respondents (47%) felt there would be a negative impact if selective licencing was discontinued. The majority of private tenants (49%) and residents of other tenures (46%) also felt the impact would be negative. 46% of landlords felt there would be no impact. Full results are shown above in figure 26.

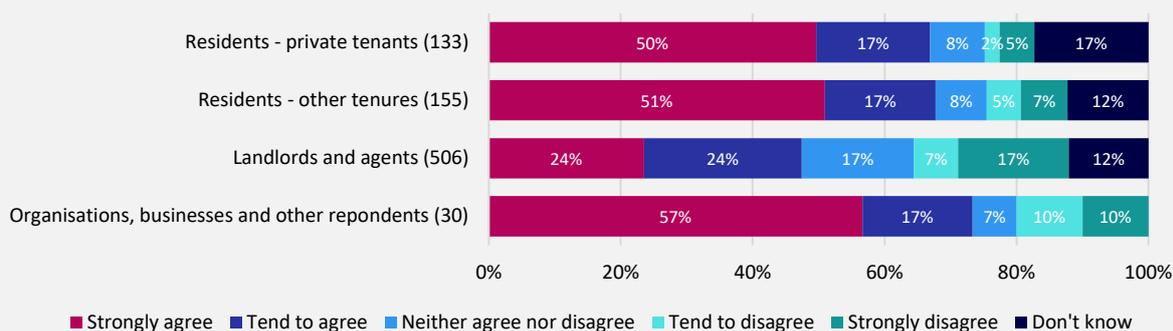
To what extent do you agree that all HMOs, regardless of size, should be subject to a form of property licensing to help to improve their condition and management?

Figure 27: Extent of agreement that all HMOs, regardless of size, should be subject to a form of property licensing to help to improve their condition and management (N:824)



The majority of respondents felt that all HMOs should be subject to a form of property licensing regardless of size with 34% strongly agreeing and 21% tending to agree. Full results are shown above in figure 27.

Figure 28: Extent of agreement that all HMOs, regardless of size, should be subject to a form of property licensing to help to improve their condition and management - by respondent type

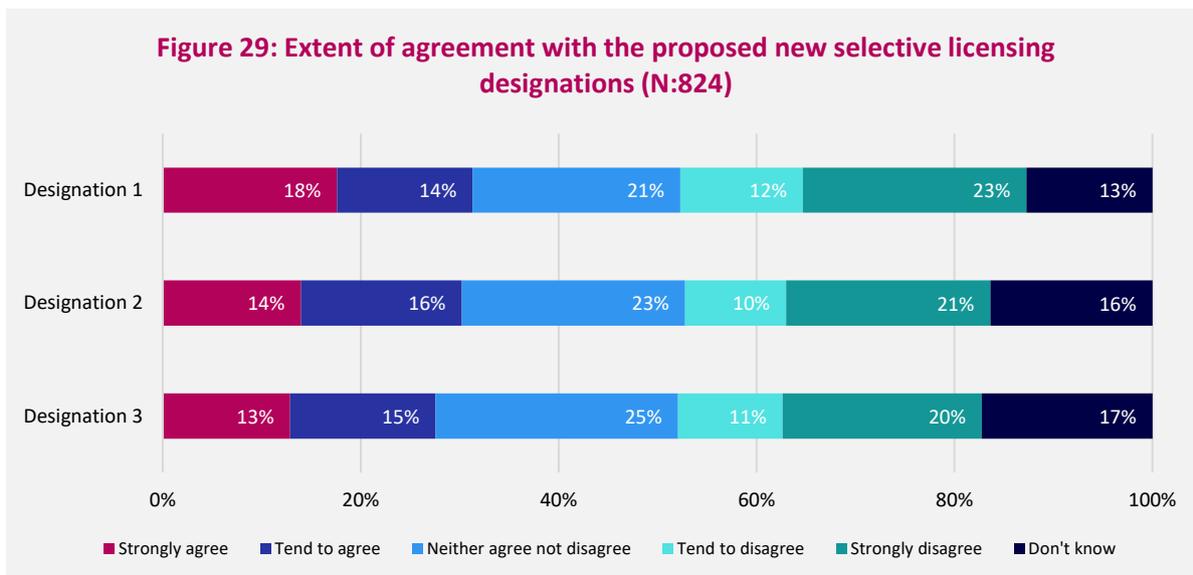


When broken down by types of respondents 57% of businesses, organisations and other respondents were strongly in agreement that all sizes of HMOs should be subject to property licensing. 51% of residents of other tenures were also strongly in agreement and 50% of private tenants with a further 17% tending to agree across all the above categories. Landlords were also broadly in agreement with 24% strongly agreeing and 24% tending to agree. Full results are shown above in figure 28.

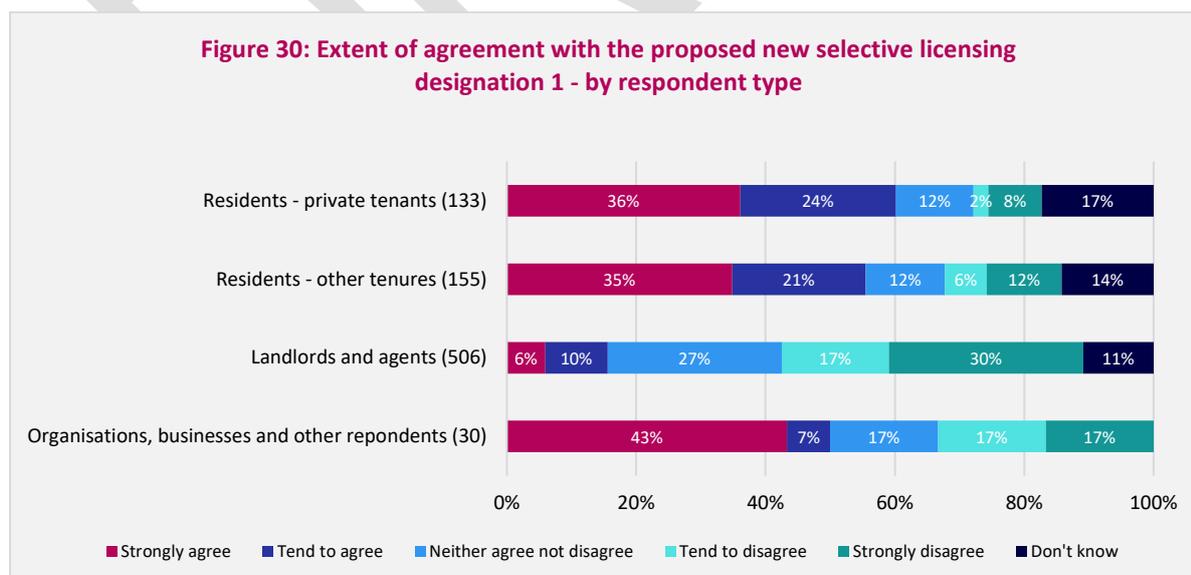
Views on proposed new selective licensing scheme

Respondents were asked the extent to which they agreed with each of the three proposed selective licensing designations. The results of this question are shown in the below graph.

To what extent do you agree with the Council's proposed new targeted selective licensing designations?

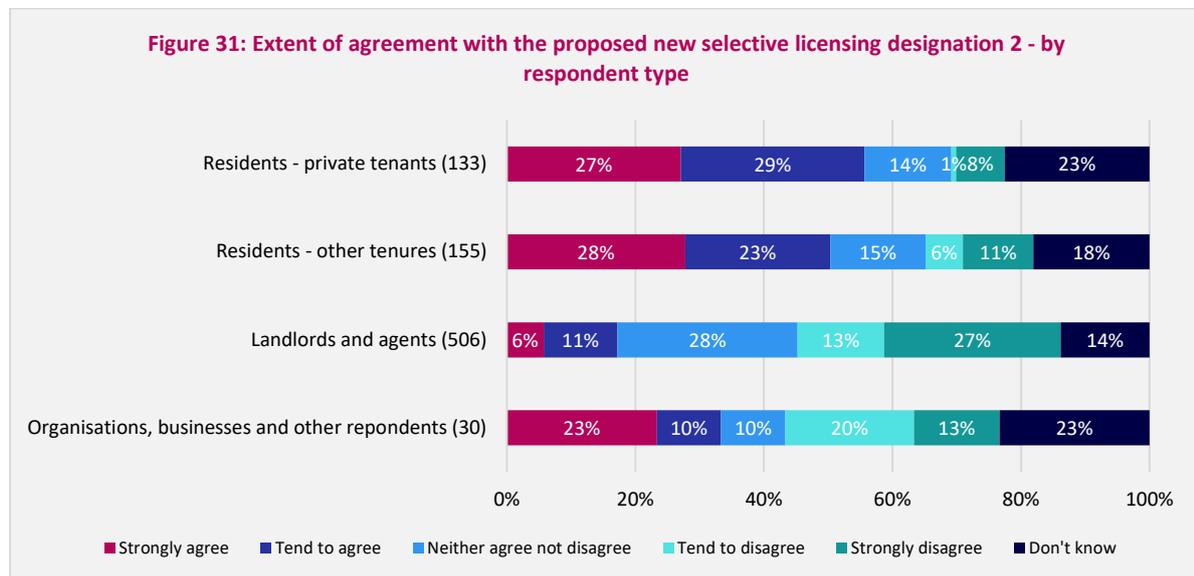


With the exclusion of designation 1 where most respondents (23%) strongly disagreed with the proposed designation most respondents were neither in agreement nor disagreement with the proposed designations. 23% of respondents said they were neither in agreement nor disagreement with designation 2 and 25% for designation 3. Full results are shown above in figure 29.

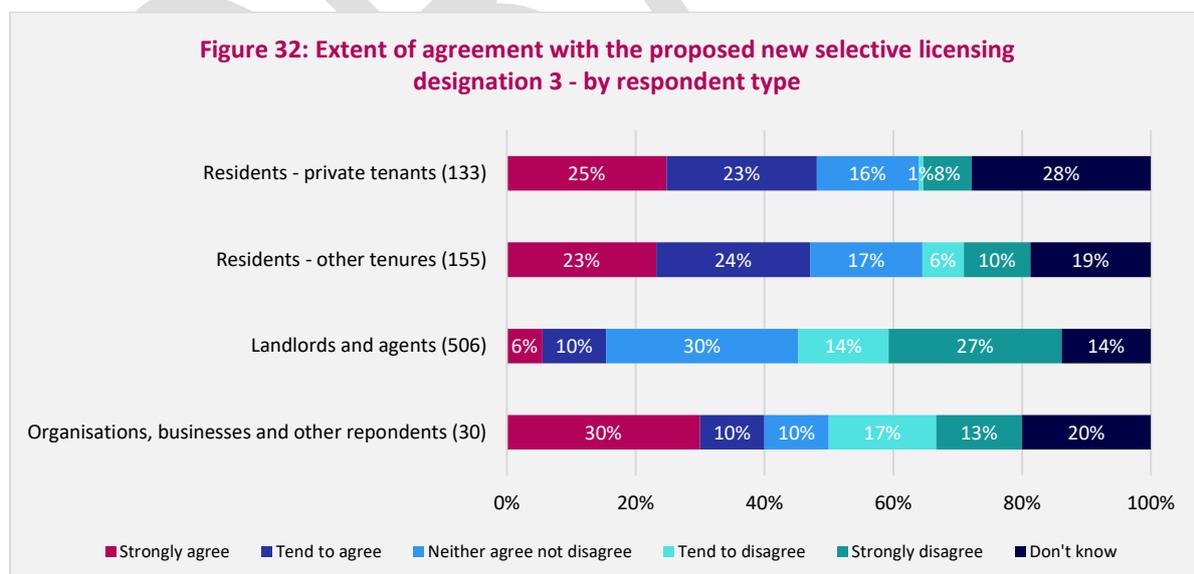


43% of businesses, organisations and other respondents strongly agreed with the proposed designation 1. 36% of private tenants were in strong support of the scheme whilst 24% tended to

agree. 35% of residents from other tenures were strongly in support with 21% tending to agree. The majority of landlords (30%) strongly disagreed with the proposed designation 1 with 27% neither agreeing not disagreeing. Full results are shown above in figure 30.



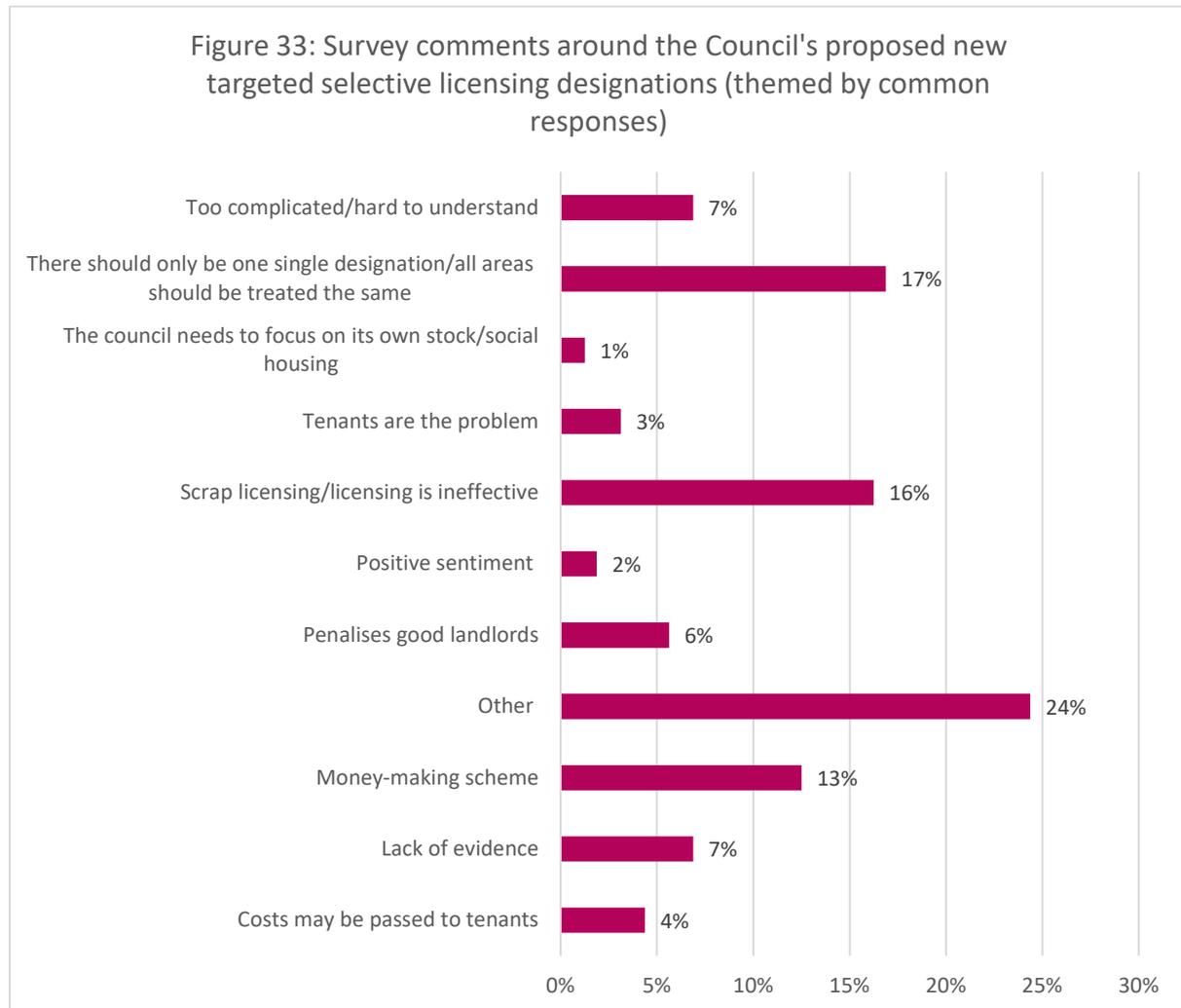
Designation 2 found 27% of private tenants strongly in favour with 29% tending to agree. 28% of residents from other tenures agreed with the designation and 23% had the tendency to agree. 23% of organisations were in favour although 23% indicated that they did not know. 28% of landlords neither agreed not disagreed with 27% in strong disagreement with the designation. Full results are shown above in figure 31.



Designation 3 found strong agreement in 30% of business and organisational respondents with 20% not knowing. 25% of private residents were in strong agreement with 23% tending to agree. Residents of other tenures recorded 24% tending to agree and 23% expressed strong agreement.

Most landlords 30% neither agreed nor disagreed with 20% responding that they were unsure. Full results are shown above in figure 32.

Please give the reasons for your answer in the box below.

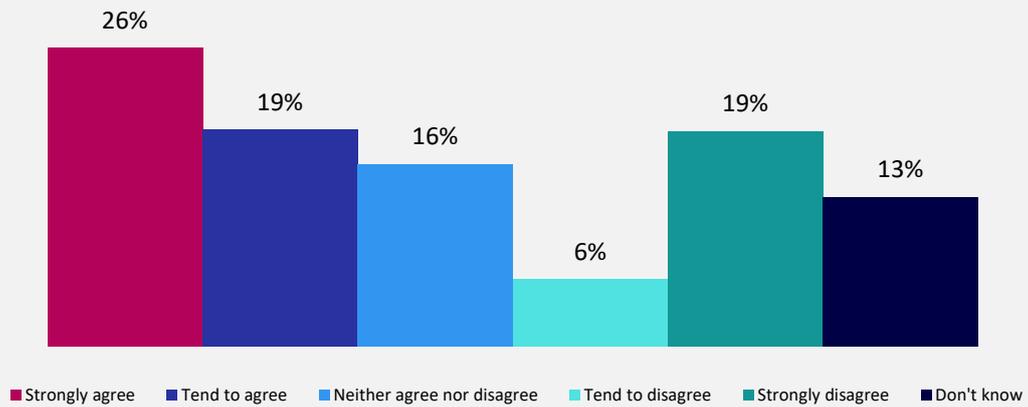


They were then asked to provide the reason for their answer. The most common response was that **there should be one designation so that all areas are treated the same** (27 respondents), followed by the sentiment that **licensing should be scrapped and/or licensing is ineffective** (26 respondents), and that licensing is a **money-making scheme** (20 respondents). Full results are shown above in figure 33.

Views on proposed new additional HMO licensing scheme

To what extent do you agree with the Council's proposal to introduce a new additional licensing scheme to improve the condition and management of small houses in multiple occupation?

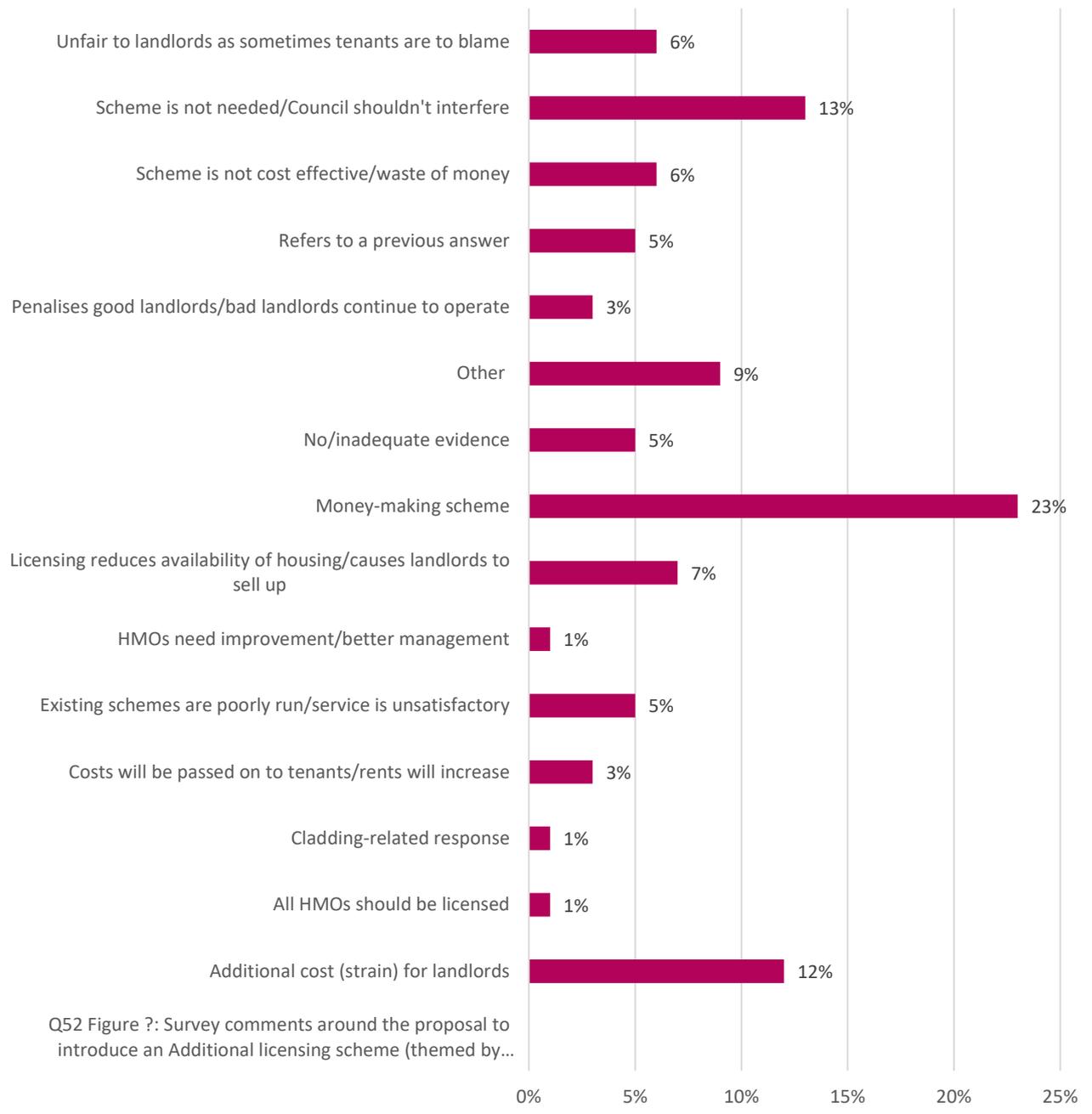
Figure 34: Extent of agreement with the Council's proposal to introduce a new additional licensing scheme to improve the condition and management of small houses in multiple occupation (N: 824)



The majority of respondents 26% strongly agreed with the proposal to introduce an additional licencing scheme to manage small houses in multiple occupancy. Full results are shown above in figure 34.

Please give the reasons for your answer in the box below.

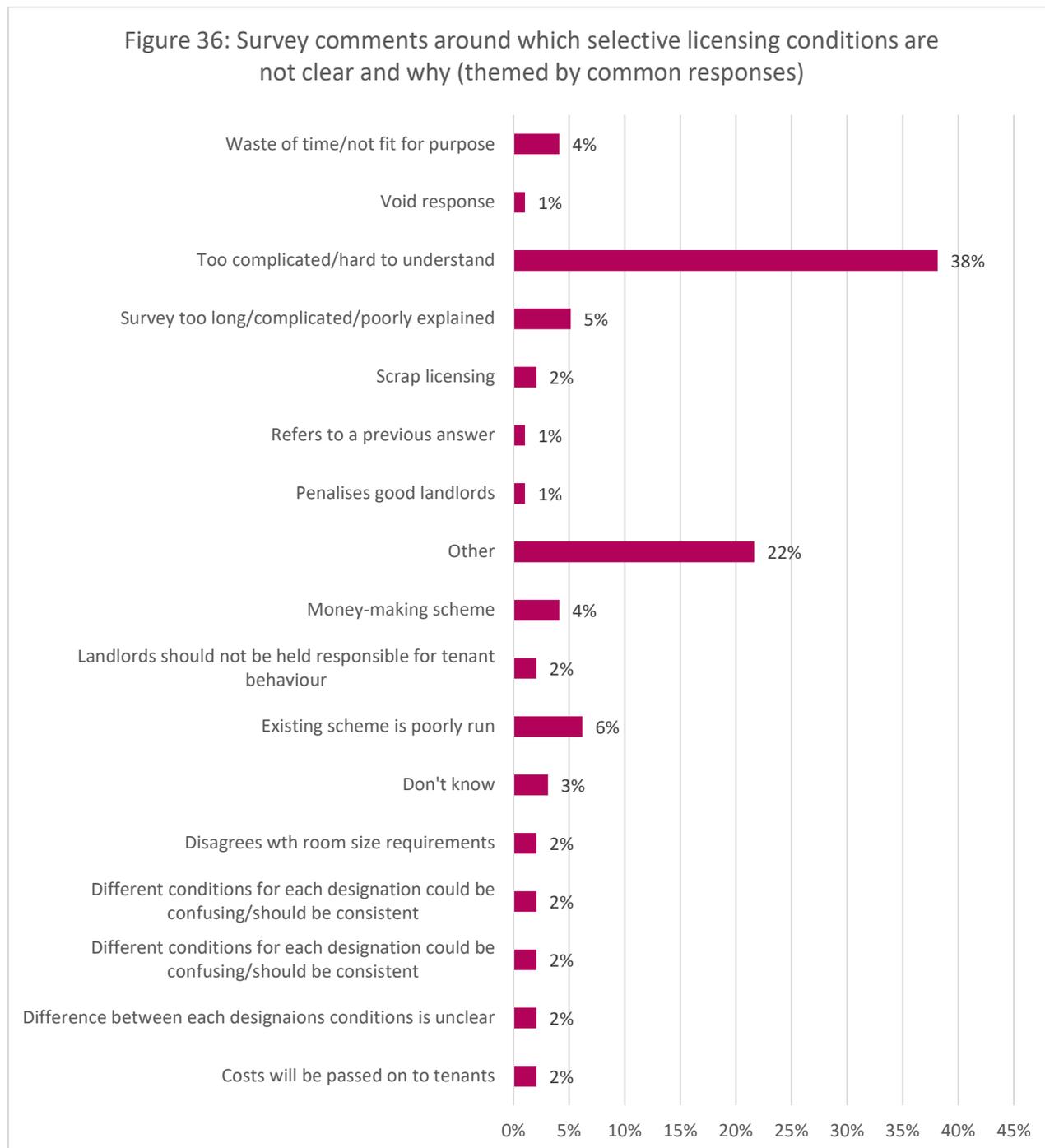
Figure 35: Survey comments around the proposal to introduce an Additional licensing scheme (themed by common responses)



Survey respondents were asked the extent to which they agreed with the Council's proposal to introduce a new additional licensing scheme to improve the condition and management of small houses in multiple occupation. 26% strongly agreed, 19% tended to agree, 16% neither agreed or disagreed, 6% tended to disagree, 19% strongly disagreed, and 13% didn't know. They were asked to give a reason for their answer. The most common response was that additional licensing would be a **money-making scheme** (23 respondents), the next most common response was that **the scheme is not needed and the council should not interfere** (13 respondents), closing followed by the **additional cost being a strain to landlords** (12 respondents). Full results are shown above in figure 35.

Views on proposed licence conditions

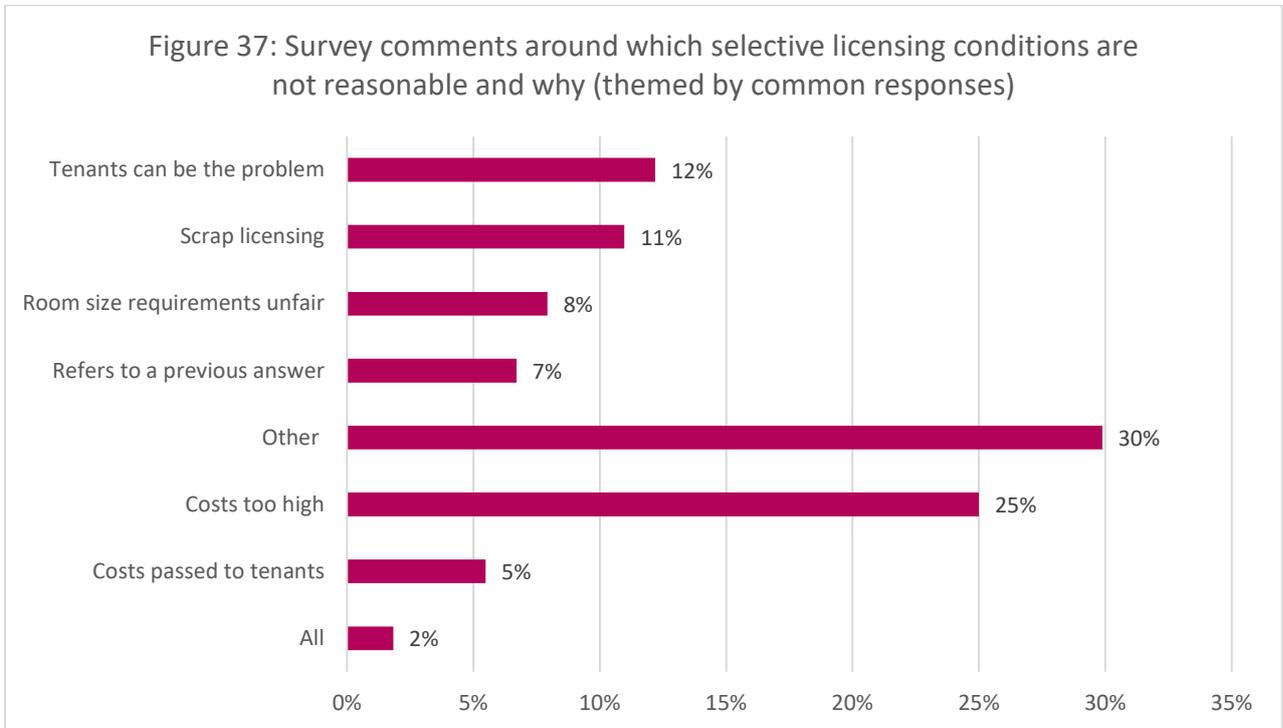
Do you think the proposed selective licensing conditions are clear and understandable?



Respondents were asked whether they thought the proposed selective licence conditions were clear. 46% said yes, 28% said no, and 27% didn't know. Those who responded no were asked to state which conditions were not clear and why. The most common response to this question was that they were

too complicated/hard to understand (37 respondents), followed by the **existing scheme being poorly run** (6 respondents), and the **survey being too long/complicated/poorly explained** (5 respondents). Full results are shown above in figure 36.

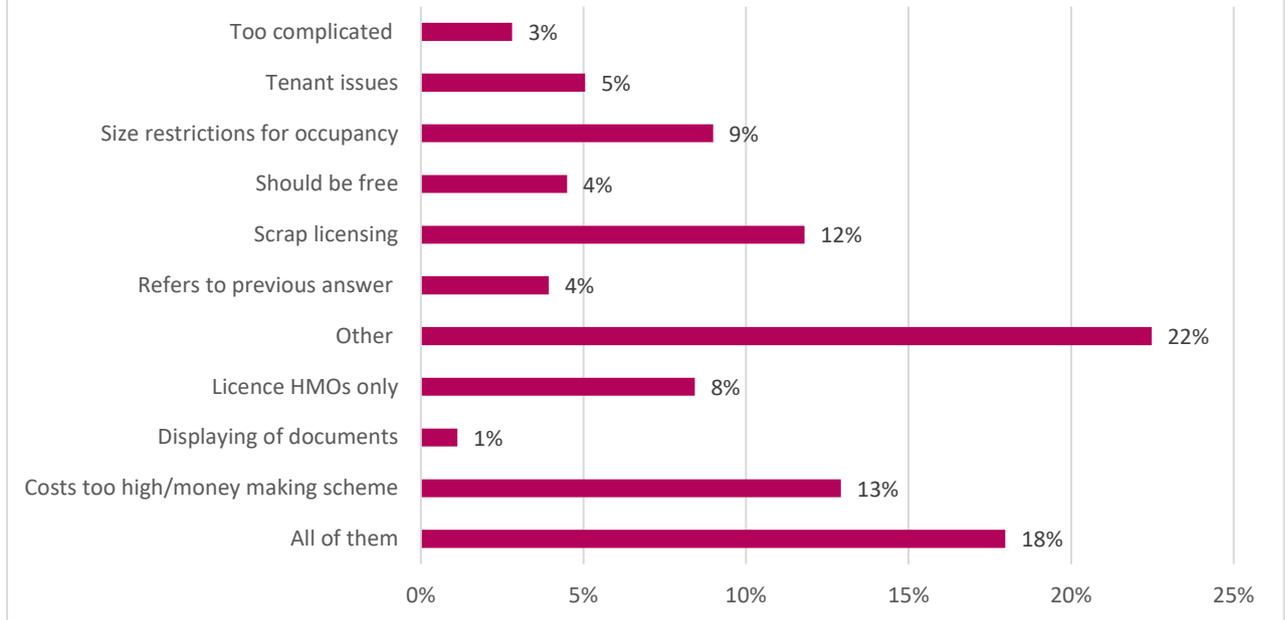
Do you think the proposed selective licensing conditions are clear and understandable?



Respondents were then asked whether they thought the proposed selective licensing conditions were reasonable. 32% said yes, 40% said no, and 28% didn't know. If they responded no, they were asked which conditions were not reasonable and why. The most common response to this question was that the **costs were too high** (41 respondents), followed by the sentiment that **tenants can be the problem** (20 respondents), and the sentiment that **licensing should be scrapped** (18 respondents). Full results are shown above in figure 37.

Do you think there are any selective licensing conditions that should be removed?

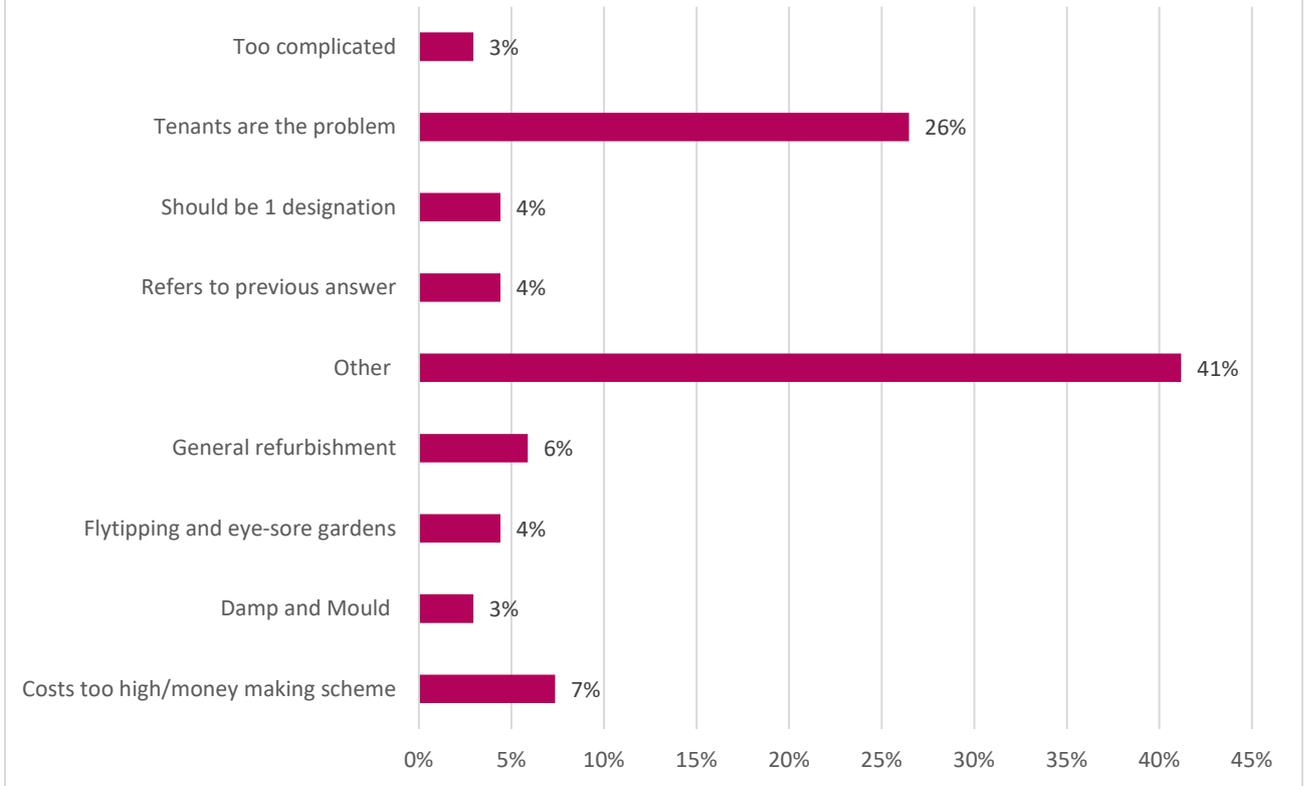
Figure 38: Survey comments around which selective licensing conditions should be removed and why (themed by common responses)



Next, respondents were asked whether any of the proposed selective licensing conditions should be removed. 33% responded yes, 23% responded no, and 43% didn't know. If they responded yes, they were asked which conditions should be removed and why. The most common response was **all of them** (32 respondents), then the **costs being too high/it being a money-making scheme** (23 respondents), followed by **scrap licensing** (21 respondents). Full results are shown above in figure 38.

Do you think there are any selective licensing conditions that should be added?

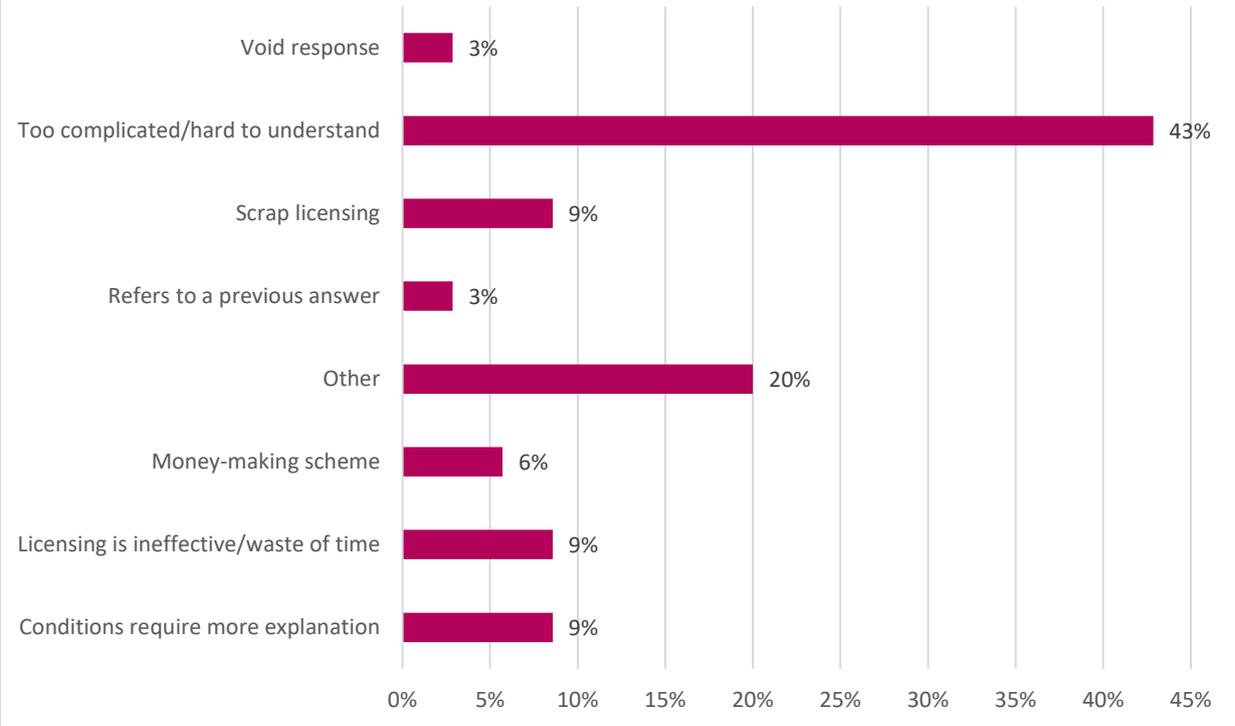
Figure 39: Survey comments around which selective licensing conditions should be added and why (themed by common responses)



The last question regarding selective licence conditions asked respondents whether there were any conditions they thought should be added. 11% said yes, 43% said no, and 46% didn't know. Those who responded yes were asked which conditions should be added and why. The most common response was the sentiment that **tenants can be the problem** (18 respondents), followed by the costs being too high/licensing being a money-making scheme (5 respondents), and finally the request for conditions around **general refurbishment** (4 respondents). Full results are shown above in figure 39.

Do you think the proposed additional HMO licensing conditions are clear and understandable?

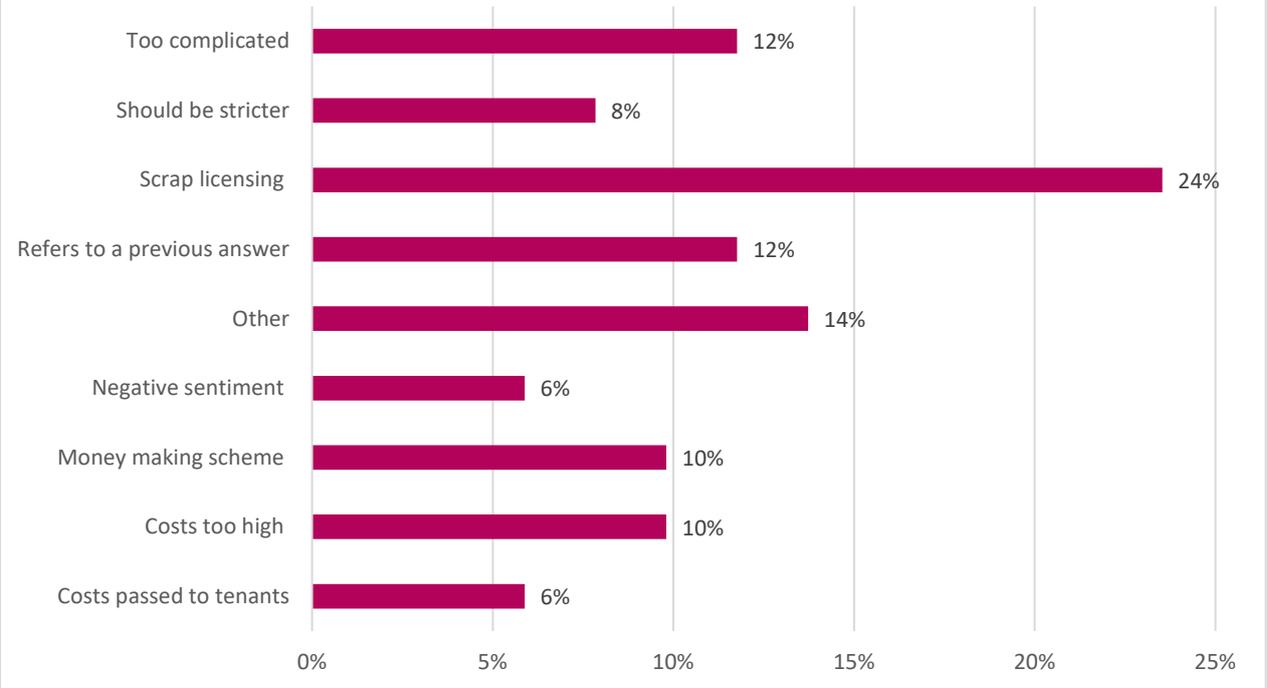
Figure 40: Survey comments around which additional licensing conditions are not clear and why (themed by common responses)



Respondents were asked whether they thought the proposed additional licence conditions were clear. 35% said yes, 16% said no, and 49% didn't know. If they responded no, they were asked to state which conditions were not clear and why. The most common response to this question was that they **were too complicated/hard to understand** (15 respondents), followed by **the conditions requiring more explanation** (3 respondents), the sentiment that **licensing is ineffective** (3 respondents), and that **licensing should be scrapped** (3 respondents). Full results are shown above in figure 40.

Do you think the proposed additional HMO licensing conditions are reasonable?

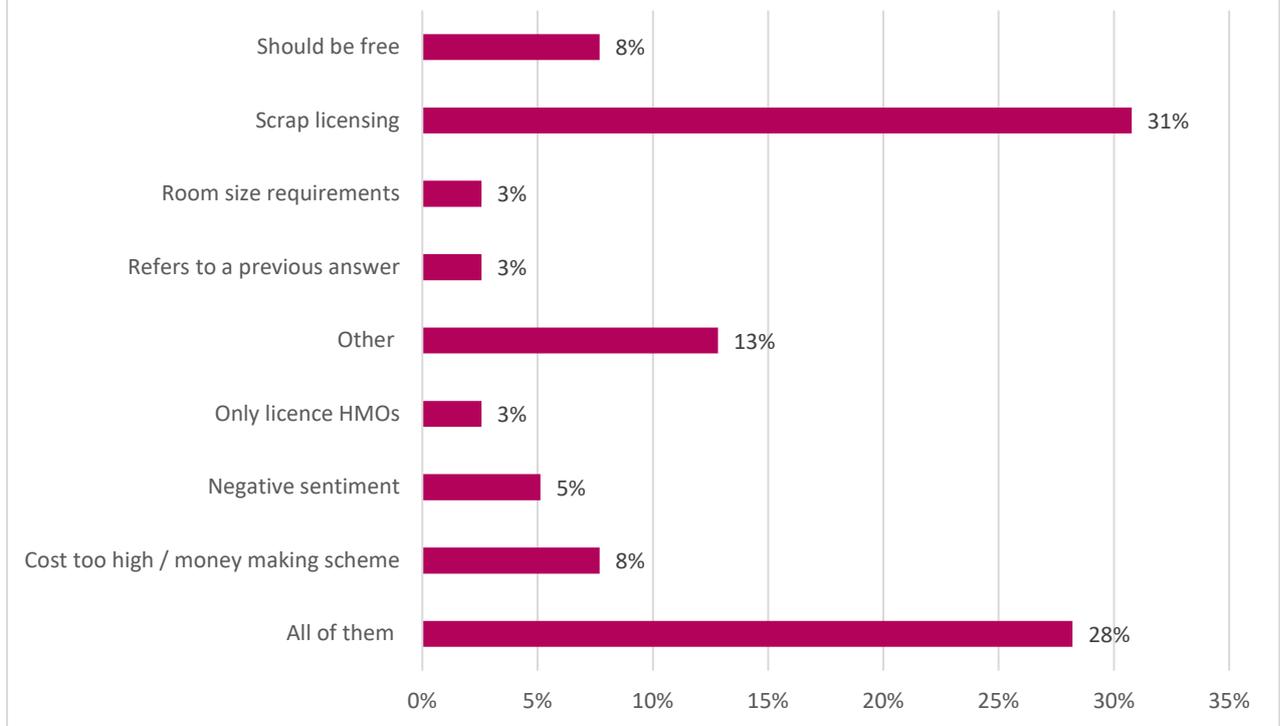
Figure 41: Survey comments around which additional licensing conditions are not reasonable and why (themed by common responses)



Respondents were then asked whether they thought the proposed additional licensing conditions were reasonable. 30% said yes, 19% said no, and 51% didn't know. Those who responded no were asked which conditions were not reasonable and why. The most common response to this question was the sentiment to **scrap licensing** (12 respondents), followed by them being **too complicated** (6 respondents), it being a **money-making scheme** (5 respondents), and the **costs being too high** (5 respondents). Full results are shown above in figure 41.

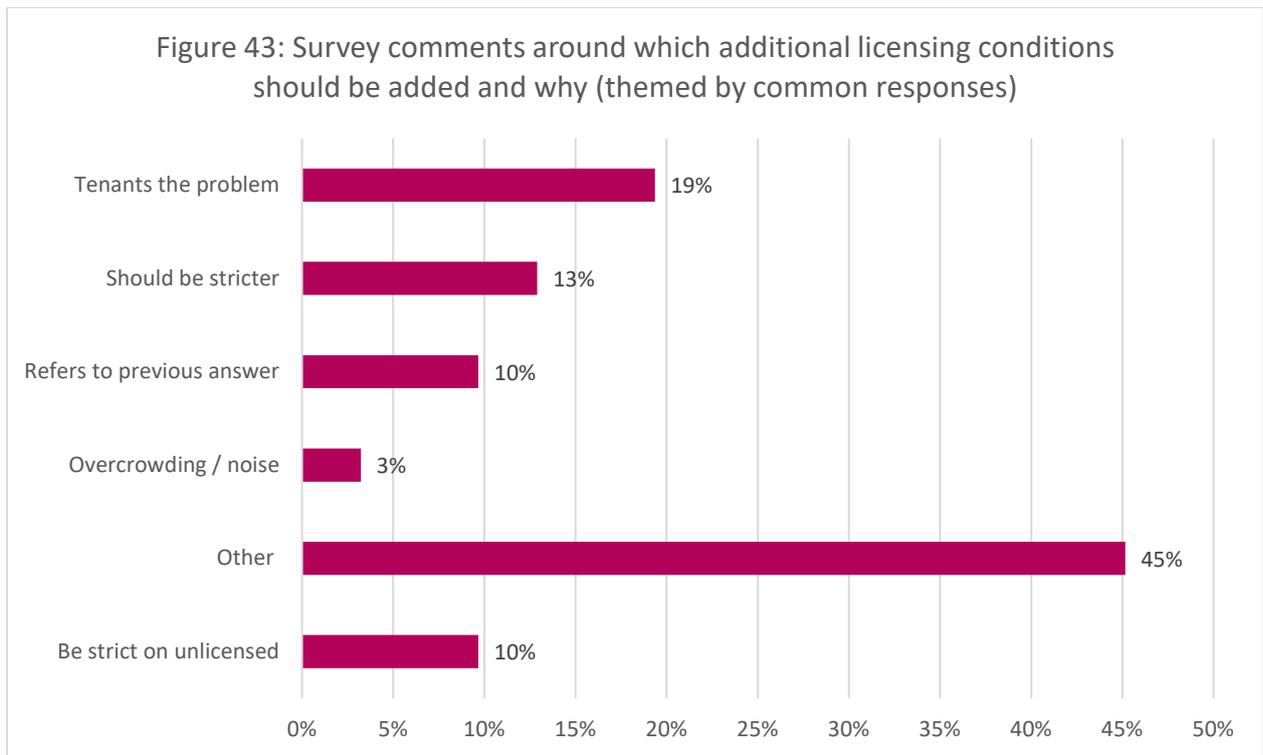
Do you think there are any additional HMO licensing conditions that should be removed?

Figure 42: Survey comments around which additional licensing conditions should be removed and why (themed by common responses)



Next, respondents were asked whether any of the proposed additional licensing conditions should be removed. 11% said yes, 27% said no, and 61% didn't know. If they responded yes, they were asked which conditions should be removed and why. The most common response was to **scrap licensing** (12 respondents), followed by **all conditions should be removed** (11 respondents), and that it **should be free** (3 respondents) and the **costs are too high/it is a money-making scheme** (3 respondents). Full results are shown above in figure 42.

Do you think there are any additional HMO licensing conditions that should be added?

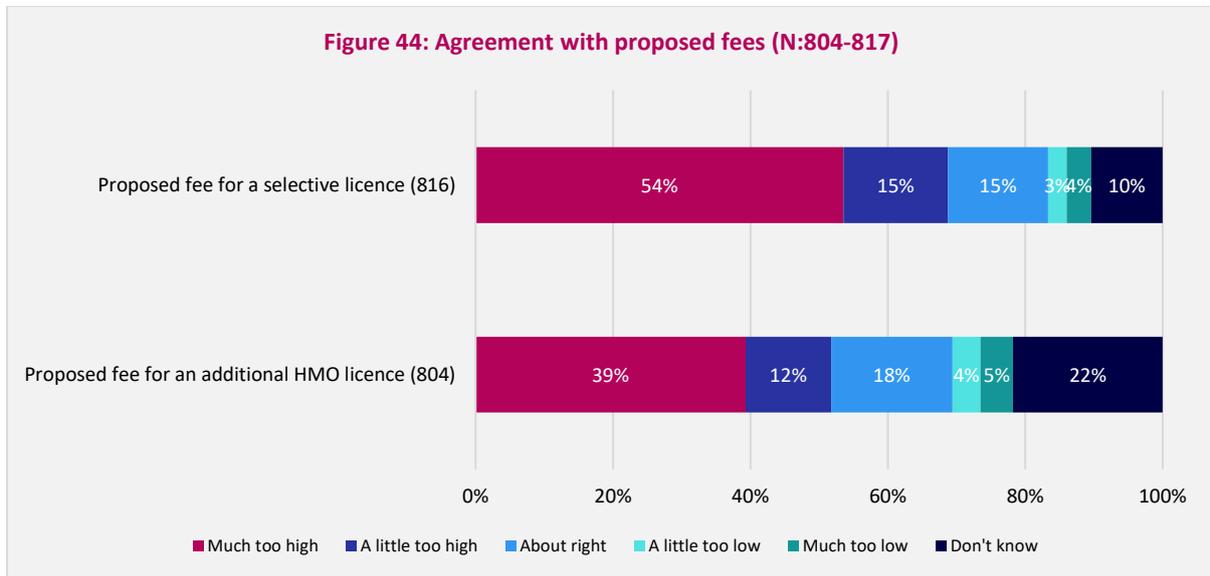


The last question regarding additional licence conditions asked respondents whether there were any conditions they thought should be added. 7% said yes, 29% said no, and 64% didn't know. Those who responded yes were asked which conditions should be added and why. The most common response was the sentiment that **tenants can be the problem** (6 respondents), followed by the view that it **should be stricter** (4 respondents), and that we need to **be strict on unlicensed properties** (3 respondents). Full results are shown above in figure 43.

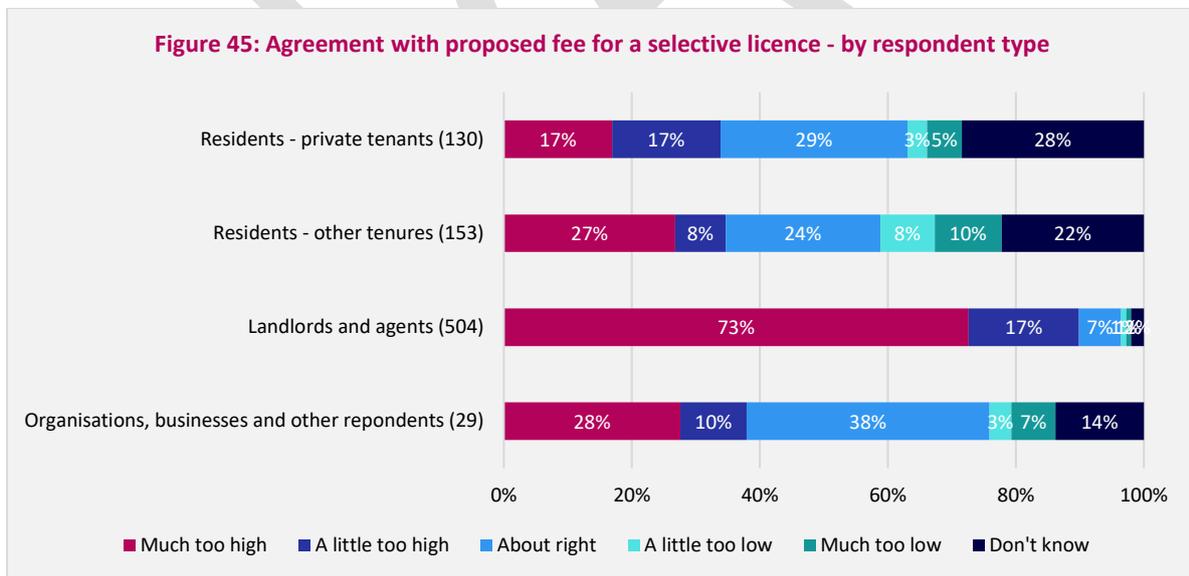
Views on proposed licence fees and discounts

Please tell us what you think about the proposed fees:

- The proposed fee for selective licensing
- The proposed fee for additional HMO licensing?

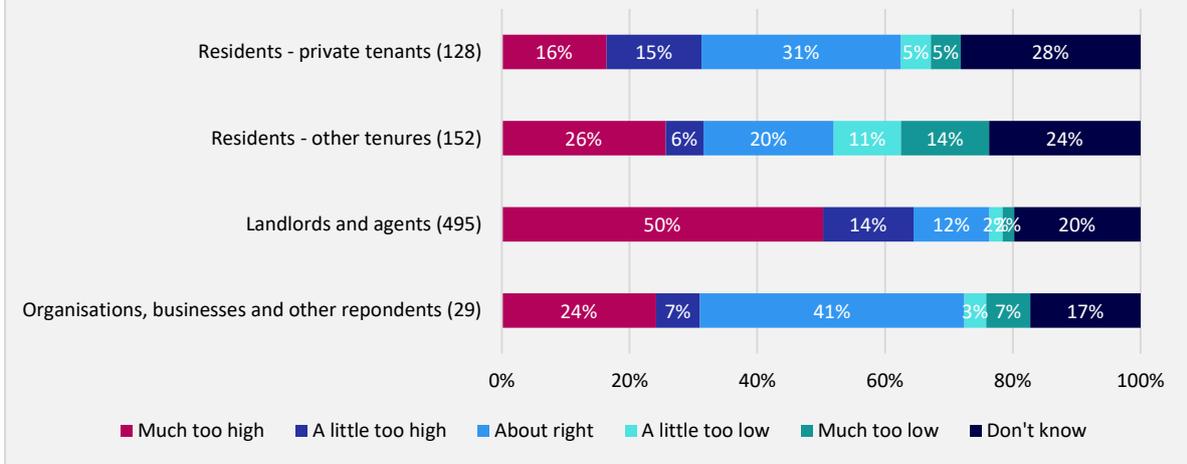


The majority of respondents felt that the proposed fees were too high. 54% of selective licence fee respondents and 39% of HMO licence respondents. Full results are shown above in figure 44.



When broken down into respondent types 73% of landlords had responded that the selective licence fees proposed were much too high. The majority of businesses and organisational respondents (38%) felt it was about right. The majority of private residents felt the fees were about right (29%) or they didn't know (28%) and a small majority of residents from other tenures (27%) felt the fees were too high with the next highest response (22%) being that they didn't know. Full results are shown above in figure 45.

Figure 46: Agreement with proposed fee for an additional HMO licence - by respondent type

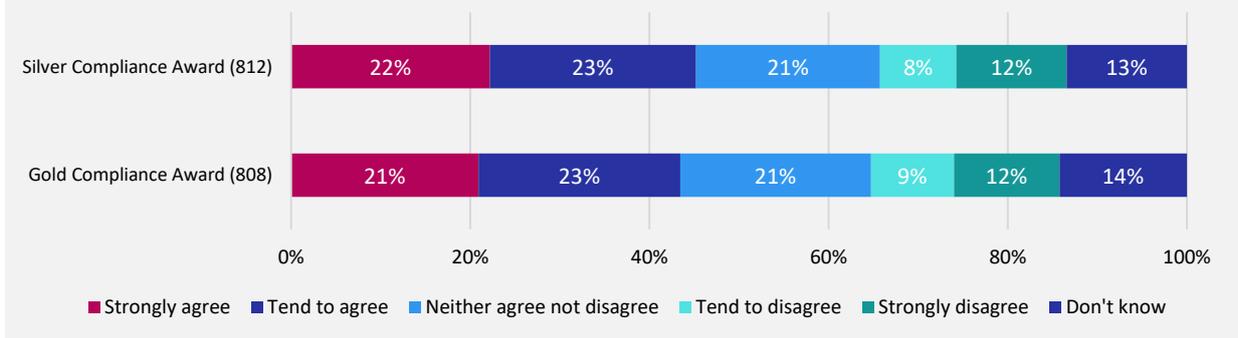


By respondent 50% of landlords had responded that the additional HMO licence fees proposed were much too high. The majority of businesses and organisational respondents (41%) felt it was about right. Most private residents felt the fees were about right (31%) and the majority of residents from other tenures (26%) felt the fees were too high with the next highest response (24%) being that they didn't know. Full results are shown above in figure 46.

To what extent do you agree with the proposed discounts?

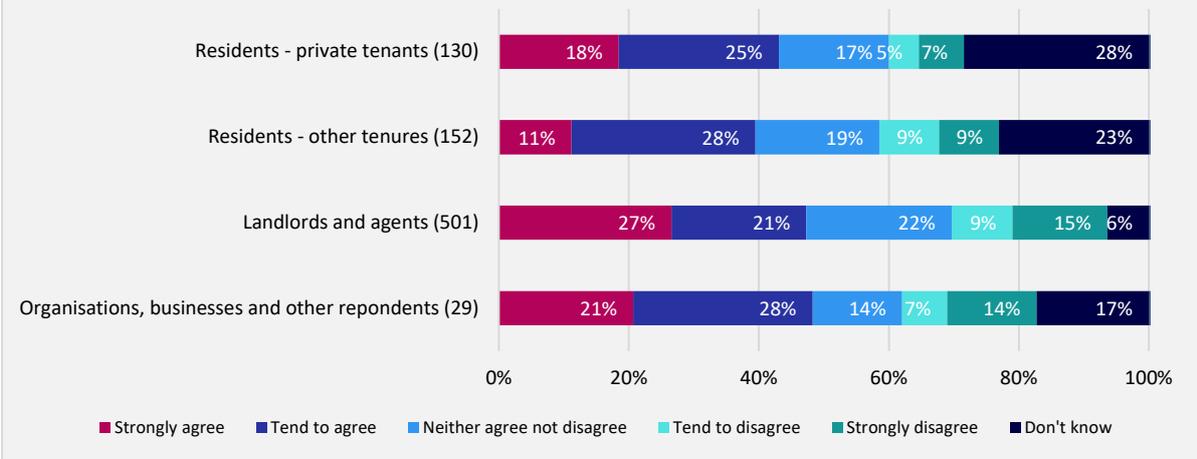
- Silver Compliance Award Discount
- Gold Compliance Award Discount

Figure 47: Extent of agreement with proposed discounts



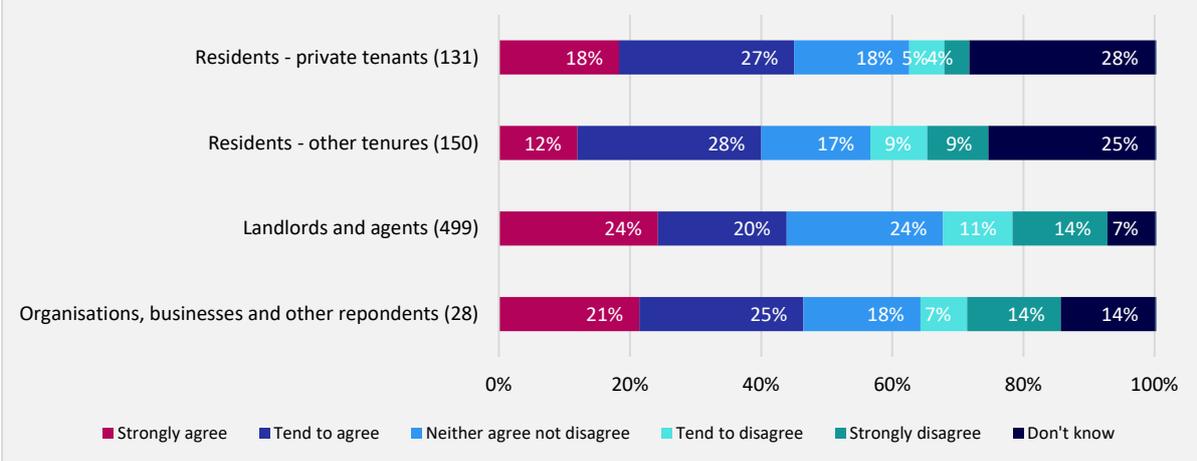
Most respondents tended to agree with the proposed discounts. 23% of respondents **tended to agree** with the silver compliance award with 22% **strongly in agreement**. 23% of respondents **tended to be in favour** of the Gold compliance award with a further 21% in **strong agreement**. Full results are shown above in figure 47.

Figure 48: Extent of agreement with proposed silver compliance award - by respondent type



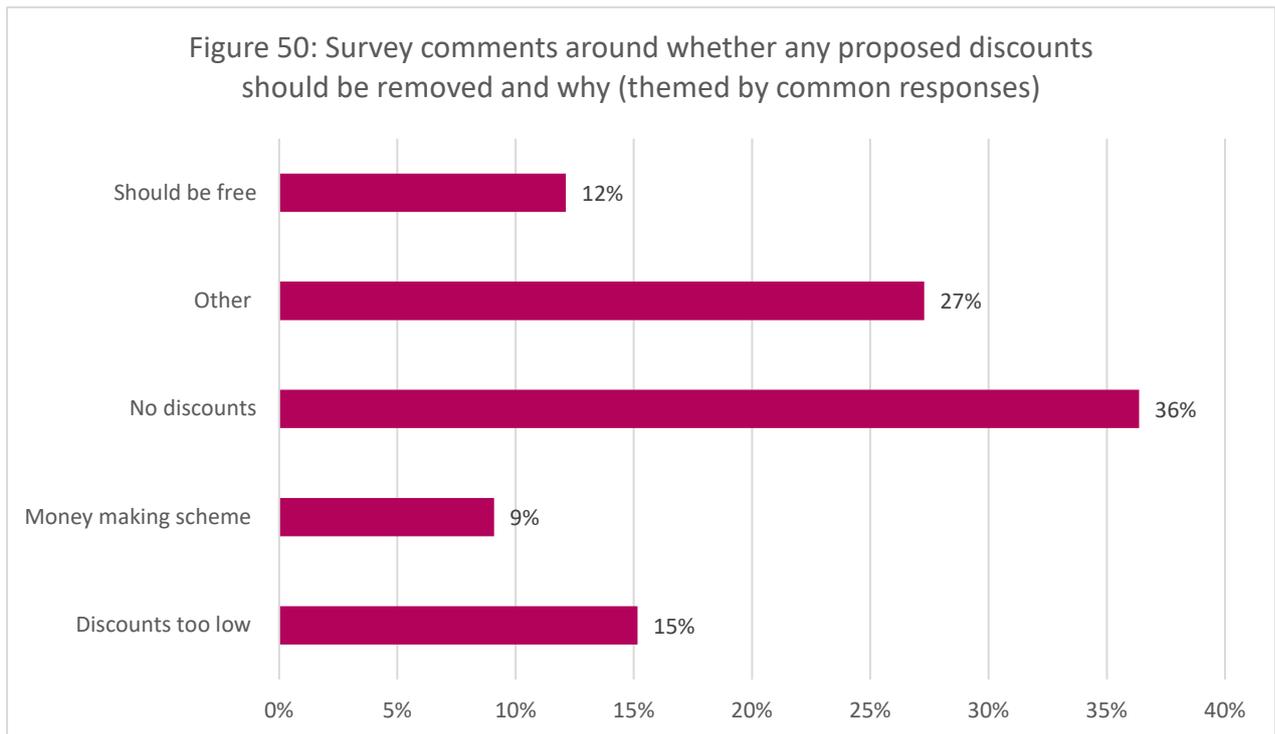
When broken down by respondent the majority of landlords (27%) were strongly in favour of the silver compliance award with 21% tending to agree. Most private tenants responded that they didn't know (28%) with the second highest respondents being that they tended to agree (25%). Most residents in other tenures tended to agree (28%) as did businesses, organisations and other respondents also at 28%. Full results are shown above in figure 48.

Figure 49: Extent of agreement with gold compliance award - by respondent type



Respondents were similarly broadly in favour of the gold compliance award. 24% of landlords strongly agreed with 20% tending to agree. 25% of business, organisations and other respondents were strongly in favour with 21% of business and organisational respondents tending to be in agreement. Most residents of other tenures were unsure or tended to agree as did most tenants in private tenure, here 28% didn't know and 27% tended to agree. Full results are shown above in figure 49.

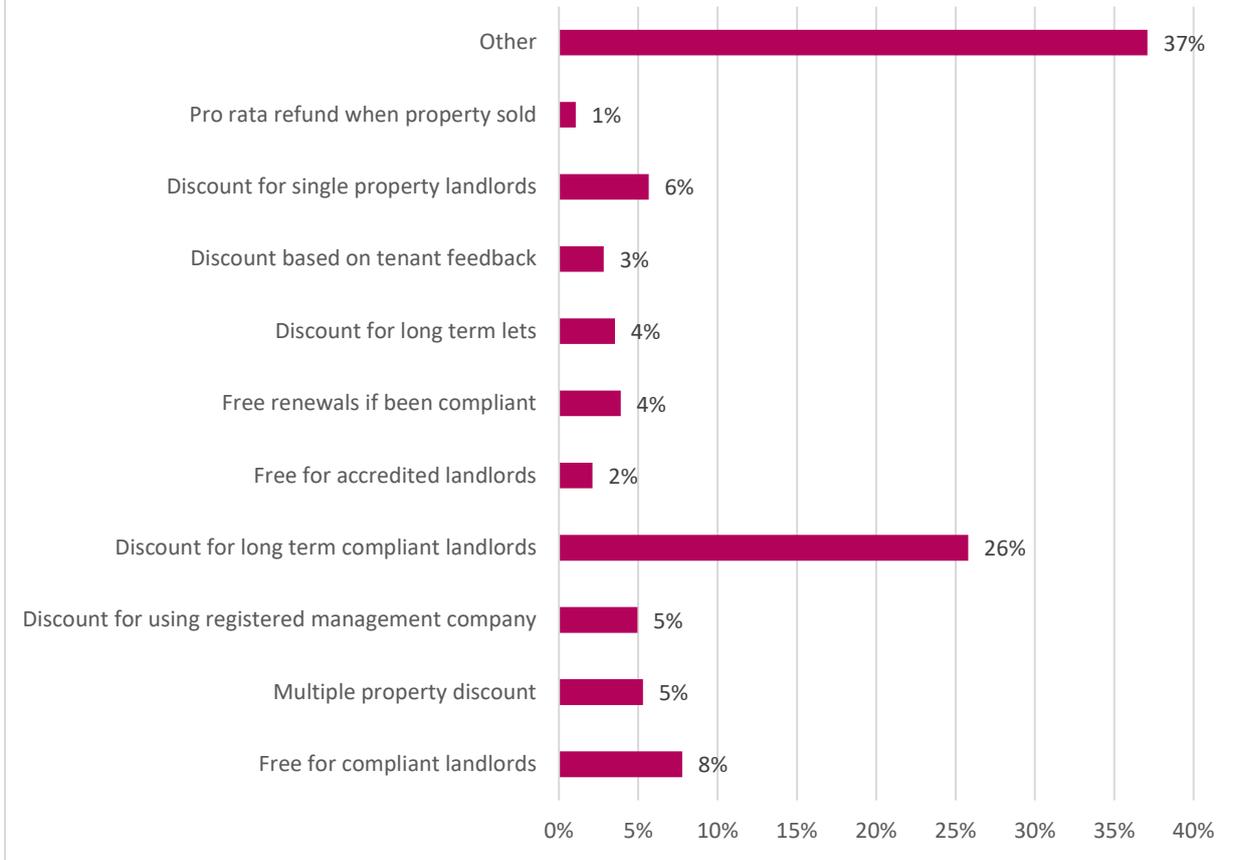
Do you think there are any proposed discounts that should be removed?



In the section covering the proposed fees and discounts, respondents were asked whether they thought there were any discounts that should be removed. 6% said yes, 60% said no, and 33% didn't know. If they responded yes, they were asked which discounts should be removed and why. The most common response was that **there should not be any discounts** (12 respondents), followed by the **discounts being too low** (5 respondents), and the suggestion that it **should be free** (4 respondents). Full results are shown above in figure 50.

Do you think there are any additional discounts that should be considered?

Figure 51: Survey comments around whether any additional discounts should be considered (themed by common responses)

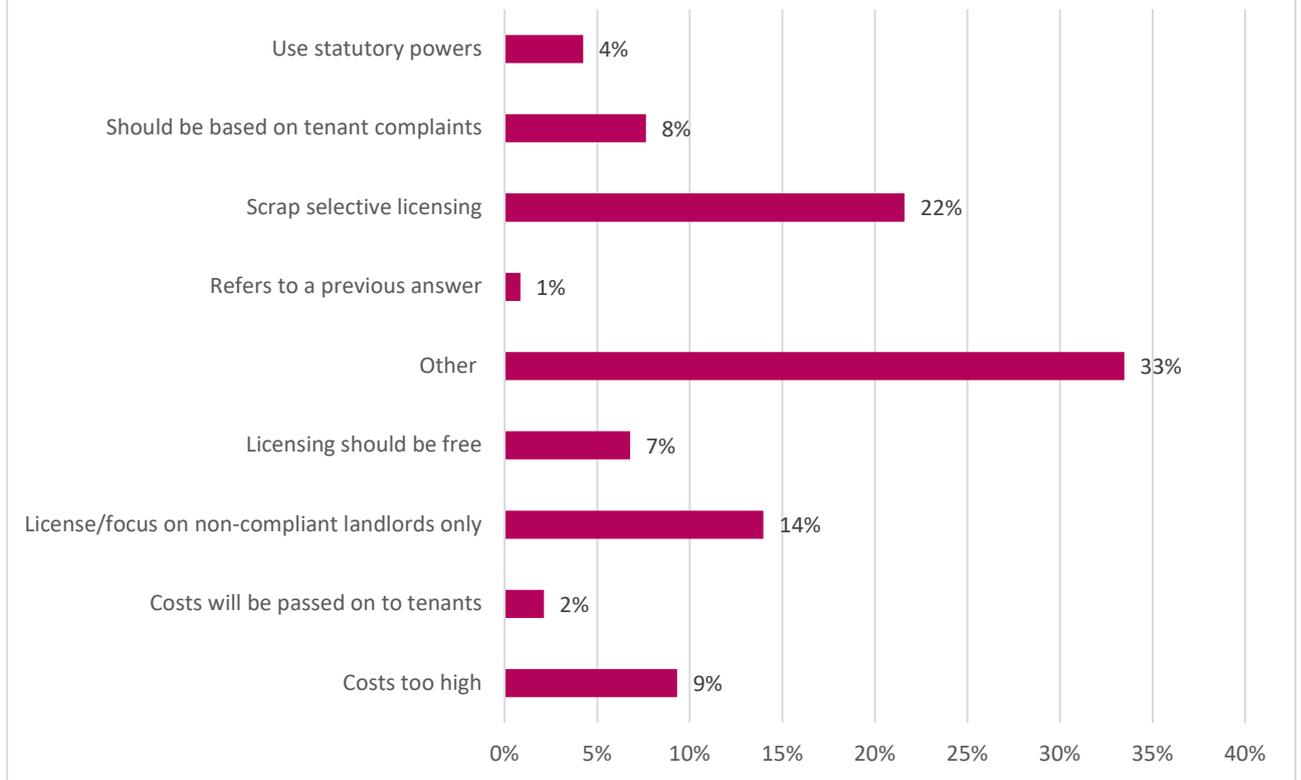


Respondents were also asked whether there were any additional discounts that should be considered. 44% said yes, 19% said no, and 37% didn't know. If they responded yes, they were asked which additional discounts should be considered. The most common response by far was that there should be a discount for **long term compliant landlords** (73 respondents), followed by it being **free for compliant landlords** (22 respondents), and the request for a discount for **single property landlords** (16 respondents). Full results are shown above in figure 51.

Alternatives to property licensing

Do you think the Council should consider alternatives to the selective licensing scheme?

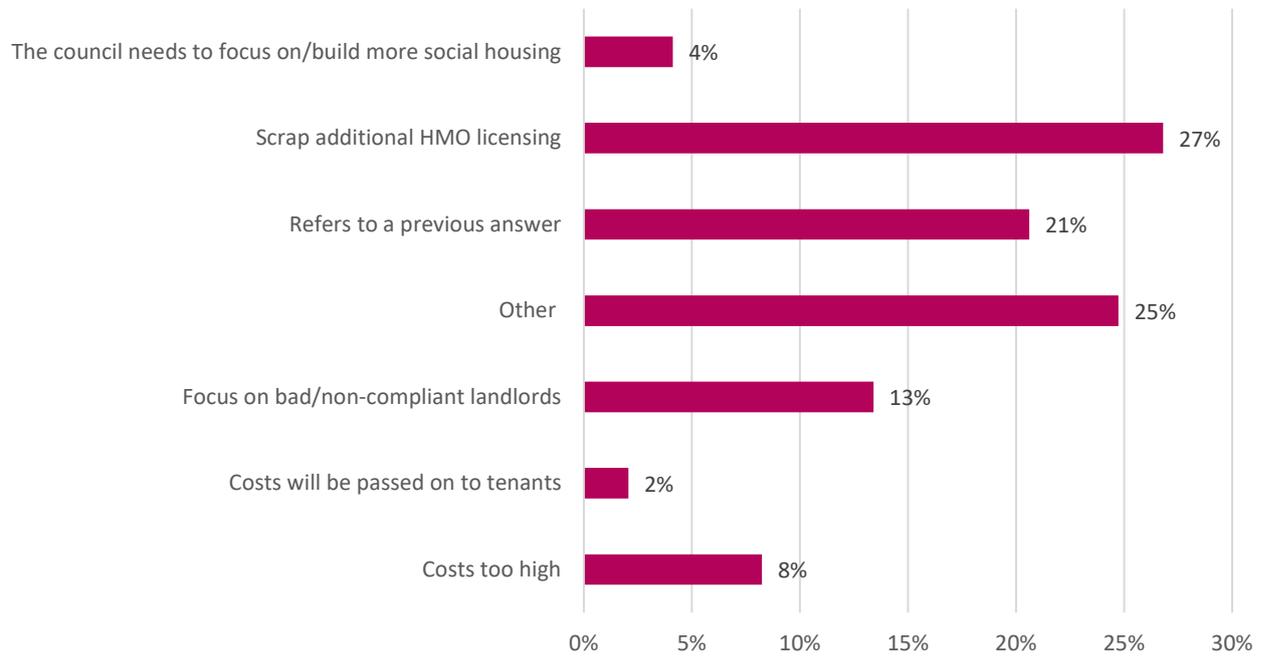
Figure 52: Survey comments around whether the Council should consider any alternatives to the selective licensing scheme (themed by common responses)



In the section covering alternatives to property licensing, respondents were asked whether the Council should consider any alternatives to the selective licensing scheme. 45% said yes, 20% said no, and 34% didn't know. If they responded yes, they were asked to tell us which alternatives the Council should consider. The most common response theme was to **scrap selective licensing** (51 respondents), followed by **only licensing/focusing on non-compliant landlords** (33 respondents), and the view that the **costs are too high** (22 respondents). Full results are shown above in figure 52.

Do you think the Council should consider alternatives to the additional HMO licensing scheme?

Figure 53: Survey comments around whether the Council should consider any alternatives to the additional licensing scheme (themed by common responses)

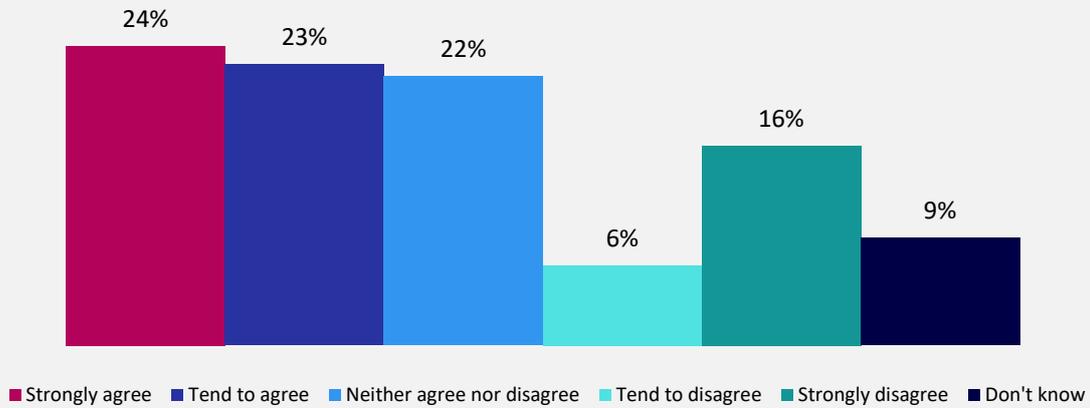


In the section covering alternatives to property licensing, respondents were asked whether the Council should consider any alternatives to the additional licensing scheme. 24% said yes, 26% said no, and 50% didn't know. Those who responded yes were asked to tell us which alternatives the Council should consider. The most common response theme was to **scrap additional HMO licensing** (26 respondents), followed by **only licensing/focusing on non-compliant landlords** (13 respondents), and the view that the **costs are too high** (8 respondents). Full results are shown above in figure 53.

Improving support for landlords and tenants

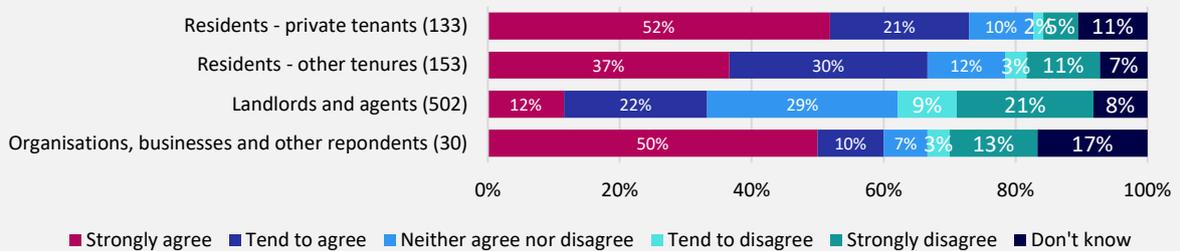
To what extent do you agree with the Council's proposed plans to improve support for private tenants?

Figure 54: Extent of agreement with additional proposals to support private tenants (N: 818)



The broad majority of respondents (24%) were strongly in favour of additional proposals to support private tenants with the second highest response being the number of respondents (23%) who tended to agree. Full results are shown above in figure 54.

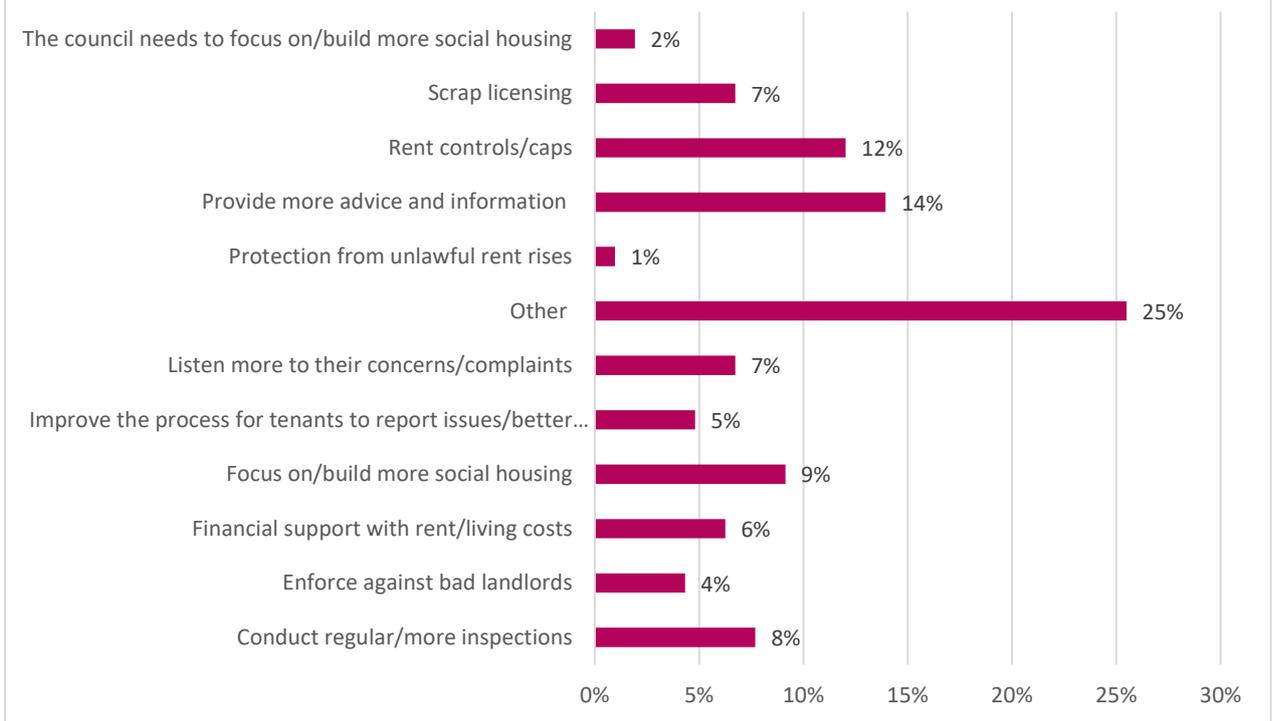
Figure 55: Extent of agreement with additional proposals to support private tenants - by respondent type



Broken down by type of respondent private tenants were strongly (52%) in support of the proposal to give additional support to private tenants with 21% tending to agree. 37% of residents of other tenures supported proposals with 30% tending to agree. 50% of businesses, organisations and other respondents supported the proposals. The majority of landlords 29% neither agreed not disagreed. Full results are shown above in figure 55.

Do you think there is anything more the Council could be doing to support private tenants?

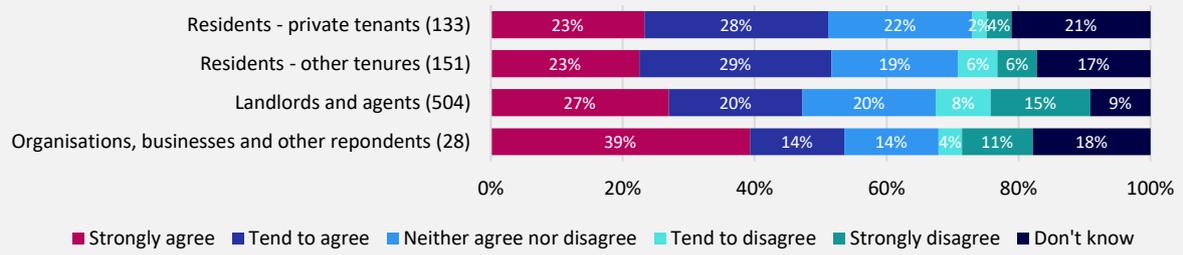
Figure 56: Survey comments around what more the Council could be doing to support private tenants (themed by common responses)



Survey participants were asked whether the Council could be doing to support private tenants. 32% said yes, 29% said no, and 39% didn't know. If they responded yes, they were asked what more they thought the Council could be doing. The most common response was a request for **more advice and information** (29 respondents), followed by **rent controls/caps** (25 respondents), and a request for the Council to **focus on/build more social housing** (23 respondents). Full results are shown above in figure 56.

To what extent do you agree with the Council's proposed plans to improve support for landlords?

Figure 57: Extent of agreement with additional proposals to support private landlords - by respondent type



Proposals to support private landlords were strongly agreed by 27% of landlords and 39% of businesses, organisation and other respondents. Residents of both tenures also tended to agree with 28% of private tenants and 29% of residents of other tenures. Full results are shown above in figure 57.

Do you think there is anything more the Council could be doing to support landlords?

Figure 58: Survey comments around what more the Council could be doing to support private landlords (themed by common responses)

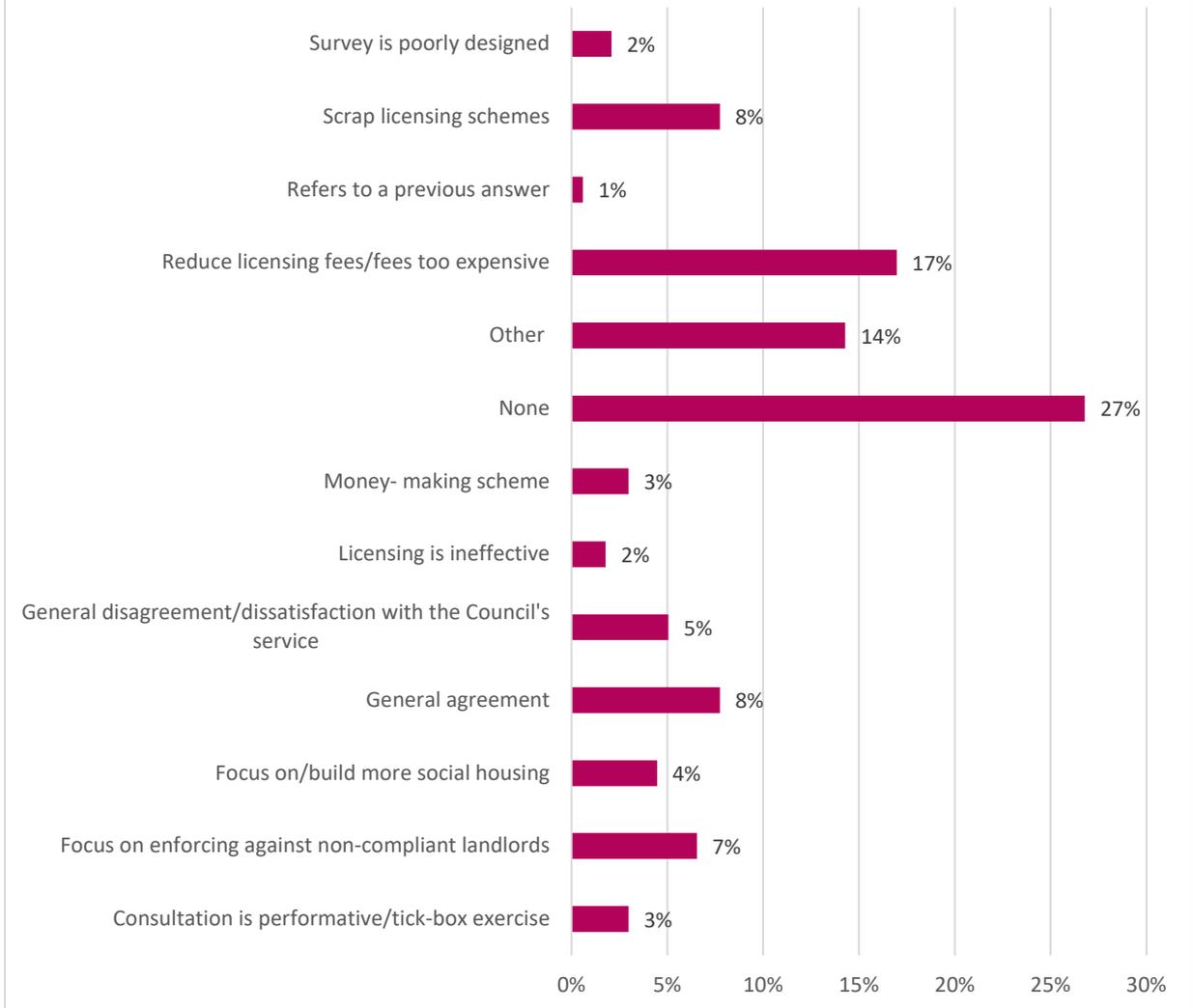


Survey participants were also asked whether there was anything more the Council could be doing to support private landlords. 49% said yes, 17% said no, and 34% didn't know. Those who responded yes were asked what more they thought the Council could be doing. The most common response was requesting **support with tenancy breaches/tenant issues** (63 respondents), followed by **reducing licensing fees** (42 respondents), and **removing licensing fees** (39 respondents). Full results are shown above in figure 58.

Other views and suggestions on the proposed schemes

Are there any other comments you would like to make about the licensing proposals discussed in this consultation?

Figure 59: Survey comments relating to any other comments respondents would like to make regarding the licensing proposals (themed by common responses)



In the final section of the survey, respondents were asked if they had any other comments they would like to make about the licensing proposals discussed in the consultation. The most common feedback was around the **fees being too expensive/reducing licensing fees** (57 respondents), a **general agreement with the proposals** (26 respondents), and the request to **scrap licensing** (26 respondents). Full results are shown above in figure 59.

PUBLIC MEETINGS

Proposed Designations

Some participants asked queries around the selective licensing designations and how these were decided upon, particularly why some wards were covered by deprivation, poor property conditions, and anti-social behaviour, and others were not. This included the validity of the data used.

Fees and Discounts

A few participants commented that the fees were quite high for landlords who are struggling with interest rates being so high. It was also questioned whether the scheme is a way to fund enforcement, suggesting that good landlords are paying for bad landlords.

A few landlords asked if there would be a discount for landlords who have multiple properties. Similarly, it was commented that landlords who have had a number of compliant properties in the previous scheme do not require intervention would be paying the same as new landlords who need further investigation and advice.

Some questioned the subjectivity of the compliance discount based on which officer undertakes the compliance inspection as well as queries being raised around the criteria for passing or failing the inspection. A few landlords who have Barking and Dagenham as the freeholder of their property questioned whether they would qualify for the compliance discount if they had an outstanding repair that was the Council's responsibility.

Occupancy

A few landlords commented on the difficulty in proving that a relative is living in their property making them exempt from licensing.

Multiple landlords also raised concerns around the occupancy numbers and bedroom size requirements. One particular query being in relation to a couple living in a flat licensed to two adults and then having a baby and whether this would lead to eviction.

Other

Some landlords asked whether they could get access to local refuse sites as part of the licence to reduce flytipping.

There were requests for tenant and landlord leaflets and forums for the Council to provide additional advice and information and answer questions. Particular advice around dealing with tenant anti-social behaviour was requested.

It was suggested that the licensing application form should ask landlords to declare whether they have protected their tenant's deposit.

Multiple landlords and managing agents questioned whether the documentation required as part of the application would be the same as previously and whether there was a way to resubmit old applications without having to refill out and attach the information required. This was particularly raised by landlords with multiple properties and managing agents who fill out many applications on behalf of their clients.

Landlords commented on the proposed national landlord portal and the double cost and governance implications of that.

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STAKEHOLDER VIEWS

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[to be added]

DRAFT

WRITTEN RESPONSES

Licensing Fees

Stakeholders raised questions concerning the charge for the licensing fee in the light of current pressures on the market and fears that the associated costs would be passed on to renters or would encourage landlords to leave the market. A stakeholder felt the schedule of fees were too complicated. One respondent felt that licencing and the increased risks posed increased rent to the tenant by £50 per month. One stakeholder asked for the fees to be brought into line with neighbouring boroughs. The two-part statutory payment regime was queried as was the length of licence for someone who had applied partway through the current scheme. One representation queried why licencing renewals were not discounted but agreed with the £50 accreditation discount but felt it should apply whether a landlord or a designated property manager.

Better placed to identify poor property conditions.

The feedback from stakeholders was positive and most respondents reported that they felt that licensing helped to improve property standards with other conditions was strengthened. Several respondents highlighted that licencing was one of the most important tools the Council could have to tackle exploitative practices and support residents and pointed out that statutory powers alone were insufficient to improve the sector and that licencing had brought long overdue regulation to the sector. One stakeholder wanted further detail around an evaluation of the current scheme and wanted further details about what would be done in the future scheme to drive up property standards.

ASB

One respondent felt that landlords have limited powers to deal with ASB and should be supported more by the local authority. They highlighted the cost of dealing with ASB under the threat of licence conditions. One stakeholder felt that eviction proceedings for continuing ASB after 14 days was too punitive for what could be low level ASB another stakeholder felt the focus should be on tenancy sustainment rather than eviction.

Tenant and Resident Support and Concerns

One Stakeholder commented that the licence scheme enabled behavioural change amongst both tenants and residents. Another requested that tenants are given more information about where HMOs are licensed and sited in their area. One stakeholder wanted the principles outlined to apply to their council owned property and one wanted Air B&B's to be licensed and questioned how licensing could improve mandatory HMOs that had been subject to enforcement in the past. One stakeholder was pleased with the focus on tenancy sustainment. One stakeholder felt that licencing additional licencing schemes resulted in a lack of flexibility for renters as if circumstances in households changed the licencing fees could potentially increase. One representation felt tenants rather than landlords should be responsible for pests and proper disposal of waste.

Landlord Support and Concerns

Many Stakeholders reported that they felt licencing was positive for both landlords and tenants with others responding they felt there was no benefit and commented that unlicensed properties were the issue so the focus should be on these. One respondent felt it was understandable that the local authority had concerns about inexperienced or accidental landlords and felt that further discounts

for accreditation would address this and welcome closer work in partnership with landlords. Some respondents felt that legislative powers alone were sufficient to tackle poor housing. One stakeholder felt that there should be more support for landlords specifically when tenants damaged properties and there were requests for assistance for those with English as a second language. Response times for support was highlighted as a pain point. Stakeholders welcomed clearer guidelines for landlords to help them avoid enforcement and reference was made to further clarification around the frequency and nature of property inspections. One stakeholder supported proposals to inspect every property whilst another felt that the licencing process should be streamlined, and visits should be conducted on a risk basis to avoid the cost of onsite inspections with the resulting discount passed to landlords. Another stakeholder expressed the desire to expand the scheme across the UK. One respondent felt that there was a conflict of interest where we were encouraging landlord accreditation and welcomed clearly defined KPIs to show the success of the scheme. One stakeholder objected to our proposals around damp and mould namely that it was not purely attributable to the rented sector. It was commented that data showing poor property conditions whilst the scheme has been assessed as successful is incongruous. One stakeholder proposed that safety certificates could be uploaded to a portal to automate the system and reduce costs. One stakeholder questioned the difficulty licencing Section 257 HMOS posed to letting agents who might not have the information to assess compliance. Several representations asked for clarification on licencing conditions. One representation was around the requirement to conduct credit reference checks to ensure affordability and proof of identity which was felt to require an equality impact assessment.

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NEXT STEPS

[to be added]

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APPENDICES

Appendix A: Demographic profile of respondents

Appendix B: Communication visuals

Appendix C: Consultation survey questions

Appendix D: Full written responses to consultation

DRAFT

Appendix A: Demographic profile of respondents

By Gender

	Number of respondents	Percentage of total	LBBB benchmark comparison (Census 2021)
Male	430	52.2%	48.7%
Female	331	40.2%	51.3%
Non-binary	2	0.2%	
Let me specify	1	0.1%	
Prefer not to say	52	6.3%	
Did not answer	8	1%	
Total	824	100%	

By Age Band

	Number of respondents	Percentage of total	LBBB benchmark comparison (Census 2021)
Aged 18-24	4	0.5%	
Aged 25-34	62	7.5%	15.2%
Aged 35-44	236	28.6%	16.3%
Aged 45-54	228	27.7%	13.1%
Aged 55-64	178	21.6%	9.1%
Aged 65-74	65	7.9%	4.9%
Aged 75 and over	16	1.9%	3.8%
Prefer not to say	30	3.6%	
Did not answer	5	0.6%	
Total	824	100%	

By Disability

	Number of respondents	Percentage of total
Yes	111	13.4%
No	626	76.0%
Prefer not to say	82	10.0%
Did not answer	5	0.6%
Total	824	100%

By Ethnic Group

	Number of respondents	Percentage of total
White – English / Welsh / Scottish / Northern Irish / British	238	28.9%
White - Irish	4	0.5%

White - Roma	1	0.1%
Any other white background	62	7.5%
Black / African / Caribbean / Black British - African	110	13.3%
Black / African / Caribbean / Black British - Caribbean	30	3.6%
Any other Black / African / Caribbean background	5	0.6%
Asian / Asian British - Indian	115	14.0%
Asian / Asian British - Pakistani	40	4.9%
Asian / Asian British – Bangladeshi	66	8.0%
Asian / Asian British - Chinese	5	0.6%
Any other Asian background	25	3.0%
Mixed / Multiple ethnic background – White and Black Caribbean	4	0.5%
Mixed / Multiple ethnic background – White and Asian	3	0.4%
Any other mixed / multiple ethnic background	10	1.2%
Prefer not to say	98	11.9%
White – Gypsy or Irish Traveller	0	0%
Mixed / Multiple ethnic background – White and Black African	0	0%
Did not answer	8	1.0%
Total	824	100%

By Respondent Type

	Number of respondents	Percentage of total
Resident – private tenant	133	16.1%
Resident – other tenure	155	18.8%
Landlord	493	59.8%
Managing or Letting Agent	13	1.6%
Partner or community organisation representative	4	0.5%
Any other type of local business representative	2	0.2%
Other	24	2.9%
Total	824	100%

Landlord Accreditation

	Number of respondents	Percentage of total
National Residential Landlords Association (NRLA)	105	22.2%
London Landlord Accreditation Scheme (LLAS)	34	7.2%
UK Association of Letting Agents (UKALA)	6	1.3%

Safe Agent	1	0.2%
Association of Residential Lettings Agents (ARLA)	5	1.1%
Royal Institution of Chartered Surveyors (RICS)	5	1.1%
None of the above	321	67.7%
Other	10	2.1%
Total	474	100%

Properties owned or managed within Barking and Dagenham

	None	1	2-4	5-9	10-24	25-100	100+
Additional HMO	296	109	42	3	6	1	0
Mandatory HMO	409	13	7	2	0	0	0
Selective	53	288	119	18	9	2	1

Properties owned or managed outside Barking and Dagenham

	None	1	2-4	5-9	10-24	25-100	100+
Additional HMO	105	36	29	12	10	7	1
Mandatory HMO	168	10	4	0	1	1	0
Selective	29	73	65	20	16	5	5

Appendix B: Communication visuals

Business cards



Leaflet



Eventbrite

LBBB website poster



LBBB website pop-up

Share your opinion on property licensing

We're asking for opinions about property rules in Barking and Dagenham. We want to improve rental homes and make sure they're managed well, and your opinion is important to us.

Visit the [property licensing consultation page](#) on the One Borough Voice website and leave your feedback!

The survey closes on Friday 26 April.

Home / Housing Advice Service

Housing advice and homelessness prevention

Housing advice and homelessness prevention	Avoiding losing your current home	Affordable housing
Housing Options Finder tool	If you are homeless now	Housing Advice Service
If your landlord is trying to evict you	Finding a new private rented property	Homelessness Reduction Act

Poster at Abbey Nursery Community Hub



Pull up banner at Community Reporting Hub



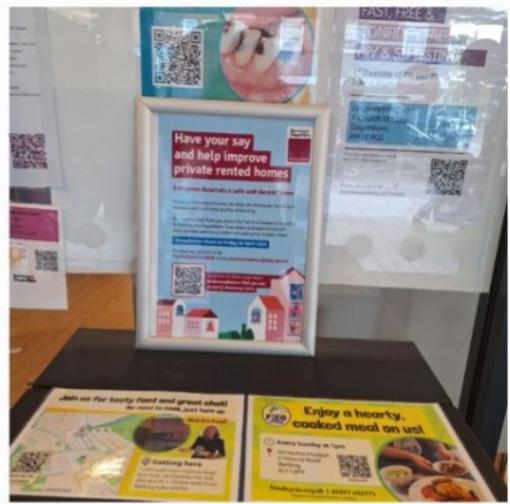
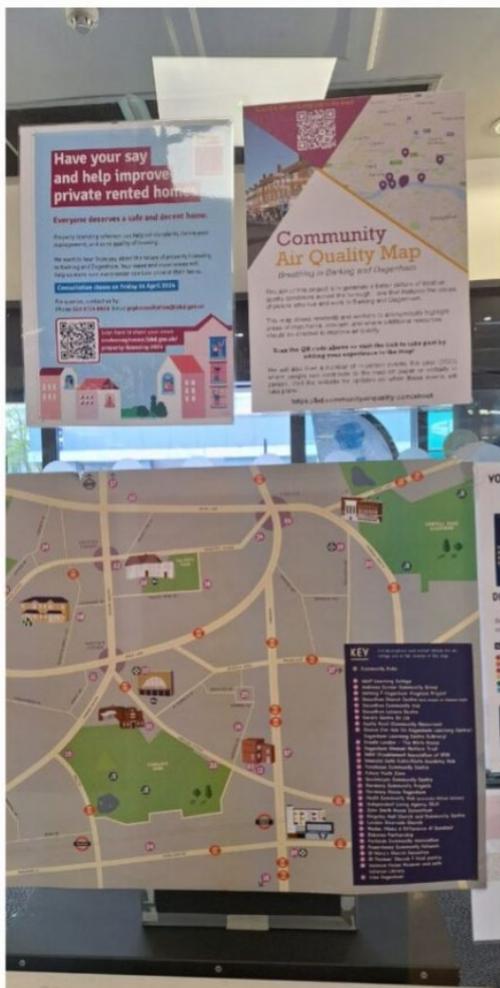
Pop up banner at Robert Jeyes Library



Posters at Marks Gate Community Hub



Dagenham Library Posters



Sue Bramley Centre Poster

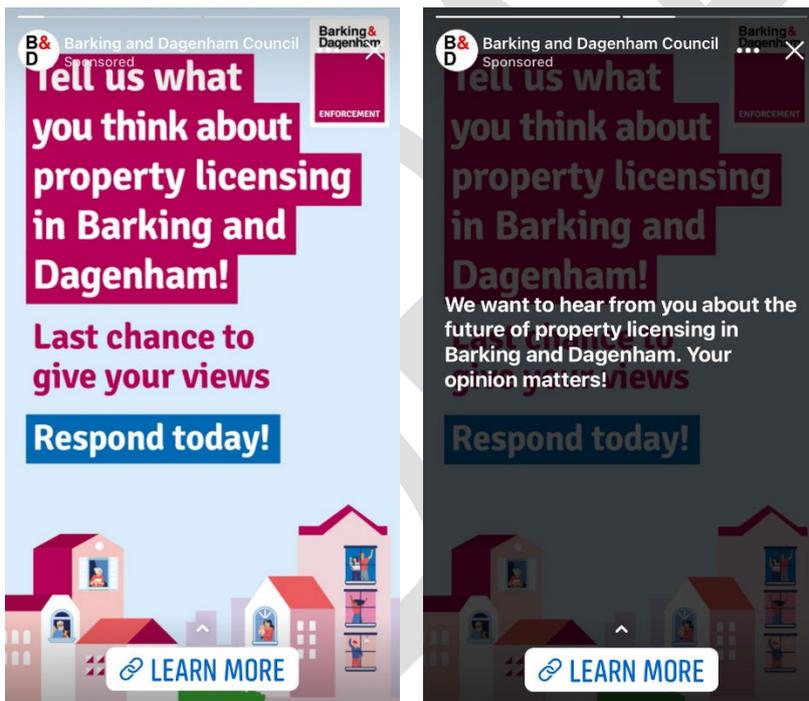


Village Community Hub Poster





Instagram advertisement



Facebook advertisement



Clear channel digital screen example



Barking and Dagenham Post online banner – the same was included in Newham Recorder, Ilford Recorder and Romford Recorder

Have your say and help improve private rented homes

Everyone deserves a safe and decent home.

Property licensing schemes can help set standards, tackle poor management, and raise quality of housing.

[Find out more](#)

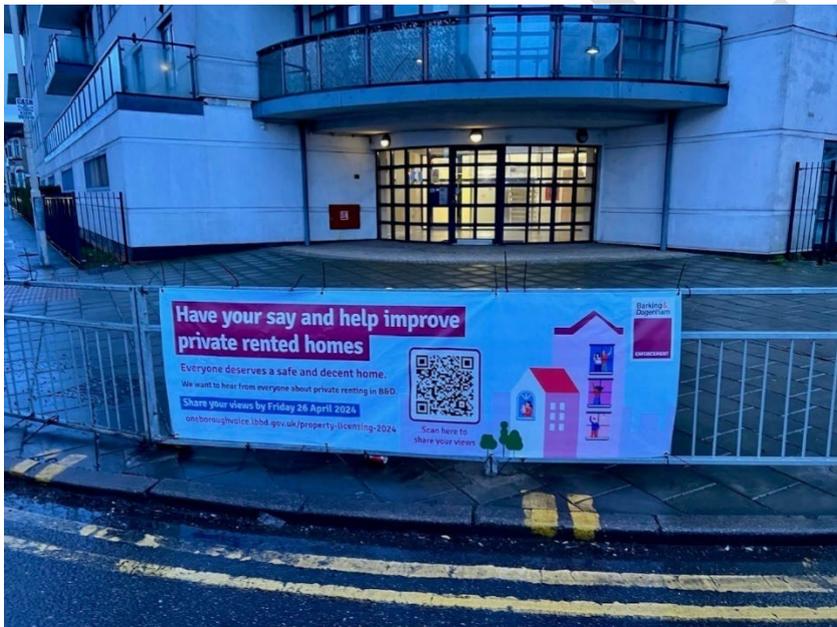


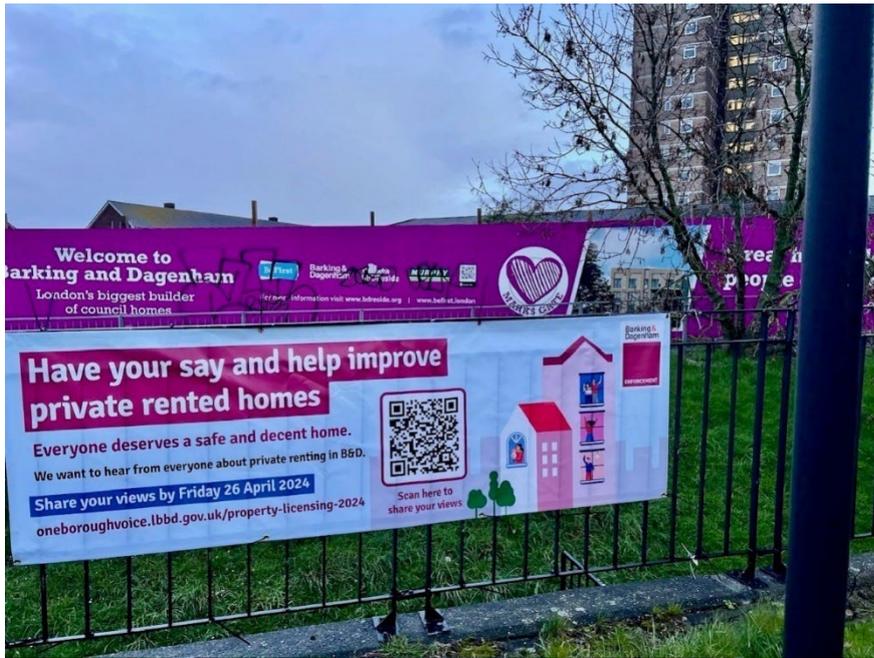
Top stories

Man 'armed with

Railing banners



















Press releases

Have your say & help improve private rented homes

Your opinion matters - tell us what you think

[Home](#) / [News](#) / Barking and Dagenham Council launches consultation on the future of property licensing schemes in the borough

Barking and Dagenham Council launches consultation on the future of property licensing schemes in the borough

📅 19 February 2024

The east London council is inviting residents and private landlords to have their say on the future of property licensing schemes in Barking and Dagenham with the aim of improving the quality of private rented homes.

Barking and Dagenham Council's existing Selective Licensing Scheme has been providing protection for private renters living in single-family homes since 2015. Throughout that time, the council has licensed over 17,000 properties and inspected over 8,000 properties to make sure landlords are providing safe and decent homes for their tenants.

The council has identified the need for further property licensing schemes to maintain and improve the standards of private rented homes and respond to the current challenges faced by the sector.

A replacement Selective Licensing Scheme is being proposed, along with a new Additional Licensing Scheme to cover small, shared Houses in Multiple Occupation (HMOs) let to two or three people and outside the scope of mandatory licensing.

Both schemes offer the unique benefit of allowing the council to undertake proactive property inspections and set conditions on property management. Robust enforcement action will be taken when requirements aren't met.

The council is proposing to offer discounts for landlords based on best practice:



Home / News / Time's running out! Have your say and help improve private rented homes in Barking and Dagenham

Time's running out! Have your say and help improve private rented homes in Barking and Dagenham

22 April 2024

Residents, landlords and private tenants in Barking and Dagenham are being encouraged to not miss out on the opportunity to share their views on the future of property licensing in the borough.

The east London council has been consulting on their plans since Friday 16 February with over 450 people already having sent in their views.

However, the council is now urging everyone else let them know their thoughts before the consultation closes on Friday 26 April.

Property Licensing Schemes have a range of benefits for both landlords and private tenants including:

Tenants

- **Healthy home assurance:** The council inspects every private rented home to make sure they are mould-free, safe and of a good standard.
- **Quality improvement:** Licensing schemes provide councils with better insight to address non-compliant landlords, improving overall property quality and management.
- **More stability:** Improved management practises result in longer tenures and fewer unplanned moves or instances of homelessness.
- **Possible financial savings:** Tenants may benefit from reduced heating costs in previously poorly insulated homes and have a better chance of regaining their deposit.

Newspaper advert

Go-kart company fined almost £120K for death

Schoolgirl died in tragic incident after pre-safety check failures



Ruwaida Abd Adan was described by her family as 'sweet and compassionate'. Image: Family of Ruwaida Abd Adan

By Ruby Urquy
Local News Editor

A go-kart company must pay almost £120,000 after an investigation into the death of a Newham schoolgirl who was crushed by her go-kart. The company had failed to complete pre-safety checks on the day of the incident.

Ruwaida Adan, 11, had visited Capital Karts in Barking as part of a day out organised by a Newham youth group in August 2023.

The schoolgirl, who was described by her mother as a "sweet and compassionate" child, was killed when her go-kart got caught in a go-kart that would have crashed a driver and strangled her in three of two minutes. Ruwaida was rescued at the scene and taken to hospital with multiple injuries and a fractured skull.

Capital Karts Trading, which operates under Capital Karts, was ordered to pay a fine of £120,000 for failing to carry out pre-safety checks on April 23 as required by the Health and Safety Regulations 2008.

A Barking and Dagenham Council investigation found none of the karts were subjected to pre-safety checks by venue operators, which were supposed to happen daily, while a closer examination of the kart Ruwaida was driving found it was faulty.

Ruwaida's kart was missing a guard that should have covered the rotating rear axle gear and drive belt, which is what her headrest got caught in when she was driving it.

The council's investigation found the guard may have been missing for some time and Ruwaida's kart might not have been checked over

by a mechanic for over a month.

Capital Karts' health and safety policy and procedures stated "before starting work on the kart, the operator must check that the kart is safe to be used by the rider before they start to drive. If the kart is not safe to be used, the operator must stop the kart and report the fault to the manager. The operator must not start to drive the kart until the fault has been fixed and the kart is safe to be used by the rider."

The group also heard that during its pre-safety checks with the karts, including the company's health and safety officers, Capital Karts had failed to make sure that the rules were clearly signposted.

There was also no system in place to ensure that the karts were checked over at least once a month, as required by the Health and Safety Regulations 2008.

Capital Karts Trading was closed in June 2023, and is now operating as Capital Karts London Limited, another company within the same group. Ruwaida's mother, Amma Mahomed, said: "In the wake of the tragic loss of our beloved Ruwaida, we are relieved to finally see Capital

Karts held accountable for what happened."

"We express our heartfelt gratitude to the presiding judge, just in Barking and Dagenham Council for bringing this prosecution."

Ms Mahomed said Ruwaida was a "talented, kindhearted, trusting, and generous" child, and was only 11 years old when her whole life changed.

"She had the most beautiful smile and was the sweetest soul," she added. "Ruwaida had many plans and wishes for the future that will now never happen. Her absence is an irreparable void in our lives."

"Ruwaida's memory will forever live on in our hearts, and we pray her spirit rests in peace. It is a positive change in safety regulations within the go-karting industry."

Gary Allen, operations director for enforcement, regulatory and community safety at the council, called the council's "very thorough" investigation "impressive" and said it "now has some 'home-lessons'."

Mr Allen said "it's clear just enough was done to prevent this tragic incident and I welcome the result of this case. Health and safety matters and protection to residents without proper systems to ensure the implementation and monitoring of measures to control risks."

"I hope this sends a strong message to other businesses on how important it is to stay informed and make sure they have in place proper systems to ensure compliance with the law every day."

Capital Karts has been contacted for comment by the Local Democracy Reporting Centre (LDC).

Police officer denies raping and stalking

A serving Metropolitan Police officer has been charged with raping and stalking a woman, who cannot be named for legal reasons, on February 1. He has also been charged with controlling and coercive behaviour between January 1, 2021 and February 1, 2024.

The charges include sending the victim photos for daily and weekly, including videos of her phone and camera at her place of work to monitor her whereabouts.

It is alleged he intentionally blackmailed the victim by threatening to leak her personal information to the media and make unnecessary GP and hospital appointments for her which she could not afford without him.

He faces a third charge of multiple incidents of sexual assault between January 1, 2021 and February 1, 2024, by having sex with the victim in a public place of work, including outside the entrance of her home, and threatening her with or that she was controlling her.

Charging officer Graham has identified and placed not guilty to all charges. The offences are alleged to have occurred when he was off duty. He has been suspended. Judge Patricia Thornton requested the defendant into custody and adjourned the case to a further hearing on May 17.

Time's running out!
Have your say and help improve private rented homes!

Last chance to share your views. Respond today!

Property licensing schemes can help set standards, tackle poor management, and raise quality of housing.

We want to hear from you about the future of property licensing in Barking and Dagenham. Your views and experiences will help us make sure every renter can take pride in their home.

Consultation closes on Friday 26 April 2024.

For queries contact us by:
Phone 020 8724 8898
Email prplconsultation@lbbd.gov.uk

Scan here to share your views
oneboroughvoice.lbbd.gov.uk/property-licensing-2024

LBD staff laptop screensaver

We're consulting on the future of property licensing in the borough.

Resident, tenant or landlord – your opinion matters!

Have your say and help improve rented homes!

oneboroughvoice.lbbd.gov.uk/property-licensing-2024

ENFORCEMENT

London Property Licensing Advertisements

Are you a landlord of a property in Barking and Dagenham?

We're consulting on the future of property licensing schemes in the borough, and we want to hear your views.

SELECT BOROUGH SUPPLIERS NEWS & EVENTS RESOURCES SERVICES NEWSLETTER

LONDON PROPERTY LICENSING

Additional and selective licensing consultation underway in Barking & Dagenham

Have your say on proposed additional and selective licensing scheme for landlords in Barking & Dagenham - consultation open until 26 April 2024

[find out more](#)

London Borough of Barking & Dagenham

If you need help understanding the property licensing rules in Barking and Dagenham you have come to the right place! We are experts in housing regulation and have produced this free guide to help you understand the council's property licensing schemes.

If you find that you need a licence for your rented property our support doesn't end there. Our Landlord Suppliers Directory ([view here](#)) lists companies that offer a licence application handling service. You can also find companies offering a wide range of other goods and services to help you manage your property portfolio and achieve compliance.

Licensing Requirements

Do I need a licence to rent out my property?

At a Glance

Licence Overview

In Barking & Dagenham, mandatory HMO and selective licensing schemes apply borough wide. The council are consulting on plans for new additional and selective licensing schemes from 16 February to 26 April 2024 ([more information](#)).

More Information

Planning HMO Article 4 Direction 2012
 Selective Licensing Declaration 2019

Contacting the Council

Tel: 020 8724 8899
 Email: PS@london.gov.uk
 Weblink: [Barking & Dagenham property licensing](#)



Consultation

Barking & Dagenham Additional and Selective Licensing Consultation – 16 February to 26 April 2024

Friday, February 16th, 2024 - Barking & Dagenham Council



DRAFT

Appendix C: Communication survey questions

Property Licensing Consultation 2024

Welcome

Have Your Say

We are seeking your input on the future of property licensing in Barking and Dagenham and a range of new supporting initiatives. Through the proposals in this consultation, we aim to set standards, tackle poor management, and improve the quality of privately rented homes.

We value your views and experiences regarding the local private rented sector, including your thoughts on our proposed initiatives and whether you agree with them or not. Your input will help shape the approach of delivering our mission to ensure every renter can take pride in their home!

What This Survey Covers

In this survey, we will seek:

- Your views on the current state of the private rented sector
- Your experiences of the local private rented sector
- Your views on the impact of existing property licensing schemes
- Your opinions on proposed new selective licensing scheme and additional HMO licensing scheme, including fees and licence conditions
- Alternatives to the proposed schemes
- Your thoughts on enhancing support for both landlords and tenants.

Our online survey should take no more than **12 minutes** to complete.

Deadline for Responses

Please submit your responses by **Friday 26th April 2024**.

Privacy and Data Protection

Your privacy is important to us. We will collect and record your answers to this survey for statistical purposes to inform our decision. Responses to this survey will also be made publicly available after the consultation has closed in the form of a report on the results of this consultation exercise.

Rest assured that any personal information provided will be kept confidential and processed in accordance with privacy and data protection legislation. If you have any questions about how your personal information will be used, please get in touch with our Data Protection Officer by email at dpo@lbbd.gov.uk.

About you

What information do we collect and why?

When consulting with the public, we ask people to provide details of their personal characteristics such as age and ethnicity.

This information helps us to know who is, and who is not, taking part in surveys and gives us an indication of whether the views represent everyone who lives in Barking and Dagenham.

The information collected will not be used to identify yourself and will be used solely for monitoring purposes.

We would be grateful if you could complete the following personal information about yourself.

Please select the boxes that best describe you.

What age band are you in?

(Choose any one option)

- Aged 18 to 24
- Aged 25 to 34
- Aged 35 to 44
- Aged 45 to 54
- Aged 55 to 64
- Aged 65 to 74
- Aged 75 or over
- Prefer not to say

How would you describe your gender?

(Choose any one option)

- Male
- Female
- Non-binary
- Let me specify
- Prefer not to say

Answer this question only if you have chosen Let me specify for How would you describe your gender?

How would you describe your gender?

What is your ethnic group?

(Choose any one option)

- White - English / Welsh / Scottish / Northern Irish / British
- White - Irish
- White - Gypsy or Irish Traveller
- White - Roma
- Any other white background
- Black / African / Caribbean / Black British - African
- Black / African / Caribbean / Black British - Caribbean
- Any other Black / African / Caribbean background
- Asian / Asian British - Indian
- Asian / Asian British - Pakistani
- Asian / Asian British - Bangladeshi
- Asian / Asian British - Chinese
- Any other Asian background
- Mixed / Multiple ethnic background - White and Black Caribbean
- Mixed / Multiple ethnic background - White and Black African
- Mixed / Multiple ethnic background - White and Asian
- Any other mixed / multiple ethnic background
- Prefer not to say

Answer this question only if you have chosen Any other white background for What is your ethnic group?

Any other white background (please state)

Answer this question only if you have chosen Any other Black / African / Caribbean background for What is your ethnic group?

Any other Black / African / Caribbean background (please state)

Answer this question only if you have chosen Any other mixed / multiple ethnic background for What is your ethnic group?

Any other mixed / multiple ethnic background (please state)

Answer this question only if you have chosen Any other Asian background for What is your ethnic group?

Any other Asian background (please state)

Do you have any physical or mental health conditions or illnesses lasting or expected to last 12 months or more?

(Choose any one option)

- Yes
- No
- Prefer not to say

Respondent type

Are you responding to this consultation as a...

(Choose any one option) (Required)

- Resident Landlord
- Managing or lettings agent
- Partner or community organisation representative
- Any other type of local business representative
- Other

Answer this question only if you have chosen Resident for Are you responding to this consultation as a...

Please confirm your full postcode

Answer this question only if you have chosen Resident for Are you responding to this consultation as a...

What type of accommodation do you live in?

(Choose any one option)

- Own property – Owned with a mortgage or loan.
- Own property – Owned outright.
- Rented – Rented from the Council.
- Rented – Rented from a private landlord.
- Rented – Rented from a Housing Association or another Registered Social Landlord.
- Rented – Other rented or living at a property rent free.
- Both – Part rent and part mortgage (shared ownership). Other (provide details)

Answer this question only if you have chosen Landlord for Are you responding to this consultation as a...

Are you an accredited with or a member of any of the following? (Please tick all that apply)

(Choose all that apply)

- National Residential Landlords Association (NRLA) London
- Landlord Accreditation Scheme (LLAS)
- UK Association of Letting Agents (UKALA) Safeagent
- Association of Residential Lettings Agents (ARLA) Royal
- Institution of Chartered Surveyors (RICS) None of the above
- Other (please specify)

Answer this question only if you have chosen Landlord for Are you responding to this consultation as a...

Do you live in Barking and Dagenham?

(Choose any one option)

- Yes
- No

Answer this question only if you have chosen Yes for Do you live in Barking and Dagenham?

Please confirm your full postcode

Answer this question only if you have chosen No for Do you live in Barking and Dagenham?

Please specify which local authority area you live in.

Answer this question only if you have chosen Managing or lettings agent for Are you responding to this consultation as a...

Which organisation do you represent?

Answer this question only if you have chosen Managing or lettings agent for Are you responding to this consultation as a...

Is your organisation based in Barking and Dagenham?

(Choose any one option)

- Yes
- No

Answer this question only if you have chosen Yes for Is your organisation based in Barking and Dagenham?

Please confirm the full postcode of your organisation.

Answer this question only if you have chosen No for Is your organisation based in Barking and Dagenham?

Please specify which local authority area your organisation is based in.

Answer this question only if you have chosen Partner or community organisation representative for Are you responding to this consultation as a...

Which organisation do you represent?

Answer this question only if you have chosen Partner or community organisation representative for Are you responding to this consultation as a...

Is your organisation based in Barking and Dagenham?

(Choose any one option)

- Yes
- No

Answer this question only if you have chosen Yes for Is your organisation based in Barking and Dagenham?

Please confirm the full postcode of your organisation.

Answer this question only if you have chosen No for Is your organisation based in Barking and Dagenham?

Please specify which local authority area your organisation is based in.

Answer this question only if you have chosen Any other type of local business representative for Are you responding to this consultation as a...

Which business or organisation do you represent?

Answer this question only if you have chosen Any other type of local business representative for Are you responding to this consultation as a...

Is your business or organisation based in Barking and Dagenham?

(Choose any one option)

- Yes
- No

Answer this question only if you have chosen Yes for Is your business or organisation based in Barking and Dagenham?

Please confirm the full postcode of your business or organisation.

Answer this question only if you have chosen No for Is your business or organisation based in Barking and Dagenham?

Please specify which local authority area your business or organisation is based in.

Answer this question only if you have chosen Other for Are you responding to this consultation as a...

Please specify your connection to Barking and Dagenham.

Answer this question only if you have chosen Other for Are you responding to this consultation as a...

Do you live in Barking and Dagenham?

(Choose any one option)

- Yes
- No

Answer this question only if you have chosen Yes for Do you live in Barking and Dagenham?

Please confirm your full postcode

Answer this question only if you have chosen No for Do you live in Barking and Dagenham?

Please specify which local authority area you live in.

About your properties (for landlords and managing/letting agents)

How many properties do you or your organisation own or manage in Barking and Dagenham for each of the following types?

Questions	None	1	2 - 4	5 - 9	10 - 24	25 - 100	100+
Let to three or four unrelated sharers: Small HMO							
Let to five or more unrelated sharers: Large HMO							
All other rental properties: Let to a single household (family, couple or single person) or two unrelated sharers							

Note: Please provide a best estimate for each property type.

Do you own or manage properties outside of Barking and Dagenham?

(Choose any one option)

- Yes
 No

Answer this question only if you have chosen Yes for Do you own or manage properties outside of Barking and Dagenham?

How many properties do you or your organisation manage outside of Barking and Dagenham?

Questions	None	1	2 - 4	5 - 9	10 - 24	25 - 100	101+
Let to three or four unrelated sharers: Small HMO							
Let to five or more unrelated sharers: Large HMO							
All other rental properties: Let to a single household (family, couple or single person) or two unrelated sharers							

Your views on the private rented sector in Barking and Dagenham

The Private Rented Sector (PRS) is the fastest-growing housing tenure in Barking & Dagenham, crucially serving many of our residents' fundamental right to a place to call home. It now accounts for over 30% of homes in the borough.

In recent years, the role of the PRS in Barking & Dagenham has also changed significantly, fuelled by the needs of its increasingly diverse renters.

With an acute shortage of social housing and rising house prices, the PRS has become a long-term housing solution for many of our most deprived and vulnerable residents.

Such growth can pose various challenges.

Please tell us your thoughts on the sector's effectiveness and the challenges it may face.

Thinking about the private rented sector, to what extent do you believe the following to be problem in Barking and Dagenham?

Questions	Not a problem at all	Not a very big problem	A fairly big problem	A very big problem	Don't know
Anti-social behaviour (such as noise nuisance and harassment of neighbours)					
Deprivation worsened by poor quality and insecure housing (such as fuel poverty or unlawful rent rises)					
Poor property conditions (such as damp and mould)					
Poor management of single-family private rented homes (including singles, couples and two unrelated sharers).					
Poor management of shared private rented homes for multiple households (HMOs).					

Experiences of the private rented sector in Barking and Dagenham

We are eager to learn about individual experiences within the private rented sector in Barking and Dagenham.

Please use the tick boxes below to indicate if, in the past 3 years, you or anyone you know have experienced any of the following issues related to privately rented homes.

Anti-social behaviour

Questions	Yes	No	Don't know
Noise nuisance by neighbours			
Poorly maintained neighbouring properties and gardens			
Harassment, distressing or undesirable behaviour by neighbours.			

Poor property conditions

Questions	Yes	No	Don't know
Disrepair			
Overcrowding			
Illegal or poor quality conversions			
Concerns about fire safety			

Poor management

Questions	Yes	No	Don't know
Unlawful rent increases by a landlord or agent (outside terms set by tenancy agreement)			
Unfair additional charges by a landlord or agent			
Poor landlord or agent responses to tenants' complaints			
Failure by landlord or agent to protect tenancy deposits			

Are there any other issues you would like to tell us about

Awareness of current schemes

Private rented property licensing schemes require all landlords in the areas they cover to obtain a licence to rent out a privately rented home.

The main objective of such schemes is to improve the private rented sector by verifying that landlords and agents are 'fit and proper' to manage properties and that their rental homes are decent and safe.

Each licence is subject to specific conditions relating to property use and management. Breaching these conditions can result in fines or the revocation of the licence.

In Barking and Dagenham, we currently have two property licensing schemes in operation:

1. **Mandatory HMO licensing:** Since April 1, 2006, local councils across England have been required to implement a Mandatory HMO licensing scheme. This scheme typically covers larger shared homes (HMOs) rented by five or more people in two or more households. It encompasses shared amenities HMOs and excludes converted buildings.
2. **Selective licensing:** Since 2014, Barking and Dagenham have enforced two borough-wide Selective Licensing schemes, each lasting for five-year terms. Selective licensing generally applies to all single-family homes rented to one household, including singles, couples, and two unrelated sharers. The current Selective licensing scheme will expire in August 2024.

We're curious to know if you were aware of our current schemes.

Before taking part in this consultation, were you aware of the selective licensing scheme for single-family privately rented homes?

(Choose any one option)

- Yes
 No
 Don't know

Before taking part in this consultation, were you aware of the mandatory licensing scheme for large, shared homes (HMOs) let to 5 or more unrelated people?

(Choose any one option)

- Yes
 No
 Don't know

Impact of current licensing schemes

Since 2019, as a result of our Mandatory HMO (covering larger shared homes) and Selective (covering single-family homes) private rented property licensing schemes we have:

- Issued 17,556 Selective licences and 345 mandatory HMO licences.
- Conducted over 8,000 property compliance inspections.
- Served over 4,500 Housing Act Notices on landlords to improve property conditions.
- Handled almost 8,000 requests from private landlords and tenants.

In addition, the schemes have enabled us to:

- Introduce a quarterly newsletter for licensed landlords to advise on best practice.
- Partner with the London Landlord Accreditation Scheme to deliver training sessions.
- Hire an officer to help resolve tenant and landlord disputes.
- Successfully identify and enforce against 496 unlicensed landlords.

Currently, we do not have a scheme in place that covers smaller shared homes (HMOs) rented out by three or four people, forming two or more households.

Please complete the following questions to share your thoughts on the necessity and impact of our current licensing operations.

To what extent do you agree that the current selective licensing scheme has helped to improve the condition and management of private rented properties in Barking and Dagenham?

(Choose any one option) (Required)

- Strongly agree
- Tend to agree
- Neither agree nor disagree Tend
- to disagree
-
- Strongly disagree Don't know

Please give the reason for your answer below.

To what extent do you agree that the Council should continue to use selective licensing as a tool to help to improve, or further improve, the condition and management of private rented homes?

(Choose any one option) (Required)

- Strongly agree
- Tend to agree
- Neither agree nor disagree Tend
- to disagree
-
- Strongly disagree Don't know

Please give the reason for your answer in the box below.

If selective licensing was NOT continued in the borough what impact do you think this would have?

(Choose any one option) (Required)

- There would be a negative impact
- There would be a positive impact
- There would be no impact
- Don't know

To what extent do you agree that all HMOs, regardless of size, should be subject to a form of property licensing to help to improve their condition and management?

(Choose any one option) (Required)

- Strongly agree
- Tend to agree
- Neither agree nor disagree Tend
- to disagree
-
- Strongly disagree Don't know

Proposed new selective licensing scheme

Selective licensing can be used as an additional tool to help tackle a range of social and physical factors affecting a local area that are linked to the private rented sector (PRS).

All factors can be used as grounds for making a designation and must meet specific criteria set by the Government. Some conditions also require evidence that the proposed area to be covered by a designation has a higher proportion of privately rented properties than the national average.

Our Insight and Innovation Hub conducted an extensive study to examine challenges within the borough's PRS and identify potential grounds for the continuation of Selective Licensing. This study integrated council intelligence, stakeholder input, and national/regional data.

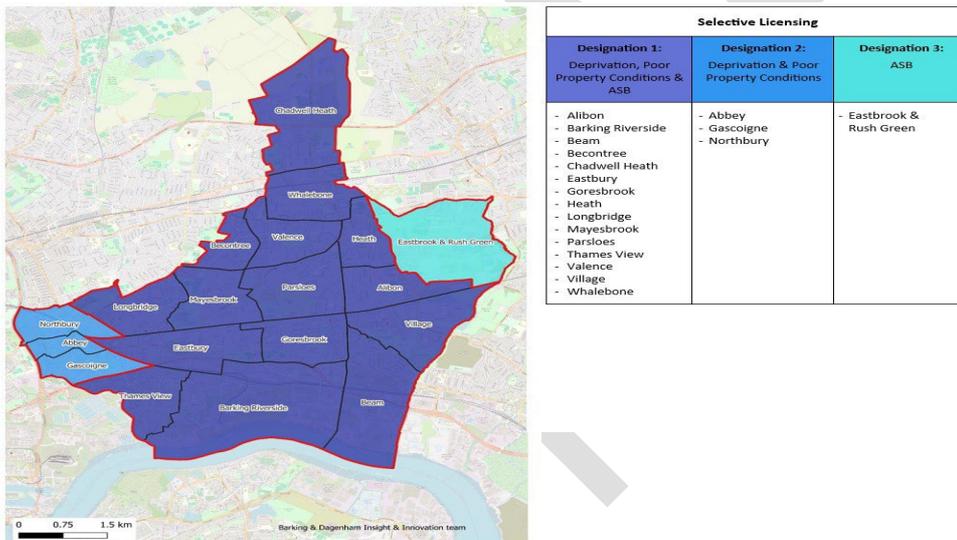
Findings revealed persistent high levels of deprivation, rising anti-social behaviour, and significant concerns regarding property conditions in the PRS. The most pressing of these problems varied for each of our Wards.

Based on these findings, we are proposing a new multiple-designation Selective Licensing scheme aimed at strengthening our approach to addressing these challenges:

- Designation 1 - Deprivation, poor property conditions and ASB
- Designation 2 - Deprivation and poor property conditions
- Designation 3 - ASB

Together, we believe these designations offer borough-wide protection for private renters in single-family homes (including singles, couples, and two unrelated individuals) and will contribute to improving standards within the PRS.

Map of Selective Licensing Proposed Designations 2024-2029



To what extent do you agree with the Council's proposed new targeted selective licensing designations?

(Required)

Questions	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
Designation 1						
Designation 2						
Designation 3						

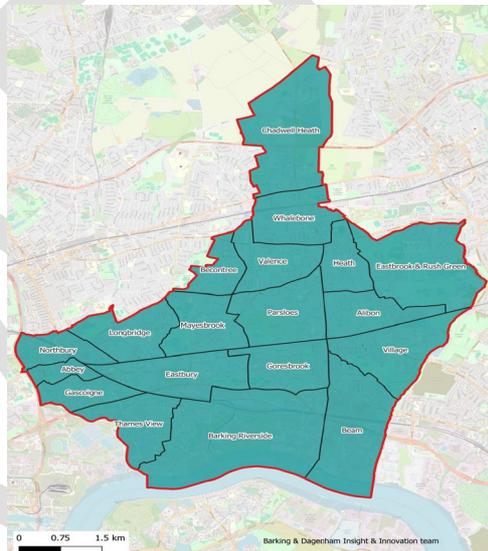
Please give the reasons for your answer in the box below.

Proposed new additional HMO licensing scheme

Additional HMO licensing can be introduced when a significant number of smaller shared homes (HMOs) let to 3 or 4 people in the proposed area are believed to be poorly managed, leading to issues for residents.

Over the past 3 years, HMOs have become an increasing concern for the Council and residents. Our study found that HMOs in Barking and Dagenham have a higher prevalence of anti-social behavior, are more likely to fail compliance audit inspections, and be poorly managed.

For this reason, we believe it is crucial for all HMOs across the borough, regardless of size, to be licensed.



Map of Proposed Additional HMO Designation 2024-2029

To what extent do you agree with the Council's proposal to introduce a new additional licensing scheme to improve the condition and management of small houses in multiple occupation?

(Choose any one option) (Required)

- Strongly agree
- Tend to agree
- Neither agree nor disagree Tend
- to disagree
- Strongly disagree Don't know

Please give the reason for you answer below.

Licence Conditions

Each property licence is issued with a set of conditions, which vary across designations as they are tailored to their specific grounds for introduction. However, they generally relate to tenancy management, the conduct of licence holders, property standards, and occupancy levels, with some conditions being required by law.

Different sets of conditions exist for single-family homes (selective licensing) and shared homes (additional HMO licensing).

We are eager to hear your thoughts on our proposed selective licensing conditions for our three designations. While most conditions across the designations are the same, some conditions are specific to the issues each designation seeks to address, such as anti-social behaviour.

Additionally, we would like your feedback on our proposed additional HMO licensing conditions, which will also be applied to mandatory HMO licences.

The full set of conditions can be found in the following Appendices:

- [Appendix 2 - Designation 1: Selective Property Licence Conditions \(231 KB\) \(pdf\)](#) • [Appendix 3 - Designation 2: Selective Property Licence Conditions \(222 KB\) \(pdf\)](#) • [Appendix 4 - Designation 3: Selective Property Licence Conditions \(231 KB\) \(pdf\)](#) • [Appendix 5 - Additional HMO Licence Conditions \(237 KB\) \(pdf\)](#)

Selective licensing conditions – Designations 1-3

Do you think the proposed selective licensing conditions are clear and understandable?

(Choose any one option)

- Yes
 No
 Don't know

Answer this question only if you have chosen No for Do you think the proposed selective licensing conditions are clear and understandable?

Please can you tell us which conditions are not clear, and why.

Do you think the proposed selective licensing conditions are reasonable?

(Choose any one option)

Yes

No

Don't know

Please can you tell us which conditions are not reasonable, and why.

Do you think there are any selective licensing conditions that should be removed?

(Choose any one option)

Yes

No

Don't know

Answer this question only if you have chosen Yes for Do you think there are any selective licensing conditions that should be removed?

Please can you tell us which conditions should be removed and why.

Do you think there are any selective licensing conditions that should be added?

(Choose any one option)

Yes

No

Don't know

Answer this question only if you have chosen Yes for Do you think there are any selective licensing conditions that should be added?

Please can you tell us which conditions should be added and why.

Additional HMO licensing conditions

Do you think the proposed additional HMO licensing conditions are clear and understandable?

(Choose any one option)

- Yes
- No
- Don't know

Answer this question only if you have chosen No for Do you think the proposed additional HMO licensing conditions are clear and understandable?

Please can you tell us which conditions are not clear, and why.

Do you think the proposed additional HMO licensing conditions are reasonable?

(Choose any one option)

- Yes
- No
- Don't know

Answer this question only if you have chosen No for Do you think the proposed additional HMO licensing conditions are reasonable?

Please can you tell us which conditions are not reasonable, and why.

Do you think there are any additional HMO licensing conditions that should be removed?

(Choose any one option)

- Yes
- No
- Don't know

Answer this question only if you have chosen Yes for Do you think there are any additional HMO licensing conditions that should be removed?

Please can you tell us which conditions should be removed and why.

Do you think there are any additional HMO licensing conditions that should be added?

(Choose any one option)

- Yes
 No
 Don't know

Answer this question only if you have chosen Yes for Do you think there are any additional HMO licensing conditions that should be added?

Please can you tell us which conditions should be added and why.

Proposed fees and discounts

A fee will be charged for all licences to cover the costs of operating each proposed new licensing scheme.

Both schemes are designed to be cost neutral, ensuring compliance with statutory requirements to avoid profit from either scheme.

We will collect licence fees in two parts:

- **Part A:** Collected upon application, covering processing and determination costs, including the initial compliance audit inspection. This fee is non-refundable, regardless of application outcome.
- **Part B:** Collected upon Council's determination to grant a licence, covering scheme administration, management, and enforcement. We will only issue licences upon receipt of the Part B fee.

Licence Fees

The cost of new applications, including renewals:

Type of licence	Part A	Part B
Selective	£650	£300
Additional HMO	£1000	£400

All properties will undergo an initial compliance audit inspection within six months of application before licences are granted.

Licences will be issued from the date of application and will remain valid for up to 5 years.

Discounts

We are eager to recognise and reward the many good landlords providing safe and decent homes for our residents. We are therefore pleased to share that we will be offering a new discount to celebrate best practice.

This will be awarded in two tiers based on the licence holder's accreditation status and compliance with required property standards during the initial compliance audit inspection.

Tier	Requirements	Amount
Silver compliance award	Satisfactory rating from compliance audit inspection (property meets the standards when inspected)	Discount on the Part B fee of £200
Gold compliance award	Landlord accredited AND Satisfactory rating from compliance audit inspection (property meets the standards when inspected)	Discount on the Part B fee of £250

To maximise uptake and help landlords prepare, we have developed tailored inspection guidance for both schemes.

Our complete fee structure and inspection guidance can be found in the following appendices:

- [Appendix 6 - Fees & Charges. \(220 KB\) \(pdf\)](#)
- [Appendix 7 - Property Condition Guidance for HMOs \(132 KB\) \(pdf\)](#)
- [Appendix 8 - Property Condition Guidance for Single Household Properties \(158 KB\) \(pdf\)](#)

Please tell us what you think about the proposed fees...

Questions	Much too low	A little too low	About right	A little too high	Much too high	Don't know
The proposed fee for selective licensing						
The proposed fee for the additional HMO licensing						

To what extent do you agree with the proposed discounts?

Questions	Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
Silver Compliance Award Discount						
Gold Compliance Award Discount						

Do you think there are any proposed discounts that should be removed?

(Choose any one option)

- Yes
- No
- Don't know

Answer this question only if you have chosen Yes for Do you think there are any proposed discounts that should be removed?

Please can you tell us which discounts should be removed and why.

Do you think there are any additional discounts that should be considered?

(Choose any one option)

- Yes
- No
-

Don't know

Answer this question only if you have chosen Yes for Do you think there are any additional discounts that should be considered?

Please can you tell us which additional discounts should be considered.

Alternatives to Property Licensing

Property licensing is not a stand-alone tool. Through the proposed new schemes, we aim to enhance and complement our broader initiatives to improve standards in the private rented sector rather than replacing them.

However, we understand that some may have differing opinions on our approach.

We're keen to hear your thoughts on whether you believe we should consider alternatives to the proposed property licensing scheme.

Do you think the Council should consider alternatives to the selective licensing scheme?

(Choose any one option)

- Yes
- No
- Don't know

Answer this question only if you have chosen Yes for Do you think the Council should consider alternatives to the selective licensing scheme?

Please can you tell us which alternatives the Council should consider.

Do you think the Council should consider alternatives to the additional HMO licensing scheme?

(Choose any one option)

- Yes
- No
- Don't know

Answer this question only if you have chosen Yes for Do you think the Council should consider alternatives to the additional HMO licensing scheme?

Please can you tell us which alternatives the Council should consider.

Improving support for landlords and tenants

Alongside the proposed new licensing schemes, we are committed to enhancing our support for landlords and tenants. Below are some of our proposed initiatives:

- Creating localised advice packs for private tenants to inform them about their rights and responsibilities. • Collaborating with tenant representative bodies to establish a private tenant forum.
- Employing an additional Council officer to assist in resolving landlord and tenant disputes.
- Developing localised advice packs for private landlords, offering guidance on compliance and providing helpful tips for addressing common issues.
- Organising more two-way engagement opportunities for local landlords, in-person and online.

We value your feedback on these proposals and welcome any additional suggestions you may have for further improvements.

To what extent do you agree with the Council's proposed plans to improve support for private tenants?

(Choose any one option)

- Strongly agree
- Tend to agree
- Neither agree nor disagree Tend
- to disagree
- Strongly disagree Don't know

Do you think there is anything more the Council could be doing to support private tenants?

(Choose any one option)

- Yes
- No
- Don't know

Answer this question only if you have chosen Yes for Do you think there is anything more the Council could be doing to support private tenants?

Please can you tell us what more you think the Council could be doing?

To what extent do you agree with the Council’s proposed plans to improve support for landlords?

(Choose any one option)

- Strongly agree
- Tend to agree
- Neither agree nor disagree Tend
- to disagree
-
- Strongly disagree Don't know

Do you think there is anything more the Council could be doing to support landlords?

(Choose any one option)

- Yes
- No
- Don't know

Answer this question only if you have chosen Yes for Do you think there is anything more the Council could be doing to support landlords?

Please can you tell us what more you think the Council could be doing?

Would you be interested in taking part in focus groups to support further research about the following topics? (Please select all that apply)

(Choose all that apply)

- Improving support for tenants
- Improving support for landlords No
-

Answer this question only if you have not chosen No for Would you be interested in taking part in focus groups to support further research about the following topics? (Please select all that apply)

Please provide your full name

(Required)

Answer this question only if you have not chosen No for Would you be interested in taking part in focus groups to support further research about the following topics? (Please select all that apply)

Please provide your email address

(Required)

Answer this question only if you have not chosen No for Would you be interested in taking part in focus groups to support further research about the following topics? (Please select all that apply)

Telephone number (optional)

Other comments

Are there any other comments you would like to make about the licensing proposals discussed in this consultation?

Almost there

We are legally obliged to offer to send you a copy of the final licensing designation(s) if any of the proposed licensing schemes are approved for implementation.

These are supporting documents that define various aspects, including the area where licensing will be required, as well as detailing the start date and duration of the designation(s).

Please confirm if you are happy to be sent a copy of any final licensing designation(s) resulting from this consultation.

Should any of our proposed licensing schemes be approved, would you like to receive a copy of the final licensing scheme designation?

(Choose any one option)

- Yes
- No

Answer this question only if you have chosen Yes for Should any of our proposed licensing schemes be approved, would you like to receive a copy of the final licensing scheme designation?

Please provide your name

(Required)

Answer this question only if you have chosen Yes for Should any of our proposed licensing schemes be approved, would you like to receive a copy of the final licensing scheme designation?

Please provide your email address

(Required)

Answer this question only if you have chosen Yes for Should any of our proposed licensing schemes be approved, would you like to receive a copy of the final licensing scheme designation?

Please provide your address (optional)

Are you interested in Green Financing for your rental property?

We are currently conducting research to gauge landlord interest in potential Green Finance loans.

Loans will be offered to help improve the energy efficiency of rental homes and reduce their carbon footprint.

If you are a landlord, are you willing to take part in our short survey regarding Green Finance loans?

(Choose any one option)

- Yes
- No

Answer this question only if you have chosen Yes for If you are a landlord, are you willing to take part in our short survey regarding Green Finance loans?

Please provide your email address and we send you a separate link to our Green Finance survey.

Ready to submit

Before you submit your response, we would like to thank you for participating in our survey. Your responses will help inform our decision-making process regarding the proposed new schemes. All feedback shared will be carefully analysed and considered.

We aim to publish the results of this consultation in early Summer. The proposed schemes will then be updated as necessary and submitted to the Council's Cabinet for approval in June 2024.

Pending approval, the proposed new Additional HMO licensing scheme is expected to be introduced in late September 2024.

Given the scale of our proposed new Selective licensing scheme, we will need to make an application to the Secretary of State for Levelling Up to confirm the scheme, subject to Cabinet approval. If successful, we hope to introduce the scheme in late 2024.

If you have any questions regarding this consultation, please don't hesitate to contact us.

Additionally, we would appreciate it if you could share this survey link with your friends, family, and contacts. The more input we receive, the better informed our decisions will be!

(Required)

Appendix D: Full written responses to the consultation

London borough responses

Response 1 (23/04/2024)

Dear Fiona

Selective and Additional HMO Private Rented Property Licensing Schemes

I am writing in response to your public consultation on the renewal of your private rented property licensing schemes and wish to convey that Enfield is a borough which shares an interest in your Council's proposal to introduce further licensing schemes.

It is evident from the progress you have made in your current scheme that significant improvement has been achieved in addressing poor tenancy and management practices and improving property conditions for residents living in the private rented sector in Barking and Dagenham.

Enfield successfully introduced borough wide additional HMO licensing in September 2020 and selective licensing in September 2021, and we are seeing the improvements the schemes are making to our resident's lives as they benefit from improved living conditions and better managed properties. Licensing has provided additional enforcement powers to tackle these issues by requiring all landlords to sign up to management conditions that help ensure they adopt a responsible approach to the management of their properties and identify those landlords whose management arrangements are inadequate. We are of the view this could not have been achieved by using existing powers alone.

We consider Barking and Dagenham's new licensing proposals will continue to make further improvements in your private rented sector by identifying those HMOs and private rented properties that continue to be managed ineffectively. With the socio-economic factors and the shortage of housing facing London boroughs, it is even

more important that we utilise the powers available to us to regulate the growing private rented sector.

Enfield is in full support of your proposals for a new boroughwide selective and additional HMO licensing scheme, and we consider that property standards and safety will continue to be improved in your borough with the implementation of the proposed new licensing schemes.

We wish you every success in your new proposals.

Yours sincerely



Doug Wilkinson
Director of Environment and Street Scene



Victoria Lawson
Chief Executive
Islington Council
Islington Town Hall
Upper Street
N1 2UD
www.islington.gov.uk

Barking and Dagenham
Property Licensing Consultation

Sent via email to:
prplconsultation@lbbd.gov.uk

23 April 2024

Dear Chief Executive,

**Re: Barking and Dagenham Property Licensing Consultation
Selective and Additional HMO Private Rented Property Licensing Schemes**

I write in response to your letter of 16 April 2024 containing details of your property licensing proposals and evidence base.

Your aims align with both our corporate plan objective to provide a 'safe place called home' and our Private Rented Sector Charter which sets out our commitment to stand alongside private renters and work with private landlords to maintain and improve standards.

The Private rented sector covers over 30% of housing in Islington and rents account for about 70% of renters' gross earnings. We want Islington's private rented sector to be high quality, low carbon, affordable and sustainable so that Islington's residents have a good choice of quality homes in clean, safe, and vibrant neighbourhoods and landlords meet their obligations to their tenants.

We believe from our own experience that amongst other things property licensing significantly contributes to improving property and management standards, increasing opportunities in the sector for low-income households and helping to improve communication across the sector,

We believe your evidence base, and consultation demonstrate that you have met the statutory thresholds for adoption, and we support your proposals.

Yours sincerely

Victoria Lawson

Chief Executive, Islington Council

Response 3 (24/04/2024)

Councillor Syed Ghani
Cabinet Member for Enforcement & Community Safety
London Borough of Lambeth

Dear Cllr Ghani

Re: London Borough of Barking & Dagenham - Private Rented Property Licensing Consultation

I am writing to express support for the implementation of large-scale selective and additional licensing schemes in the London Borough of Barking & Dagenham to tackle identified problems including poor housing conditions and anti-social behaviour in privately rented homes within the borough.

Waltham Forest Council fully supports the introduction of selective and additional licensing schemes in Barking & Dagenham. We recognise the importance of the private rented sector in providing homes for people who want to live in the borough. Our experience is that many landlords take their responsibilities very seriously and provide well managed rented homes that are maintained to a good standard but there are widespread issues of disrepair and housing hazards in the private rented sector and poorly managed properties that give rise to significant and persistent ASB compared to homes in other sectors. In this regard, we believe that your proposed schemes will give your authority the best opportunity to ensure that all private sector landlords across the borough meet the highest possible standards.

We believe that selective licensing has brought long overdue regulation to the private rented sector, and we share your view that your scheme objectives cannot adequately met by means other than large scale property licensing. We have seen the merits of selective licensing first hand since it came into force in Waltham Forest on 1 April 2015. Through the administration and enforcement of successive selective licensing schemes, we have overseen the improvement of close to 5000 privately rented homes.

We also know that poorly managed HMOs not only place extra demands on the Council, but they create problems for their tenants and the community around them. It is vital that all HMOs are of an adequate standard, are managed effectively and offer a safe home to their occupiers and we believe that additional HMO licensing provides additional regulatory controls to deliver these objectives.

Our licensing schemes have helped Waltham Forest Council to effectively regulate private housing and tackle rogue landlords. It has enabled us to drive up property standards and

walthamforest.gov.uk



increase confidence in the private rented sector, as well as help to reduce anti-social behaviour. At the same time, we have been able to administer the scheme in a way that the borough's responsible landlords experience a light-touch approach to enforcement and are supported in the letting and management of their rented homes.

Licence fees are funding vital front line enforcement action to realise our identified licensing scheme objectives. We have been able to develop and maintain the capacity to carry out proactive/programmed intelligence-led inspections of privately rented homes, as opposed to a purely reactive service. We recognise that residents in homes in the worst condition are often reluctant to complain to the local authority through fear of eviction.

Our proactive approach to the administration and enforcement of our licensing schemes has enabled Waltham Forest to demonstrate the progress made in tackling damp and mould issues in the private rented sector following the increased prominence of the issue in the wake of the inquest verdict in the tragic and avoidable death of Awab Ishak.

Private rented licensing, which we made 'digital by default', has also enabled us to better connect to and communicate with landlords through our regular landlord forums and e-newsletters and we currently have more than 17k subscribers. We are also able to provide support to responsible landlords.

If, following careful consideration of the responses to the consultation, Barking & Dagenham decides to go ahead with the licensing schemes, I hope that the Secretary of State gives the necessary permission in relation to the large-scale selective licensing schemes, thereby supporting the Council in driving up standards in the sector and tackling rogue landlords.

I strongly believe that rented property licensing schemes are an invaluable way for London councils like Barking & Dagenham and Waltham Forest to help solve London's housing crisis.

Yours sincerely,



Cllr Khevyn Limbajee
Cabinet Lead Member for Community Safety



Response 4 (29/04/2024)

Dear Fiona,

I write to express LB Newham support for LB Barking & Dagenham proposed property licensing schemes for borough wide additional and selective licencing schemes, as set out in your February 2024 [consultation](#) and any subsequent application to DLUHC if agreed by your governance process.

We support and commend LB Barking & Dagenham's proposals for a large-scale property-licensing scheme in 2025. As you will be aware LB Newham has operated a wide-scale, licensing scheme since 2013 and having neighbouring boroughs operate similar schemes will strengthen protections for private tenants in London.

We hope that with these approaches rogue landlords find it difficult to continue operating in the wider London area and encourage more professional behaviour in the private rented sector. In Newham, over 50 percent of residents live in the PRS, where amongst the worst housing conditions in the borough are found and over a quarter of Newham's PRS properties have been found to have serious health and safety hazards, which are key indicators of poor property conditions. The borough's private rented sector is also home to some of our most vulnerable residents with some of the worst conditions experiencing the worst exploitative practices.

Our third round of property licensing schemes covering 40,000 plus properties, are amongst the most important tools the Council has to tackle exploitative practices and support our residents. through robust and rigorous enforcement activity; demonstrate zero tolerance of poor and rogue landlords; introduce a 'Fairer Newham' standard in the PRS so that all landlords provide high quality housing that have good space standards, are safe and well managed and establish minimum standards of energy efficiency with high standards of security.

Please do not hesitate to contact me if you would like to discuss this letter.

Yours faithfully

Response 5 (30/04/2024)

Dear Fiona

Proposals on future of property licensing

As a north London borough, we have a shared interest in your Council's proposal to introduce property licensing schemes. The housing crisis and challenges with managing a growing private rented sector are similar to those experienced by Camden. It's good to see the positive outcomes achievable utilising the discretionary tools available to local authorities to ensure private renters can access decent, safe and affordable homes.

We recognise the challenges of regulating the private rented sector using our statutory powers alone and the need to utilise all powers available to improve this important sector. Camden council renewed its boroughwide additional HMO licensing scheme in 2020 and we are starting our preparations to review and the need to renew again in 2025. The scheme has resulted in improvements in safety for tenants and the management of properties overall, however, more work is needed as some landlords fail to complete works required to meet minimum standards.

We at Camden support your proposals for introducing additional HMO and selective licensing scheme.

Yours sincerely



Darren Wilsher
Private Sector Housing Service Manager
Housing Allocations, Lettings and Private Housing

Email responses

Response 1 (28/02/2024)

“as a landlord i feel that this scheme should be extended country wide and is an excellent idea to weed out landlords who do not bother with their properties and put their tenants at great risk from faults with the property.

i am 100% for the licensing”

Response 2 (28/02/2024)

“The licensing carry a cost to landlords which will pass this on the tenants, who are already under pressure due to the raise of energy and mortgages cost which have an impact on they rent cost

The licensing doesn’t have a beneficial impact on tenants and landlords

Please decommission the scheme”

Response 3 (28/02/2024)

“What about the non compliant tenants and the lack of support when they trash a home.”

Response 4 (29/02/2024)

“We are happy for you to introduce the two tier licensing option, on top of the mandatory HMO. This system will improve flexibility and allow both tenants and landlords to behave better.

Thank you.”

Response 5 (29/02/2024)

“Hello,

In reference to your email I received recently concerning the new proposed Barking and Dagenham selective license scheme, your FAQ document does not cover what I consider a fundamental question which is, if one currently possesses a selective license that is valid until after the new scheme’s proposed date will I have to apply for a new license or will I only have to apply once the current license expires? If one does have to apply for a new license will I receive a refund or credit for any remaining validity?

The reason I ask is because my current selective license is valid until 2027.

Thank you.”

Response 6 (01/03/2024)

“HI

I am a landlord, I have paid for the licence which I am not sure what this actually does, as lots of the rest of the country doesn't apply it, it seems unfair some do some don't

The first licence a person came out to inspect, on the renewal no one came out to inspect just took the money how does that stop dodgy landlords, I thought this was to sort out the good from the bad With the economic situation as it is, landlords have mortgages to pay to keep the houses for renters, and then to pay out large amounts of money for a licence what do we get for it

I had 7 properties which I rented out, but now down to two which I am selling each year as the fact that the safeguard for landlords is poor only for tenants, so I have had enough

So I feel the licences are unfair, I have to show that my property is safe and pay for the licence, does the council have to show how they conduct themselves NO”

Response 7 (01/03/2024)

“not consent for these licensing schemes. thank you”

Response 8 (04/03/2024)

“We are seeking clarification and further information on your current consultation. We have noted that, of the 17,000 properties that have been licensed, 8,000 have been inspected. Could you please confirm the percentage of those inspected that were fully compliant with licensing conditions?

We would also like clarification on your proposals for compliance awards. From the brief description, it looks as though a landlord operating within the law would be recognised with a Silver Compliance Award and that a Gold Award would be offered if the landlord was also Accredited? Are we misreading this information? Does Accreditation rely on evidence of competent management? Do you seek the view of the tenants in this regard?”

Response 9 (11/03/2024)

“Dear sirs,

Will the new license include the mass of airBNB properties currently being rented in the borough that does not currently require a license according to yourselves.

These are not just rooms or sheds [redacted] but houses such as [redacted] but this is not limited to [redacted] there are a huge amount of unlicensed properties being rented.

Plus with the new license will there be better enforcement?

[redacted] is a HMO but has a selective licence, no action taken despite complaints”

Response 10 (13/03/2024)

“As a Resident in the borough and paying full Council Tax

Could you please tell me when was the Accounts of the council has been Externat Audited and what was the outcome

As resident we would like to and have the rights to know our council tax payments to council are going to right places and to right organisation as supposed to

Your promptly answer will be appreciated”

Response 11 (05/04/2024)

“I attended today just as a council tenant not private. And found the meeting interesting.

However, I wanted to say a couple of points in that, as a council tenant, (and vulnerable due to health issues and of a mature age), I find the amount of multiple occupied properties in my road quite alarming. And lots of comings and goings with so many people at all hours.

Does a council tenant have a right to know what properties are HMOs right near to them, as we don't know who these people are coming and going at all hours. I have done a few emails to prpl over the years asking if certain addresses near me are HMOs and everything they email back saying no. As many rear extentions are appearing and new people going through front doors at all times. So my concerns are that they are not registered.

It is alarming because you do not know who is living in your Borough. I want to see council tenants kept informed of what goes on if its happening near and they are feeling un-informed.

You mentioned all these inspections and rules and registration and paying fees and monitoring but I feel that many of these properties in my road are not registered. I want to find out.

Also there seems all this support for private tenants but what about council tenants? I heard mention of a Council Tenants Forum but I have never heard of this or what it is or how to access it. Is there anyone I can contact about what it offers? I myself live in an old, mouldy property and have issues, and my landlord, LBBB doesn't seem to address this issue well at all. I don't know how to access guidance and information and would it be the same guidance that a private tenant would receive?

Like you said, sometimes accessing information is extremely difficult. And needs improving.

If HMOs are going to keep increasing on every road, then I want to see more information available to neighbouring properties who are affected by them. Council tenants or not. As we get affected by fly-tipping and noise increases. How do we know if they are illegals or sex offenders.

Anyway it was good to attend the meeting and hear some of what's going on.”

Response 12 (12/04/2024)

“Good afternoon,

I am suggesting that the scheme is scrapped or that there needs to be guidelines on what is applicable. I believe that the LBB make up their own rules on the spot, which leave landlords who are offering housing in a difficult situation.”

Response 13 (12/04/2024)

“Hi Prplconsultation,
[redacted]

Yes it's good for all rental properties in the market to have a valid licence. For the best interest of the landlord and tenants.

Thank you”

Response 14 (25/04/2024)

“Thank you for initiating such an important agenda; specially in the time of the "Cost of living" crisis

I would like you to consider the following few points which effect the Licensing Policy:

1. .The cost of the license should be affordable by all walks of life; at the moment this 2 tier payment is not helpful and it is too high
2. .To compare the current price with other boroughs and bring the licensing cost in line with the other neighbouring boroughs
3. .To abolish the 2 tier licensing application and bring it to one tier only procedure; where you only apply once and don't have to wait for 2nd round of approval or payment
4. .To abolish the set time frame and honour the full payment to a full period cycle; at the moment if someone receives a license which is at the end of the term. That person has paid nearly £1000.00 for only few months [ie, 2 -3 months] oppose to who has applied at the beginning of the term enjoying 4 years period. This seems discriminatory and at a certain degree a financial abuse the applicant's finance by default of the current policy

Thank you for your kind help; and i really hope you will kindly look into the above and change the current practice to a better one”

Long-form responses

Response 1 (31/03/2024)

PRPL Consultation team
London Borough of Barking & Dagenham
Barking Town Hall
1 Town Square
IG11 7LU

Dear PRPL Team

I have just filled out the online consultation form. While we share a common interests in driving standards in the PRS, concern on deprivation and poverty and ASB, I found the online form lacking in the ability to challenge the consultation report therefore I would like to add the following additional comments.

Standards the scheme will be held to

The PRPL scheme consultation addresses many areas of concern in the Borough and how having a licence scheme will improve them. I note with interest that at no point does it detail what a success will look like, which is a common theme amongst the previous two scheme consultations. While I disagree that the scheme will achieve what the Borough wants it to, should it go ahead, it is only correct that defined goals are put in place to measure it. Without this how do we know if it has been a success? How would the Borough know how to improve it for the future without measurable targets?

The report does not mention any learnings from the two previous schemes, to make this version more successful, though those previous schemes had common goals. Does the outcome of the previous schemes make no difference to the future? Without evidence to show the previous schemes have achieved measurable goals, even if they missed the targets due to Covid, it could be viewed as the Borough is going to implement a scheme regardless of whether it makes a difference to the standard of the PRS or not for financial reasons.

Scheme costs

The report details the PRPL scheme is to be self-funding and not a profit centre (pg42). Could we see the evidence of the forecasts for this please? Two schemes have now been run in the Borough but not one piece of data detailing income and costs has ever been produced for public scrutiny.

The report details that there have been 17,556 and 345 HMO licences issued under the current scheme, for which I paid £685 for each of mine.

- $17,556 + 345 = 17,901$ licenses issued.
- $17,901 \times £685 = \mathbf{£12,262,185}$ revenue generated.

I note that HMO licences cost more than £685 and the report also indicates 203 financial penalty notices where issued, therefore the total income will be higher than the above figure.

While understanding £12.2m is a modest sum to the overall Council budget, it is not an inconsiderable sum of money. How was this spent? The council must publish details that stand up

to basic scrutiny (staff numbers, office costs, expenses, legal costs etc) to demonstrate the scheme is not paying for wider council services.

Deprivation and Poverty

The report gives no mention to other causes of deprivation and poverty other than the condition of housing. To do this is a fundamental error and would have the reader believe that it is the major cause and a PRPL scheme will make a significant difference to deprivation in the Borough. Regrettably this is just not the case. Using a simple google search asking “causes of deprivation in the UK” brings back a first answer from the NHS. [NHS England » Deprivation](#) listing 7 factors which are;

- Income
- Employment
- Education
- Health
- Crime
- Barriers to housing and services
- Living environment

You will note living environment is last, income and routes to generate greater income such as employment and education are first, second and third. **Lifting income is the way to address deprivation and poverty.** While everyone should have a decent standard of housing it makes the smallest contribution to overall deprivation. The Borough is listed as the highest deprivation rate in London, this is probably no surprise as it is the cheapest Borough in London to live in, therefore will attract the lowest paid [London’s 8 remaining ‘affordable’ areas with prices below city average | Evening Standard](#) . While I don’t doubt the census data quoted is correct (pg24), it also needs to be compared with average household income etc to provide a balanced analysis. If a millionaire lived in a substandard rented house, would you still class them as deprived?

The increase in poverty rates across the country is a stain on society in general. This is again linked to income not housing. Pg25 references fuel poverty which is a problem UK wide, again this is income linked. Many household incomes did not have sufficient flex to pay for the increase in energy prices caused by a war in Ukraine. This is the cause of the “rapid increase in prices since late 2021” that is referenced. The PRS cannot be held responsible for this.

Pg 26 references how the PRPL is going to help with deprivation;

“Conducting inspections on all licensable properties will have a tremendous impact on uncovering tenant welfare issues such as addiction, depression, alcoholism, mental health issues, unemployment, and modern slavery.”

It would appear the council is using a PRS scheme to collect data on tenant medical welfare! This seems unfair to place this burden on a landlord. All the conditions listed above are complex but in the vast majority of occurrences have nothing to do with the condition of a property. A PRS licence will have no impact on alcoholism.

Antisocial behaviour

Everyone should be able to live in quiet enjoyment of their surroundings, therefore ASB needs to be tackled. I am however disappointed in the report as it draws a link between the occurrence of reports of ASB in the PRS, however at no point does it ask why? Does it not seem odd to the council that in the majority of cases Private tenants will have greater earnings than social tenants, probably leading to less deprivation, but create more ASB? Every other section of the report it argues deprivation increases the other issues. The Borough needs to give detail on how a licensing scheme will reduce ASB so it can be measured.

I would also like to highlight that the report essentially strikes a line through the data it does not like at this point in the Abbey, Gascoigne and Northbury wards. Traditionally these have been the areas in the borough that one avoided due to behaviour and crime levels [Barking and Dagenham crime rate Interactive maps and visualisation \(crimesinmyarea.co.uk\)](#). It is somewhat convenient when LBBB has a multi-million pound house building joint venture, with associated financial interest, in these wards and they are not included in ASB areas as buyers are enticed into the Borough?

Prevention of ASB is far better than cure. My worst experience of this was of a tenant who appeared initially everything one would want, smartly dressed, on time for a viewing and with perfect references. Everything went wrong very quickly with ASB from noise, drugs and police action and it took 12 months to evict him through the courts. Undoubtedly his previous letting agency gave him a glowing reference to get rid of him. **We need a database of problem tenants to stop them moving round the borough passing the problem on.** I understand the council cannot publish a list of names (I suspect a list of banned landlords would be fine though!) however any help in this regard would demonstrate a desire to help landlords avoid problem ASB tenants. A scheme even as high level as an old-fashioned banking status enquiry with responses such as “not known to council” or “known to council” would help. **It would also give a tangible benefit for the licence cost.**

Housing standards & overcrowding

This topic has been an area of concern for me for a number of years and I have some sympathy with the Borough’s view here. I have at times entered properties owned by other landlords and been surprised at the low standards of maintenance and materials used. Rightmove photos of properties coming onto the market often have the same effect on me. Whether these properties actually fail basic standards however is hard to tell. While I don’t doubt some properties require work, the report does not split the amount of CAT1 and CAT2 hazards. How many CAT1 threat of injury hazards were found? Does the result merit a Borough wide licencing scheme to address the issue?

One area we can agree on is overcrowding, which I suspect is widespread across London and the Borough. I handle all enquiries from prospective tenants and c50% of these for a two bed flat will involve 3+ adults with children wanting to move in. Most sound genuinely surprised when I say it is too many for the property, which leaves me to assume that they expect to be able to do this. Even pre-scheme we have never “over occupied” properties as we viewed this leading to increased wear and tear for little gain. Over crowding will undoubtedly lead to tenant damp issues through extra washing and cooking, more noise for neighbours through extra comings and goings and potentially increased litter etc.

One point often overlooked here is I believe it also drives up the overall cost of renting. Often enquiries have two or three adult workers with one looking after the children. Overall this increases the household income meaning as a collective higher rent can be paid, forcing households with only one income into smaller accommodation. Without this overoccupancy I expect there would be a natural brake on affordability.

Training, Knowledge & Relationship between PRS and LBB

This is another position I find myself in agreement with the consultation scheme proposals. The PRS is highly fragmented in nature and in the main the average landlord only has one property. As a business with over 10 properties, we spend time staying up to date with legislation and matters effecting the sector and regularly attend NRLA meetings at the town hall. I am often surprised at these events by some of the questions asked and lack of knowledge of responsibilities. The data (pg34) regarding protecting deposits backs this up.

Encouraging landlords to become accredited to gain a discount on the Licence cost I think is an excellent proposal to address this. Up until now there has been no incentive for a Landlord to become accredited to the Borough scheme and I find it surprising that the report (pg46) seems to imply the Council has been surprised by this. Why would people invest time for no tangible return? This partly springs from the them & us relationship that has slowly evolved over time when the council withdrew from participating in LBB&D NRLA meetings and dealings where limited for the majority of Landlords to inspections or paying money over. Hopefully going forward the Council will send a representative at least twice a year to meet with us.

The reference to a Green Loans scheme is welcome. The Borough should however be very aware that a significant amount of landlords are under financial strain due to increases in mortgage costs and to take on significant renovations will push them into a loss for the financial year. My own interest costs are increasing by over £25k this year as an example. I would expect it highly unlikely for there to be any great enthusiasm for this scheme as in my experience tenants never ask to see an EPC, which would indicate energy efficiency is not the greatest concern when choosing a property. The breakeven point on investment is hard to demonstrate on a business case, over improvements to a kitchen / new carpet and paint which tenants do want.

Enforcement and case studies

Good outcomes for tenants where the council have enforced the law are being used as a justification for the scheme. The report itself on pg13 highlights that;

“80% of the complaints we receive from tenants about illegal eviction are in unlicensed properties. Tenants of unlicensed properties have not been afforded the same level of protection as the tenants of landlords who have complied with the requirement to licence their properties. Had a licence been applied for, it would have set out conditions to ensure there is adequate management of the property.”

I disagree that with the assumption these landlords would have acted differently and applied for a licence unless they were caught. The Borough has had a scheme for 10 years now and it is well known about. Landlords operating outside the scheme are doing so for a reason. This maybe they don't care, but is more likely that they want to operate “under the radar”. Case study 1 is a perfect example. Having read it, my 20 years' experience in the sector immediately raised questions.

- Why would a landlord operate without a tenancy agreement giving him the right to enforce using the law? Why would a landlord not want any written record of the rent amount, when it is due and a record of it being paid? The only reason is illegal motives probably not wanting to declare the income for tax.

- Why would a tenant accept a rental deal where nothing is written down? Why are they paying cash? Is their income being taxed? Are they working in the grey economy? No reputable Landlord takes cash and a reputable Tenant being paid in official ways knows this.
- Why did one tenant disappear so quickly when it was clear the authorities were on his side? If you have nothing to hide and all is above board why not take protection from the law? He had the upper hand in the situation as demonstrated by the tenant who stayed and received a tenancy agreement. Did he not want the authorities learning about his arrangements?

I suspect that the majority of these cases for some reason it suited both parties to operate outside of the law at least initially. The PRS therefore makes no difference to people with these motives.

Does the data justify a scheme?

There has been a PRS licencing scheme in LBBB for 10 years now, yet in a 53 page report there is not one statistic that shows any of the reasons for renewing the scheme getting better over that time. Why is that? The question therefore must be asked what have the schemes achieved? Has the current scheme been measured against its stated aims? What was the outcome of that analysis? What has been learnt before starting the next one?

Pg14 details enforcement activities under the scheme so far;

- 17,901 licences issued with 509 notices relating to standards. **Is 2.8% of housing stock sufficient for PRPL scheme?**
- 64 criminal landlords, action paid for by the 99+% that operate legally. **Should legal landlords pay for the illegal ones?**

After reading the document in detail I struggle to see any compelling link between the issues the Borough raises and how licencing landlords will solve the problems. The lack of any data showing improvement over the last 10 years supports this. This leads me to wonder why the scheme exists? A recent communication sent from LBBB stated its real income had dropped by 40%. The conclusion I come to is the Borough has a legal obligation to fulfil its housing enforcement duties and it needs to fund them. The PRPL scheme is simply the way it pays for it. Perhaps LBBB just needs to be honest and admit this rather than the charade of a licensing scheme which illegal landlords don't take any notice of, and legal landlords have to pay for and don't benefit from.

Next steps

While I expect little change in the final proposal submitted to the Secretary of State, I hope it will be distributed to the Landlord body as part of on going relationship building. As a landlord with multiple properties in the Borough I would be happy to discuss my views in person with the council the project team would feel this is beneficial.

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APPENDIX 1 – Documents referred to

[Barking and Dagenham Property Licensing Consultation 2024 | One Borough Voice \(lbbd.gov.uk\)](https://www.lbbd.gov.uk/barking-and-dagenham-property-licensing-consultation-2024)

[Housing Ombudsmen Report on LBBB 2022/23](#)

[Copy of Letter to LBBB Chief Exec from Rt. Hon. Micheal Gove MP](#)

[U.K. landlords are being forced to sell their properties despite surging rents | Fortune Europe](#)

[Awaab Ishak: Toddler's death from mould triggers review of landlord guidance | UK News | Sky News](#)



Forward:

As a Landlord I saw that LBBB were looking to extend their licensing scheme and I have to say my heart sank. Although I do condone a licensing scheme as a way of assisting Councils, Landlords and Tenants the approach that LBBB are taking is flawed.

My properties are in Kent but I help other Landlords ensure they meet their obligations and maintain good practice and that is how I came to know of the existing scheme, I assisted a Landlord in great distress to get her licence. The main reason I had to step in was because she doesn't have email and English is not her first language. LBBB pretend to send letters to people but in reality they don't and just email copies, they hide behind data protection laws so that Landlords can't ask others to assist which makes it even more frustrating. These issues do not seem to have been considered in the new proposal so the assumption is exactly the same approach is intended.

I have always held the belief that if I keep my tenants happy then they won't give me any concerns, an approach which has worked well for me for the last 12 years. The experience with LBBB taught me to avoid LBBB and any area with licencing when making additional investments. I've recommended to the Landlord I helped that should the tenant leave she should sell up, if banning Section 21 was to look like being introduced then of course she would have to evict the family prior to that coming in to force.

Notes:

- a) The Page numbers indicated in the Contents and section headings refer to the published "Property Licensing Consultation: Evidence Report February 2024" document.
- b) In the Appendix above I list various documents referred to. The first link being the LBBB Consultation page which has the documents I reviewed in forming this feedback.



Summary:

On the current proposal;

- It is acknowledged that a Licensing Scheme could be helpful for Tenants, Landlords and the Council. But the proposal by LBBB is only beneficial to LBBB and in the main detrimental to Landlords and Tenants.
- The proposed scheme increases rents. The proposal implies Landlords will not pass on the costs to tenants which then adds doubt as to the credibility of who came up with the scheme.
- The scheme reduces further the yield a landlord makes so encourages them to sell. If they do sell it is unlikely they will go to neighbouring boroughs, as the proposal ridiculously implies. They will either leave permanently or reinvest where the best return is – no where near London. The result, lack of rental properties in LBBB and thus higher rents.
- The proposal has not assessed the impact of the existing scheme. It gives data on the increase of renting over 10 years where as it is more relevant the impact since licensing was introduced – especially since one of the objectives is to improve affordable housing.
- There is no data to support that the existing scheme was successful, just comments that it was but no relevant facts. There are no references to the problems of the existing system which therefore undermines this as an unbiased proposal.
- The benefits of the scheme are not justified by the high cost with no consideration as to how to keep the costs as low as possible.
- LBBB can not properly manage their own properties, which are excluded from this licensing. So why is it thought they should be the ones dictating to private landlords how to manage their properties. Perhaps they should spend a couple of years sorting out their properties to understand fully what will help landlords and therefore what will help tenants.
- There is no support for Landlords with the current scheme, so what differences are proposed with the new scheme?
- With the existing scheme LBBB were renowned for lack of response and mismanagement particularly to Landlords which adds further cost for Landlords. Even in the consultancy a response time of 5 days was specified but six weeks later still no response to questions, implying nothing has changed.
- Aligning with the NRLA by marketing their membership and training courses introduces a conflict of interest. LBBB should be independent.
- Whatever scheme is introduced there should be KPI's defined to be able to measure the success or otherwise of the scheme. So that any future proposal will be easier to justify.

The outlined Alternative Proposal, detailed later;

- Acknowledges that LBBB have identified that problem properties are mainly those that are not licenced. So give a reduction to properties with existing licences rather than marketing NRLA courses.
- The current scheme is severely under staffed. The proposed one would require less man power and achieve just as much benefits, if not more.
- Whatever scheme is introduced there should be KPI's defined to be able to measure the success or otherwise of the scheme. So that any future proposal will be easier to justify.



Overall Response to the Documents

Having read through the whole document there were some areas where I was particularly insulted as a Landlord, which has extended the time I have spent on this since I have tried to be pragmatic and calm down, apologies if I should have waited longer but I realise time is running out for this document to be considered. I would like to specifically point out these extracts.

"we will make it clear that tenants should not be blamed for damp and mould." So this is all about blaming Landlords then?

In reference to the problem of Damp (page 19) and thus mould. *"The tragic death of two-year old Awaab Iwshak, who died in 2020 due to prolonged exposure to mould in his home"* this implies that this tragic incident was the result of a private landlord, where in fact it was Social Housing which is not covered by the proposal. Plus of course on the 23 Sept 2023 LBBB were written to by Rt. Hon. Michael Gove MP for failure to address reports of damp and mould by a family for two years. Why not refer to the more recent LBBB example of how not to deal with an issue?

"The private rented sector (PRS) in Barking & Dagenham has rapidly grown by over a third since 2011" surely that's due to the lack of Social Housing? The Council seeks private landlords to help them out? If you want to reverse that then build more Social Housing. I think of more interest would be what has happened over the last 3 years – Landlords leaving in droves.

Lack of Reference to the Success or otherwise of the existing scheme

I was surprised when reading the document that there is no data indicating how effective the previous licencing schemes have been. Indeed in several sections it indicates that data shows huge problems with standards but in other sections it comments how successful the schemes are. Surely you can't have it both ways? Has the scheme shown improvement or hasn't it and where is the data to support the conclusion?

The use of data does also seem to be selective, for example indicating that the Private Rented Sector in Barking & Dagenham has grown by a third since 2011. My expectation is that the sector will have reduced as a result of implementing this licencing scheme so why not present that information? I do find it interesting that although Private Rentals has increased since 2011, Social housing has decreased which would actually indicate there has not been an overall increase in rentals as Private Landlords are replacing the Council in providing housing, presumably as Social Housing was sold to tenants and not replaced.

It is also perhaps worth pointing out that if this scheme were to apply to Social Housing the additional cost to LBBB would be around £22.2m, so instead of improving their own housing it looks like the Council prefers to blame private landlords. With LBBB's recent track record of being a landlord it does seem ironic that they portray themselves as an organisation that Private Landlords should look to as a good example of being a landlord when in fact it appears they have no interest in the welfare of their own tenants.

A section missing from the proposal is the problems with the existing system so that assurance can be given that lessons were learnt and thus improvements either made or planned. But presumably there are no planned changes to improve the system? With my own experience I can certainly help write that section and in my research I was reassured that I am not alone in my experience, with some Landlords realising they can complain to the Housing Ombudsman who agreed that LBBB were wrong.

Benefits of Licensing scheme to residents, tenants and landlords (Page 12)

Reading through the benefits I do not see anything that makes me think something will be improved by having a licensing scheme. Most of the points will not be impacted at all and those remaining basically mean the Council has a bigger stick to hit landlords with, where as current legislation is more than enough. Normally when one indicates benefits of a scheme consideration is given to the downside or cons. Should we presume there are no downsides to the scheme?

Later in the document you indicate that *"Inspections enable us to check every gas safety certificate, electrical installation condition report and energy performance certificate for each privately rented property."* That statement is of course wrong. There is no need to visit to check those documents, far more efficient to use email and of course Energy Performance Certificates are available online for everyone to see. Which does make it seem that this is a scheme to generate work for the sake of it with the added benefit of being able to harass and stress landlords and tenants.

The Case for more Property Licensing in Barking & Dagenham (Page 16)

In this section it is stated *"Our property licensing schemes have had a tremendous impact on improving the quality and health of many residents lives."* and later there is a statement that to maintain progress it is crucial to continue with the licensing. If you need an additional quote how about *"Our property licensing schemes have had a tremendous impact on driving away landlords and increasing rents in the borough."*

Surely this would be the perfect section to indicate what difference licencing has made for example based on the number of private rented properties in the area, how many are now licenced and how many remain. If you have licenced 90% and it appears the problems are with non-licenced properties it would seem it is a huge cost for little extra benefit? I would expect targets to be set to increase the % licenced with projections provided to indicate what the benefits are and rather than sending out marketing bulletins to landlords who are licenced be more pro-active in informing people that licencing is needed. The first I became aware of it was when the Council sent a threatening letter to the property. A flyer in the Council Tax would be the obvious way to make sure at least the tenants are informed and encourage them to engage with their landlord.

Poor Property Conditions (Page 19)

There is a long section on various factors that are being improved by licencing. Again surely data must be available on how the previous licencing schemes have improved these items. I am a bit dubious over things like ASB, Deprivation and Child Poverty as I would expect these issues to be more prevalent in Social Housing, although perhaps an explanation is that due to not enough Social Housing being available private landlords are being looked to to house these people and now you want to threaten landlords if they have taken on such tenants. In Public of course you will also have a go at landlords for not housing such people.

One comment I want to specifically respond on is – *"we will make it clear that tenants should not be blamed for damp and mould."* (page 23 last para) – It certainly sets the tone for what this licensing is about, a blame culture against landlords for everything. My experience of black mould in my properties is I have had it reported to me by tenants twice. On both occasions I immediately sought expert advice and on both occasions the problem was tenants leaving clothes to dry in the house without ventilation. So the solution was educating the tenants which then resolved the problem. I certainly wouldn't leave it two and a half years like LBBD have a history of.

How Will licensing help to improve factors contributing to deprivation in impacted neighbourhoods? (Page 26)

You mention in this section that inspections will have a tremendous impact on uncovering tenant welfare issues such as addiction, depression, alcoholism, mental health issues, unemployment and modern slavery. So what impact have the previous schemes had on this area? As a landlord I would deem it invasive of me to analyse tenants to assess such problems and I am wondering if with the current over defensive approach to personal privacy it raises concerns. Should I as a landlord be warning tenants that the Council will be assessing their mental state as part of the visit, plus of course how is it justified that Landlords should be subsidising the Councils social services – far better the Council attempts to engage with Landlords to help such people rather than send out constant threats to Landlords.

Later it is commented that unaffordable housing has a detrimental impact on health, which I fully agree with. But then that is a downside of the licencing scheme since it increases rents. Both directly in terms of the cost of it and indirectly where Landlords are fed up of being victimised and go where they are appreciated. Leaving fewer landlords in the Borough and thus allowing rents to be raised.

Anti-Social Behaviour (Page 29)

I wondered if the data could be cross compared with Social Housing areas. I do find it odd that Private Landlords are singled out. Be assured ASB is of concern to Landlords especially with the threats to remove the use of Section 21's as then we have very limited powers to do anything, a big part of why many landlords are selling up. That possibility and LBBB's licencing makes it a huge risk for a landlord to own property in the borough. I would hope for support from the Council in such situations, with advice, but I get the impression I will just be issued with a letter threatening removal of my licence unless I sort it out which then means I have to pay the anti-social tenant £30k to leave. Feel free to correct my thinking.

Assessing the Potential Risks of the New Scheme (Page 43)

Some may argue that it penalises good landlords

So your conclusion is yes it does? This we agree on.

Landlords may sell, leave the market, or move to other areas

You seem to think that if a landlord were to sell up they would do that in order to repurchase in a different London Borough. Be assured if a Landlord sells up he/she is unlikely to reinvest in a new property rental and if they did they would look at where the best yields are. London does not figure anymore, the cost of licencing reduces the yield plus the stress and hassle factor gives a red flag. From my experience I would definitely not reinvest anywhere with licencing. Perhaps assess how many licences in the first scheme were renewed to give an indication of that and of course read the press where headlines such as "London in rent crisis as thousands of landlords tried to sell last year" are not uncommon.

Landlords may pass on the costs to tenants

You end that paragraph with the comment "With all the other influencing factors, the cost of the licence spread over the period of 5 years is not likely to be a determining factor in the rent level."

Which has left me flabbergasted. Of course the costs gets passed to the tenant, I wonder if tenants realise that £50 per month of their rent is to pay for this scheme due to the extra costs and risks it puts on landlords. How much do you think your scheme costs a landlord? It is a lot more than your fee and since you state *"not likely to be a determining factor"* you clearly haven't bothered to find out.

LBBB are a landlord so if the cost is that insignificant perhaps LBBB will volunteer to include their properties in the scheme, it would only cost £22m for the fees plus of course then there is the admin overhead. It would certainly raise the standards of living accommodation for residents which is apparently the purpose of it.

What Are the Alternatives (Page 46)

I wanted to comment on one of the alternatives you have considered – A reduced selective property licensing scheme without further government approval – where you mention that you could apply a licencing scheme to upto 20% of the Borough but your reason for not considering this was *"could be unfair and unjust to the landlord community as a whole."* Thanks for making me laugh at least. The whole scheme is unfair and unjust so the fact you are proceeding with it means that does not matter to you. You really think if my property was in a Ward where the scheme was introduced but other wards didn't have it I would be annoyed because my fellow landlords were not being charged. No I would be annoyed that I was unlucky to be in that Ward. I think this just goes to show that you haven't realised that a vast majority of landlords are real people with families and who care about their fellow man and their community. We are not about ripping people off to get lots of money or in a competition with other Landlords.

This leads me on to another alternative which I explain in the next section.

DRY

Alternative Selective Licensing Scheme

I have considered the document provided, mainly in terms of the objectives of the scheme and I do see that, on balance, licensing has advantages. It is a shame LBBB doesn't leverage them but perhaps they realise benefits that they do not disclose. Saying that, as with anything, along with advantages there are also disadvantages which for whatever reason LBBB ignore or perhaps even worse have not considered. Perhaps because they perceive the disadvantages to only impact landlords but in reality landlords pass on any cost to tenants. It is tenants that ultimately end up paying for any scheme or in the case of tenants on benefits it is the government, presumably.

So the proposal I want to make is something that would be at a significantly lower cost than has been presented, yet provide improved benefits for all stakeholders. I have only looked at the Selective Licensing aspect, as HMO is not something I am that familiar with and I don't want to waste too much time on a proposal which will be ignored anyway but I would expect the proposal for Selective Licensing could easily be adapted to lower costs in the HMO area to.

Outline of Approach

Objectives:

- Tenants need to have a safe living environment at a reasonable price.
- Helps Landlords meet their obligations and encourages them to invest in the borough.
- Provides data to LBBB to assist them with their overall housing strategy and enforcement approach to focus their resources to deliver the best value.

Current Proposed Approach:

The current scheme involves the filling out of a 12 page document which is then submitted to LBBB and a visit arranged to apparently assess the suitability of the property to be licenced. The questions asked, the response times and all communication is very random. There is no escalation process when things don't go right so in reality a licence can take several years to obtain for no apparent reason other than increasing the landlords costs as each year LBBB add an additional fee.

Alternative Approach:

Cost Savings Against Proposal:

The current proposal does not give data on the overall cost of the schemes and the breakdown of that budget. So it makes it difficult to compare with an alternative which has the objective of lowering the cost. So I have had to make some assumptions based on previous experience of going through the licencing process. I am confident that this alternative proposal would significantly lower the cost by at least 25% and I would expect nearer to 50% - so much so that I have given my time for free to write this document!

General Approach:

The licencing process should be reviewed and streamlined. If all the data in the existing form is really verified it is very inefficient, it may be out of date in a month anyway so the form should be revised to record what is relevant. The tenant should be contacted to verify the data – with a process for if the tenant does not respond.

Based on that information it should be decided if a visit will add additional value – for example no response from the tenant, gaps in the data, first licence this landlord has applied for. It is presumed

that a site visit is very expensive compared to office work so focusing on properties of concern lowers the cost substantially, plus for "good" landlords it limits the cost and stress of the process.

Data will be retained to indicate which properties have been visited so that later analysis can be done as to which properties later had issues and that information used to improve the assessment process, if needed.

Ongoing Data Relevance:

The current scheme does not track ongoing compliance. So after 5 years or even 1 year much of the data is out of date. Presumably this means its usefulness to the Council reduces overtime. It is suggested that as part of the scheme the landlord is obligated to update the data and a portal provided to do this. For Gas Certificates, Electric Certificates and EPC – automated alerts will help remind Landlords to obtain them and upload them and then when uploading the annual Gas Certificate they can check the other data is still correct. If certificates are not received this would be flagged to LBBB and may trigger a visit. Potentially an annual reminder for the landlord to check the data held would also ensure it is kept updated. But please don't send a reminder threatening enormous fines – at least for the first one – there really is no need and the mental anguish it causes will only put further strains on Councils Social Services in the future.

Discounts:

Possibly it is prudent for all newly licensed properties to be visited, personally I think other factors should also be considered but I would hope that LBBB now have the data from the existing scheme to know if a large % of new applications benefited from a visit. But certainly the need to revisit all existing licensed properties should be reviewed and that aspect should be considered for a fee reduction. It would help encourage Landlords to be licenced if it was a significant discount as then it doesn't add costs that are added to the rent on an ongoing basis – it becomes more a one-off expense.

Out Source the Scheme

It is realised that with the Council providing the current scheme it will get very expensive for them to stop it, the associated redundancy costs and IT Infrastructure to decommission. So consider out sourcing, ideally the whole scheme but if not at least the IT aspect as that lowers the risk as well as the overall cost since suppliers can leverage providing services to other Councils. Contracts could be issued for the term of the licence and thus if a replacement is not agreed the Council has lowered the risk. It also makes budgeting far easier and the ability to lower costs by issuing a tender.

Overall:

As a landlord I would very much welcome more of a partnership approach with Councils. Most Landlords do care about our tenants and we often hear of problems families have but feel helpless in helping them. It is in our interests to support our tenants as as you know it is very costly for us if tenants can't pay their rent and far better if we can find them accommodation they can afford. Contacts to direct people to for help are useful. With the LBBB current Licensing process I have been left thinking to definitely not contact them about anything, I get the impression the LBBB response will be to encourage the tenant to sue the landlord for something. There seems to be a culture of harass and threaten Landlords whenever possible. It would be really lovely if that could change and instead we work together to improve housing in the Borough.

Benefits of this new proposed Scheme:

- It should result in a lower cost, which will ultimately help to lower housing costs for tenants.
- Working smarter by lowering visits allows the Council to focus their resources better.
- Ongoing tracking ensures data is updated and is relevant when it is needed.
- Reminding Landlords, rather than threatening them, sells the scheme better to Landlords which may help stop the selling up. Which again would reduce rental costs.
- An outsourced IT Solution should be much more cost effective and flexible for budgeting.
- Working with an outsourcer on IT should allow for far better data output. Allowing analysis to be done to focus resources. If the outsourcer is rewarded for numbers of licenced properties they may even assist the Council in finding unlicenced properties.
- If LBBD retain the rights to any developed system they may benefit from licencing the system to other Councils

Downside of this new proposed Scheme:

- Without visiting all properties there is a chance that properties neglected may not get identified.
 - To reduce the risk more communication with tenants to encourage them to contact landlords and then if no response to then contact the Council
- Tenants with welfare issues are less likely to be identified.
 - Working with landlords would be far more efficient than visiting every property. It is in a Landlords interest to ensure our tenants are well.
- It may result in fewer Council staff needed for any new scheme.
 - Already the Council seem understaffed and a transfer could be done over time with natural churn.

Licensing Scheme KPI's:

KPI = Key Performance Indicators

One concern of the current proposal is the lack of reference or comparison to the current scheme. It seems to be assumed that the scheme was a great success even though when you read the detail you wonder if the scheme made any difference at all other than harassing landlords and increasing rents for tenants.

To address this there should be clear KPI's defined before the scheme starts specifying the current landscape and what is expected to be achieved in each of the next five years. So that when the next renewal is considered it can be seen what worked well, what didn't and the areas where more thought is needed.

Example KPI's could be along the lines of;

1. Number of days from application to a) Response b) Issue of licence.
2. Number of properties licenced – split by property size / number of bedrooms
3. Number of visits made and outcomes
4. Definitions of what is a serious breach and what isn't
5. Average rents in the region – to compare to other London Boroughs and the rest of the UK
6. Number of staff employed by LBBD directly in relation to the scheme
7. Budget against actual for the scheme (surely this is available with the current scheme and is relevant to any new scheme. – or is a freedom of information request needed?)

Response 3 (26/04/2024)

Proposed Additional and Selective Licensing Scheme in the London Borough of Barking & Dagenham

Safeagent Consultation Response

26 April 2024

An Introduction to safeagent

Safeagent is a not for profit accrediting organisation for lettings and management

agents in the private rented sector. Safeagent (formerly NALS) provides an overarching quality mark, easily recognised by consumers, with minimum entry requirements for agents. Safeagent operates a government approved client money protection scheme and is a training provider recognised by the Scottish and Welsh governments for agents meeting regulatory requirements in those devolved nations.

Safeagent agents are required to:

- deliver defined standards of customer service
- operate within strict client accounting standards
- maintain a separate client bank account
- be included under a Client Money Protection Scheme

Agents must provide evidence that they continue to meet safeagent criteria on an annual basis to retain their accreditation. The scheme operates UK wide and has 1,700 firms with over 3,000 offices, including agents within the London Borough of Barking & Dagenham.

We very much welcome the opportunity to contribute to this consultation exercise.

Overview

We understand the council introduced a borough wide selective licensing scheme which extended licensing to almost all private rented properties and the scheme ends on 31 August 2024. Over the last five years, we understand there has been no additional licensing scheme.

We understand Barking & Dagenham Council is seeking to roll out new additional and selective licensing schemes. Firstly, a borough wide additional licensing scheme. Secondly, a borough wide selective licensing scheme comprising three separate designations. In preparing this consultation response, we have carefully considered the information published on the council's website.

As an overarching point, we would encourage the council to reflect on proposals in the Renters Reform Bill to implement a national Property Portal. Under the proposals, all private landlords in Barking & Dagenham will be required to register on the portal and upload relevant gas, electrical and other safety certification.

Enforcement of the property portal is likely to be delegated to the council. With this enhanced information on the private rented sector and the opportunity to scrutinise safety certification on every property, we would ask the council to consider whether a smaller more targeted selective licensing scheme would make better use of limited resources.

Current licensing scheme

Within the licensing evidence base, we could find limited information about the benefits achieved by operating additional and selective licensing schemes over the last decade.

The report says over 8,000 inspections have been completed and 509 notices served requiring improvements to be carried out. It is unclear whether all notices were complied with and what impact these thousands of inspections have had on driving up housing standards across the borough.

We would welcome a more comprehensive evaluation of the previous licensing schemes and a clear explanation of what would be done differently to drive up housing standards if licensing schemes are renewed for another five years.

Evidence base

The council's concern about accidental or inexperienced landlords letting and managing their own properties without full knowledge of the rules and regulations is understandable. We would encourage the council to consider how to encourage landlords to use safeagent accredited firms to drive up the quality and management of properties in the private rented sector. One way to do this is to offer more generous accreditation fee discounts to landlords who outsource letting and management of their property to an accredited agent. This encourages unregulated

agents to up their game and seek accreditation through an organisation like safeagent, which in turn benefits all their landlords and tenants.

We are pleased to see the council is carrying out around 160 licence inspections a month, although we would question the ability to upscale this inspection programme to include many thousands of properties that will be received when a new licensing scheme is launched.

We are pleased the council recognise the importance of tenancy sustainment and have employed a tenancy sustainment officer. We would question the decision to add a licence condition which requires the landlord to start eviction proceedings if any ASB continues 14 days after a warning has been given, regardless of the circumstances. We think that approach is too blunt a tool to resolve what could be low level ASB where removing the tenant's home is not an appropriate solution. We would suggest a more collaborative approach between the council, landlord, agent and tenant to explore issues and seek solutions.

We would question the mechanism used to assess poor property conditions in the evidence base. It seems the council have consolidated all category 1 and category 2 hazards as being indicative of poor condition. We think that is the wrong approach. A key driver should be category 1 hazards, these being more serious hazards where the council has a duty to act. Category 2 hazards cover a much wider spectrum. Effectively, all hazards that are not category 1 must be category 2, as there is no category 3. It extends from higher level Band D hazards (close to the category 1 threshold) down to very low level B and J hazards where there is an insignificant risk of harm. Including low level category 2 hazards that require no intervention will artificially inflate the data.

Regarding tenancy deposits, it seems an assumption has been made that properties with no registered deposits in the national approved schemes are noncompliant. We think this assumption misinterprets the data. Firstly, not all landlords take tenancy deposits. Secondly, some landlords or agents utilise alternative insurance backed deposit replacement schemes where no deposit is paid, so there is no deposit to protect. We anticipate failure to protect deposits is more prevalent in properties being operated illegally without a licence.

The report indicates there could be 323 smaller shared houses that would fall within an additional licensing scheme. We could find no analysis of these 323 properties to show why the council think the criteria for implementing an additional licensing scheme has been met. When analysing the data, it is necessary to discount larger HMOs that are already licensable under the mandatory HMO licensing regime. One of the downsides of additional licensing, alongside selective licensing, is that it reduces flexibility in the market. For example, a two bedroom flat with a selective licence can alternate between a single household, two sharers or a couple and an unrelated friend. If additional licensing is introduced, letting the property to a couple and an unrelated friend, or permitting a new partner to move into a flat occupied by two single sharers would require an additional licence application and higher fee payment. The current approach of requiring a selective licence for all such lettings is simpler, cheaper and easier to administer.

In summary, we would encourage the council to reconsider whether it is necessary to run an additional licensing scheme alongside selective licensing and focus any selective licensing scheme on the area of greatest concern to enable limited resources to be targeted to achieve more meaningful results.

Section 257 HMOs (certain converted blocks of flats)

The consultation proposal indicates the council wish to include section 257 HMOs within the proposed additional licensing scheme.

We have concerns about including all such properties within the additional licensing scheme due to the difficulty experienced by letting agents in knowing when a

property was converted and whether the conversion satisfies the relevant building standards. It is not something that is reasonable for a letting agent to assess. In situations where there is a freeholder and separate long leaseholders, the situation is further complicated by the need to determine whether less than two thirds of the flats are owner-occupied. Only the freeholder may possess this information and the tenure of each flat may vary over time.

This would make it extremely difficult for a safeagent letting agent to assess whether a licence is required, despite their best endeavours. For example, it may be that the building did not require a licence when a flat was rented out, but subsequently requires licensing because another leaseholder in the building has rented out their flat. As such, a letting agent could find themselves committing an offence of managing a flat in a licensable building without a licence, simply because another flat had been rented out without their knowledge.

Bringing section 257 HMOs within the additional licensing scheme could also be problematic for long-leasehold owner-occupiers who find their flat is within a licensable building. The licensing fee may push up their service charge and could cause difficulties with their mortgage lender. As the licence would need to be disclosed to a prospective purchaser, some mortgage lenders may be reluctant to lend on a residential mortgage for a flat within a licensed HMO, thus adversely impacting the property's value.

It is also the case that the 2015 general approval to introduce an additional licensing scheme only applies if the council has consulted persons likely to be affected by the scheme designation. Without actively consulting long leaseholder owner occupiers and explaining the implications of licensing section 257 HMOs, the conditions in the general approval would not be met and the additional licensing scheme could not be introduced without Secretary of State approval.

Whilst we are opposed to the idea of including all section 257 HMOs within the additional licensing scheme, we recognise that there are circumstances where a particular type of section 257 HMO may be worthy of more intensive regulation. For example, where a landlord has converted a property into cramped and poorly designed studio flats entirely for private rental without any planning or building regulation approval.

In such circumstances, the additional licensing scheme could be restricted to section 257 HMOs where the whole building and all the individual flats within it are in single ownership or considered to be effectively under the same control. In response to our feedback, several councils have adopted this approach.

Other councils such as Westminster City Council, Newham Council and the Royal Borough of Kensington and Chelsea have listened to our feedback and excluded all section 257 HMOs from their additional licensing schemes.

We would encourage Barking & Dagenham Council to give this further thought and either narrow the section 257 HMO licensing criteria or remove them entirely from the scheme.

Licensing fees

We recognise the council need to charge a reasonable fee to cover the cost of administering and enforcing the licensing scheme. It is important that the council implement an efficient and streamlined licence application processing system. This will help to minimise costs and keep fees at a reasonable level, thereby minimising upward pressure on the rent that is charged to tenants.

We understand the council is proposing to charge a selective licence application fee of £950 per property. This would be the highest selective licensing fee in London and significantly above the London average selective licensing fee which is currently £750 (Source: London Property Licensing, 2024).

We are unsure why it is more expensive to operate a selective licensing scheme in Barking & Dagenham than in any other borough. No financial modelling has been

provided. The schedule of fees shows 68% of the licence fee is for processing the licence application and only 32% for operating the scheme and enforcing against landlords who fail to apply. We would encourage the council to review their financial modelling as it should not cost £650 to process one selective licence application using a modern integrated online application system.

We also note the council is offering no discount for licence renewals. As regulations impose a streamlined licence application process for licence renewals, we question the justification for retaining the same cost for licence renewals.

We understand the council is proposing to charge an additional licence application fee of either £1,300 or £1,400 per property which we acknowledge, whilst expensive, is much closer to the London average. Whereas the draft schedule of fees says £1,400, the FAQ document says £1,300. Given this discrepancy, we would encourage the council to adopt the lower figure.

We note the council is proposing a £200 discount following a 'satisfactory 'rating' following an audit inspection. We could find no reference to the assessment criteria in this regard. For example, is it referring to category 1 hazards where the council has a duty to act? The criteria should be published, and consulted upon, to enable landlords and agents to prepare for the assessment and to ensure a fair and equitable approach is adopted by all officers undertaking these assessments.

Whilst we welcome the £50 accreditation discount for safeagent accredited firms if the property has a satisfactory rating, we would request this applies regardless of where it is the licence holder or designated property manager that is a safeagent accredited firm.

We think the schedule of fees is unduly complicated. If the council is unable to recruit sufficient staff to undertake inspections in a timely manner, it will cause a bottleneck in the system as the second fee instalment cannot be calculated until an inspection has been undertaken. In other areas, we have seen licence approvals delayed for a year or two where councils have underestimated the licensing workload.

Licence Conditions

We have studied the proposed list of standard licence conditions in Appendix 2, 3, 4 and 5.

We have made some suggestions to help improve and fine tune the wording of the conditions. This in turn should help landlords and agents to understand and comply with the requirements.

Appendix 2, 3 & 4 - Selective licence conditions

Condition 1:

We have serious reservations about the drafting of the 'Permitted Occupancy' condition. Within a single family property, the landlord or letting agent has no control over which rooms are used for sleeping by different members of the family. Some councils apply an overarching occupancy limit of one household or two unrelated sharers whereas others impose no such occupancy limit. Whilst in theory the council could impose a numerical occupancy limit for the property, individual room limits would not be appropriate in this scenario. Further the table of acceptable room sizes is not representative of any legal room size standard. It would be inappropriate, and unreasonable, to prevent an adult (age undefined) from sleeping in a bedroom less than 8.4m².

Condition 2.2:

We think the council are overreaching by seeking to define in very prescriptive terms what constitutes a reference. In doing so, this goes far beyond the prescribed condition in Schedule 4 of the Housing Act 2004. For example, insisting the landlord must commission a professional credit check for someone reliant on housing benefit or Universal Credit, and insisting the reference covers their ability to pay the rent, whereas the landlord or agent has no control over what information is provided. We

see significant unintended equality and exclusion implications and would ask that this is considered under the equalities impact assessment.

Condition 2.4:

Similar to condition 2.2, we see significant unintended equality and exclusion implications from this condition. We would invite the council to consider what proof is required. For example, would the council expect a letting agent to demand birth certificates from every child to prove they are related to their parents, what proof would be required for adopted or fostered children, what proof that siblings or cousins are related and what proof for asylum seekers given right to remain who retain no documentation from birth? Whilst clearly the landlord and agent must decide the tenants are appropriate for the type of licence, this condition effectively prevents new tenancies being entered into unless documentary evidence is produced for every occupant. We consider this to be unworkable in practice.

Condition 2.5:

The requirement is to provide TDPS prescribed information within 30 days, and not at the time the deposit is taken.

Condition 2.6(h) (designation 1 and 3 only):

We are concerned this clause requires the licence holder to issue the tenant with a section 8 notice even if they have full knowledge the evidence is insufficient for the court to award possession. We think the service of a section 8 notice should be an option of last resort and not the default option after 14 days. We would encourage the council to review the wording and focus more on tenancy sustainment rather than eviction which will invariably lead to homelessness and a duty on the council to provide temporary accommodation for families with young children.

Condition 3.1 & 3.2:

The wording appears to confuse a request for service (repair request) with a complaint that something was not done in response to a service request. This leaves it unclear whether condition 3.2 is referring to repair requests or complaints.

Condition 3.3:

It is unreasonable to demand that landlords and agents collect public liability insurance certificates for every contractor who visits the property to undertake work. For example, would this demand apply to a Gas Safe Registered contractor servicing the boiler, or an NICEIC registered contractor undertaking an EICR? We think this goes beyond what the legislation intended, is impractical and unnecessary.

Condition 3.10:

We think the reference to 'regular checks' is unhelpful as it is open to interpretation what that means. For single family properties, it is common practice to undertake a six monthly inspection which balances the need to monitor the condition and occupancy of the property with the tenant's right to quiet enjoyment. We would suggest that timescale is inserted in the condition. This would also ensure consistency as condition 3.18 refers to six-monthly inspections.

Conditions 3.11 / 3.12:

This would be the tenant's responsibility during the tenancy. If it transpires the tenant is breaching the terms of their tenancy and not disposing of waste correctly, it would be reasonable to write to them along the lines set out in condition 3.14.

Conditions 3.15:

Depending on the nature of the pest problem and any contributory factors, this may be the tenant's responsibility. We note the council's tenancy conditions say council tenants are responsible for taking reasonable steps to keep the property free from rats, mice, insects and other pests. We think the same approach should apply in

the private rented sector.

Condition 3.19:

It is unclear what verification checks are intended under this condition and how this would be done in practice. For example, if the children are a school and one parent is at work, can the letting agent trust the word of the other parent saying the family still live there, or must they all be seen and spoken to in person? We would also question whether it is appropriate for a landlord or agent to directly question children on such matters.

Condition 6.3(a):

In a single family property, a landlord or agent would have no knowledge of which family member sleeps in which room, and this could be subject to change. They could only confirm the names and numbers of individuals the property is rented to.

Appendix 5 - Additional licence conditions

Condition 1:

We have reservations about the drafting of the 'Permitted Occupancy' condition.

Firstly, the council is required to apply the room size conditions in Schedule 4 of the Housing Act 2004 (as amended) and that has not been done.

There are errors in the drafting of this condition. For example, it says bedrooms of less than 6.51m² can never be used as sleeping accommodation. That is incorrect. A smaller room can be occupied by a child under 10 years of age. Further it lists no permitted occupancy limit for any bedroom less than 9m², whereas the statutory minimum for someone over 10 years old is 6.51m².

Rather than add the prescribed room size conditions in Schedule 4 of the Housing Act 2004, the council has applied local guidance as a prescriptive condition. We understand this approach contravenes established case law. Whilst local guidance can be published and can provide a helpful steer to landlords and letting agents, it cannot be imposed as an absolute prescriptive requirement. It is for the council to assess the appropriate occupancy limit on a case by case basis when HMO licence applications are submitted.

Condition 2.2:

The requirement is to provide TDPS prescribed information within 30 days, and not at the time the deposit is taken.

Condition 2.3:

We think the council are overreaching by seeking to define in very prescriptive terms what constitutes a reference. In doing so, this goes far beyond the prescribed condition in Schedule 4 of the Housing Act 2004. For example, insisting the landlord must commission a professional credit check for someone reliant on housing benefit or Universal Credit to pay the rent, and insisting the reference covers their ability to pay the rent, whereas the landlord or agent has no control over what information is provided in a reference. We see significant unintended equality and exclusion implications and would ask that this is considered under the draft equalities impact assessment.

Condition 2.7(h)

We are concerned this clause requires the licence holder to issue the tenant with a section 8 notice even if they have full knowledge the evidence is insufficient for the court to award possession. We think the service of a section 8 notice should be an option of last resort and not the default option after 14 days. We would encourage the council to review the wording and focus more on tenancy sustainment rather than eviction which will invariably lead to homelessness and a duty on the council to provide temporary accommodation for families with young children.

Condition 3.1 & 3.2:

The wording appears to confuse a request for service (repair request) with a complaint that something was not done in response to a service request. This

leaves it unclear whether condition 3.2 is referring to repair requests or complaints.

Condition 3.3:

It is unreasonable to demand that landlords and agents collect public liability insurance certificates for every contractor who visits the property to undertake work. For example, would this demand apply to a Gas Safe Registered contractor servicing the boiler, or an NICEIC registered contractor undertaking an EICR? We think this goes beyond what the legislation intended, is impractical and unnecessary.

Condition 3.10:

We think the reference to 'regular checks' is unhelpful, as it is open to interpretation what that means. For HMOs, this could be a three monthly inspection which balances the need to monitor the condition and occupancy of the property with the tenant's right to quiet enjoyment. We would suggest that timescale is inserted in the condition. This would also ensure consistency as condition 3.20 refers to threemonthly inspections.

Conditions 3.11 / 3.12:

This would be the tenant's responsibility during the tenancy. If it transpires the tenant is breaching the terms of their tenancy and not disposing of waste correctly, it would be reasonable to write to them along the lines set out in condition 3.14.

Conditions 3.15:

Depending on the nature of the pest problem, any contributory factors and the nature of the letting, this may be the tenant's responsibility. We note the council's tenancy conditions say council tenants are responsible for taking reasonable steps to keep the property free from rats, mice, insects and other pests, and we think the same approach should apply in the private rented sector.

Condition 3.16:

Not all HMOs fall within the remit of the Regulatory Reform (Fire Safety) Order 2005. For example, many safeagent accredited firms will let properties to sharers on a single joint tenancy with exclusive use of the property. The condition should make clear that whilst all properties must be fire safe, a written fire risk assessment is not required in that scenario as the Fire Safety Order does not apply.

Condition 3.21:

It is unclear what verification checks are intended under this condition and how this would be done in practice. For example, it is unusual for letting agents to visit a property when all tenants are present as they may be at college, work, socialising or on holiday. An agent cannot insist all tenants attend scheduled inspections. Common signs of over occupation can include a bed set up in the living room, although it can be difficult to differentiate between an occasional overnight guest and someone staying for longer. We would encourage the council to reflect carefully on what is reasonable and draft the licence condition accordingly.

General

We would encourage the council to standardise the timescale and process for providing documentation to the council. Firstly, we think it should be a written request. A request made verbally could lead to misunderstanding and unintended non-compliance. Secondly, we think the timescale should be standardised. The conditions impose timescales of between 7 days and 28 days for providing information. We would suggest this is standardised to 21 or 28 days. We think 7 days is unreasonably short, particularly if an email is sent to someone on holiday or absent from the office due to illness.

Appendix 7 – Property Condition Guidance for HMOs

The guidance needs to make clear what is a legal requirement and what is a recommendation to encourage best practice.

On page 2, we note it states all glass in windows must be safety glass. That is incorrect and would only be appropriate if it was low level glazing at heightened risk of impact damage.

Appendix 8 – Property Condition Guidance for single family properties

The guidance needs to make clear what is a legal requirement and what is a recommendation to encourage best practice.

All internal rooms

Whilst it is good practice to encourage tenants to keep any staircase and hallway within their letting clear of storage, this cannot be enforced.

Bathrooms and kitchens

It is not practical to deliver hot water to wash hand basins at 41oC. No heating engineer could achieve that precise result.

Whilst it is good practice to have a heat alarm in the kitchen of a single-family property, it is not a legal requirement.

Windows and doors

There is no requirement for all windows to be fitted with safety glass.

There is no requirement for thumb turn locks to final exit doors in a single family property. If the council wish to suggest that, the guidance should make clear it is a recommendation,

Delivering effective enforcement

It is vital that the council have a well-resourced and effective enforcement team to take action against those landlords and agents that seek to evade the licensing scheme.

Without effective enforcement, new regulatory burdens will fall solely on those that apply for a licence whilst the rogue element of the market continue to evade the scheme and operate under the radar. This creates unfair competition for safeagent members who seek to comply with all their legal responsibilities. They are saddled with extra costs associated with the licence application process and compliance, whilst others evade the scheme completely.

Recognising the important role of letting agents

Letting agents have a critical role to play in effective management of the private rented sector. We would encourage the council to explore mechanisms for effective liaison with letting agents and to acknowledge the benefits of encouraging landlords to use regulated letting agents such as safeagent licensed firms.

Regulation of letting agents

To achieve better regulation of the private rented sector and improve consumer protection, it is important the council takes a holistic approach that extends far beyond the proposed licensing scheme.

Since October 2014, it has been a requirement for all letting agents and property managers to belong to a government-approved redress scheme. In May 2015, new legislation required agents to display all relevant fees, the redress scheme they belong to and whether they belong to a client money protection scheme. On 1 April 2019, new legislation required letting agents and property managers that hold client money to be members of a government approved client money protection scheme.

At safeagent we operate one of the six government approved client money protection schemes.

To assist councils in regulating the private rented sector and effectively utilising these enforcement powers, we developed an Effective Enforcement Toolkit.

Originally published in June 2016, the second edition was published in 2018. The third and most recent edition of the safeagent Effective Enforcement Toolkit, developed in conjunction with London Trading Standards, was published in 2021.

It can be downloaded free of charge from our website: [safeagent-Effective-Enforcement-Toolkit-2021.pdf \(safeagents.co.uk\)](https://safeagents.co.uk/safeagent-Effective-Enforcement-Toolkit-2021.pdf)

Should you wish to discuss any aspect of this consultation response, please do not hesitate to contact me. Can you also please confirm the outcome of the consultation exercise in due course.

Isobel Thomson
Chief Executive

DRAFT

London Borough of Barking and Dagenham

Council's Responses to Consultation Feedback Report

May 2024

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INTRODUCTION

A wide-ranging public consultation was carried out online from 16th February 2024 to 26th April 2024. The consultation was promoted extensively both within the borough and surrounding areas to encourage all interested parties to have their say. This included, but was not limited to, online campaigning, newspaper advertising, pop-up stalls and letters posted to residents.

The online survey received 824 responses, 8 stakeholder interviews were held, 33 people attended public meetings across 7 sessions, and 3 individuals or organisations responded with formal written submissions to the consultation.

Thank you to everyone who took the time to provide feedback on our proposals. We have carefully considered all feedback received and this document summarises the main feedback received across all consultation methods, including our official responses.

Responses below are broken down by theme, categorised into four main topics: views on proposed licensing designations, views on proposed licence conditions, views on proposed licence fees and discounts, and other views and suggestions on the proposed schemes including alternatives and improving support for landlords and tenants. A full list of themes can be found in the index. Verbatim comments from consultees have been included throughout. No significant changes were made, but the specific changes made to the licence conditions and property condition guidance can be found on pages 11-14 and pages 20-21 respectfully.

Alongside this response to representations document, we have published updated versions of all relevant documentation. We have also written a detailed report of the consultation results, namely the Consultation Outcome Report.

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VIEWS ON PROPOSED LICENSING DESIGNATIONS

Section Overview

Survey respondents were asked to provide their views on the proposed selective and additional licensing designations. 31% of people agreed with the proposed new targeted selective licensing designations. The most common reason for disagreeing was the sentiment that all areas should be treated the same by having one designation.

46% of people agreed with the proposal to introduce a new additional licensing scheme with the most common reason for disagreeing was the sentiment that it is a money-making scheme.

This section includes examples of the feedback received and provides the council's response to the main points raised by consultees.

Example comments from consultees	Council's consideration
Theme 1.1: There should be one designation for Selective licensing	
<i>"Why is this not consistent throughout the Borough? This becomes selective and favours certain areas."</i>	The three separate designations are part of our approach to consider in detail each ward and what the grounds are for a licensing scheme in each case.
<i>"Could be confusion of ward areas."</i>	
<i>"B&D Council should apply a consistent approach of licensing across all areas within the council. I do not agree with the evidence of this designation as this is incorrect and does not represent a true fact, such as Barking Riverside new build properties are made of good quality and better conditions than other part of the council as classified in the proposed change."</i>	
<i>"The whole Borough should be treated the same."</i>	
<i>"You will have disrepair, ABS and deprivation across the borough not just in some areas."</i>	
<i>"All areas should have the same rules, oversight."</i>	
Theme 1.2: It will reduce availability of housing and push landlords away from the area	
<i>"One of the reasons to discourage landlords/investors to buy more properties within LBBD."</i>	We understand that licensing is an expense for landlords. However, licensing has been in place in Barking and Dagenham for 10 years and as such, there will be little impact on your foreseen outgoings as part of being a Barking and Dagenham landlord. Moreover, there is no evidence that the current or previous licensing schemes have resulted in landlords leaving the market; rather there has been a huge increase in the number of PRS properties in the borough across this time. Our actions as part of the scheme have only resulted in criminal landlords selling their property or appointing someone else to manage it for them. We are not alone in
<i>"These scheme costs coupled with now high interest charges could likely mean landlords will sell up than have to pay these."</i>	
<i>"From experience it's been nothing more than an inconvenience due to fact that there were no issues that need policing by the council in first place that has encouraged me to sell up instead."</i>	
<i>"The licence scheme does little to improve rented property standards. It discourages investment in the Borough which leads to fewer</i>	

<i>private rented properties available which pushes up rents.”</i>	having a licensing scheme and many of our surrounding boroughs have them in place too.
<i>“We are not seeing any profit since the introduction of section 24 and interest rate rises. Some months we are making a loss. This is negatively impacting the housing availability as more landlords are leaving, demand going up and rents rising for tenants. How does this help anyone?”</i>	
Theme 1.3: Scrap licensing	
See response to Theme 2.1.5.	
Theme 1.4: There is a lack of evidence of licensing working	
See response to Theme 4.2.	

VIEWS ON PROPOSED LICENCE CONDITIONS

Section Overview

Survey respondents were asked to provide their views on the proposed licence conditions. They were asked whether the conditions were clear, reasonable and understandable. They were also asked whether there were any conditions that should be added or removed.

Overall, 32% of respondents thought that the selective conditions were reasonable and 40% thought they were unreasonable, whilst 30% of respondents thought that the additional conditions were reasonable and 19% thought they were unreasonable.

This section highlights the most common and significant feedback received and provides the council's response to these.

Overall Comments on the Proposed Draft Conditions

Example comments from consultees	Council's consideration
Theme 2.1.1: Unfair to landlords as tenants sometimes are to blame	
<i>"Make private tenants more accountable for their behaviour."</i>	We understand that unfortunately some tenants can cause problems, and we have many cases where we have written to tenants regarding their behaviour. We will not investigate an allegation of disrepair unless the tenant has reported it to the landlord to give them an opportunity to resolve the issue first. We will be producing a tenant information pack which will include, amongst other things, housekeeping advice to reduce the likelihood of pest infestations, how to properly heat and ventilate their homes, and what can happen if they don't pay their rent. We also have links to early intervention services if a landlord thinks a tenant is suffering from self-neglect and they need support. The risk of a tenant breaking the terms of the contract by damaging the property, subletting, or not paying rent, is the reason for taking a deposit, carrying out proper reference checks, taking photos of the property at the beginning of the tenancy, inspecting the property every 6 months for selective licenses and 3 months for HMOs. If a landlord is forced to evict a tenant to protect their property they are perfectly entitled to do so, and there is advice on the website how to do this legally.
<i>"Help to deal with bad tenants."</i>	
<i>"As landlords we do have problem tenants, I am too scared to contact you, most likely you will issue a court order for me to sort the problem – your consultancy document gives the same impression, every problem you want to give to the landlord."</i>	
<i>"I'm not entirely happy about the selective licensing I don't see it being improved as the issues and problems are from the actual family that occupy the house."</i>	
<i>"More help is needed to make tenants comply and not wreck a rented property."</i>	
Theme 2.1.2: Conditions are too complicated	
<i>"Writing is jargonistic and unclear throughout. Do you genuinely expect a lay person to understand these?"</i>	We appreciate the feedback on the clarity of the licence conditions. Though they do not go beyond statutory guidance, we have amended some of the wording of our conditions to make them clearer and easier to understand and will be producing supporting guidance. We also
<i>"These conditions are far too complicated and need to be spelt out in a shorter form using layman's terms."</i>	

<i>"Needs more explanation."</i>	have the dedicated PRPL Business Support team who are available 9am-5pm every weekday to answer any queries you may have and support you in understanding the conditions.
<i>"Barking and Dagenham is a multicultural city with people from backgrounds where English is not their first language. More simple English should be used in any material targeting those who have English as their second language."</i>	
<i>"Too complicated to understand."</i>	
Theme 2.1.3: Clarity needed on family exemption	
<i>"Family exemption should be clear."</i>	We appreciate this has not been as clear as it should have been, and we will ensure it is added to the Council's website.
This was highlighted during the public meetings.	
Theme 2.1.4: Conditions are not consistent across the borough	
<i>"Why is this not consistent throughout the Borough? This becomes selective and favours certain areas."</i>	While we appreciate the varying sets of conditions may cause some confusion at the beginning of the scheme, the conditions vary due to our more targeted approach to licensing this time round. Based on a strong evidence base, we have created three designations in the borough that target the key issues being faced in that area. This means we can target issues faced in the PRS whilst not putting excessive licence conditions in areas where there is not a direct link between the PRS and a particular problem, such as anti-social behaviour. However, we still have a dedicated anti-social behaviour team who will deal with cases should they arise.
<i>"Could be confusion of ward areas."</i>	
<i>"Designation 2 and 3 should have the same conditions as designation 1 plus management and conditions. The amount of stress and anxiety residents experience due to disreputable landlords is huge and any remedy for this situation that the Council can provide should be used."</i>	
Theme 2.1.5: Scrap licensing	
See response to Theme 4.1.	
Theme 2.1.6: Shouldn't need to display documents in property	
<i>"If it is a home, tenants may not want to display the licence."</i>	It is important that emergency contact details & the current gas safety certificate is displayed in the common parts of an HMO. Regarding a copy of the licence, condition 4.1 states it can be displayed in the common parts, or a copy given to the tenants. For properties with a selective licence the condition states that these documents can be displayed or alternatively provided to the tenants at the start of the tenancy. We have amended this condition to make it clearer for the selective licence and removed reference to common parts.
<i>"Sec 4 - Documents to be displayed. This should be amended to state that these documents can be left in a folder at the property instead of insisting "display in common parts" like a piece of art or a bus timetable."</i>	
Theme 2.1.7: Selective licensing not needed / only licence HMOs	
See response to Theme 4.1.	
Theme 2.1.8: General refurbishment	

<p><i>“How often should properties go under refurbishment if a tenant is living longer than 10 years i.e. changing the worn-out carpets, kitchen cabinets that are falling apart that are over 50 years old etc...”</i></p>	<p>Legally, we are not permitted to include licence conditions directly related to property conditions and refurbishment, despite them often being one of the key reasons for a designation. Under the management section of the conditions, we have included several conditions relating to good property management.</p>
<p>Theme 2.1.9: Damp and mould</p>	
<p><i>“I have damp and other issues in my rental property and my landlord will not fix it.”</i></p>	<p>If a landlord is failing to address damp or mould, we urge tenant to contact us urgently via the website.</p>
<p><i>“Damp and mould a very concerning and major problem and landlords refusing to have it reviewed and find permanent solutions to the problem like external insulation in the walls.”</i></p>	
<p><i>“Refusing to treat mould in the house and saying to open windows more when they are already opened for long periods of time.”</i></p>	
<p><i>“Damp and mould, make sure landlords address these issues. If it is condensation, we will address this as tenants but for damp and mould landlords should sort this out.”</i></p>	
<p>Theme 2.1.10: Fly tipping and eyesore gardens</p>	
<p><i>“Environmental issues due to garbage and left over materials in the gardens.”</i></p>	<p>It is a council priority that residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods. The conditions of the licence reflect that priority.</p>
<p><i>“Gardens are messy and bring the area down.”</i></p>	
<p><i>“Overcrowding and fly tipping major issues in and around Barking.”</i></p>	
<p><i>“Rubbish left on front gardens by neighbours on street for years.”</i></p>	
<p>Theme 2.1.11: Should be stricter</p>	
<p><i>“The stronger the better until you can immediately prosecute and evict then they’re not strong enough.”</i></p>	<p>We believe property licensing allows the council to improve the condition and management of privately rented properties. Action will be taken if there are property management concerns.</p>
<p><i>“More conditions to be added and strict for these properties and some are used as a business.”</i></p>	
<p><i>“It’s a shame this borough has been led by those with lofty ideas who have no real understanding of what life is like living near HMOs and hostels.”</i></p>	
<p>Theme 2.1.12: Be strict on unlicensed</p>	
<p><i>“Make sure property not rented without licence.”</i></p>	<p>In 2022, following a pilot project, we set up a dedicated unlicensed properties team who</p>

<p><i>“When a resident or neighbour identifies a property as being allegedly rented, this should be investigated and not just take the word of the landlord/lady, that the property is being used as a ‘large family’ residence.”</i></p>	<p>specifically investigate and enforce against unlicensed properties in the borough. To date their work has directly resulted in over 600 properties submitting a licence application. This work will be integrated into the new scheme design to ensure that those evading licensing are caught so the scheme is fair for all, and not just those willing to licence their property. If you are aware of an unlicensed property, please email ULP@lbbd.gov.uk and the team can investigate.</p>
<p>Theme 2.1.13: Anti-social behaviour/noise</p>	
<p><i>“The number of parties at all hours these rented properties tend to have with loud base music and thick smoke BBQs at any time of the year. More so during extremely hot weather when we have to close our windows to block out the smoke and noise and sweat in our own house. Since the influx of renting in this borough, from around 2010 I have not sat in my own garden due to this nuisance.”</i></p>	<p>The licence conditions have been amended since the current scheme to be clearer about the process a landlord should follow if the Council’s investigation has found that an individual’s behaviour has a detrimental effect on the quality of life of those in the locality, and if it is unreasonable, and it is persistent. The condition will be amended to be clearer, to state:</p>
<p><i>“Anti-social behaviour from persons several doors away since moving in several years back. Police at the location 3 times a week. Council have done nothing.”</i></p>	<p>If after 14 days of receiving a written Community Protection Warning the tenant is continuing with antisocial behaviour, the licence holder shall take formal steps under the written statement of terms for occupation, e.g. the tenancy agreement, which shall include promptly commencing legal eviction proceedings to address the anti- social behaviour.</p>
<p><i>“There are some very serious problems in Chadwell Heath due to HMO, litter, fly tipping, drug abuse, noise, abuse of neighbours, illegal business, dumped vehicles, rats.”</i></p>	
<p><i>“Late night parties or just the tenant engaging amongst themselves which go on anytime past 11pm, 1pm, 3pm, or all night which is usually outside.”</i></p>	

Specific Comments About the Proposed Draft Conditions

Example comments from consultees	Council’s consideration
<p>(Selective 1) Permitted occupancy and room size restrictions unreasonable & (Additional 1) not in line with schedule 4 of housing act, cannot impose local guidance</p>	<p>REJECTED - For the Selective licence conditions, these are based on the “The space standard” as set by Section 326 of the Housing Act 1985, also re-confirmed by “Definition of overcrowding” in part X of the Housing Act 1985. For the Additional licence conditions, the room sizes are set out in our HMO standards which are aligned to the minimum standards in The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018.</p>
<p>(Selective 2.2 & Additional 2.3) Reference requirements too strict</p>	<p>ACCEPTED - This change has been taken into consideration and the licence conditions have been updated to reflect this. They now request you confirm the tenant’s identity and their</p>

and will cause equality implications	right to rent which is a legal requirement set by the Government. The relevant GOV.UK link has been included in the licence conditions for ease and clarity.
(Selective 2.4) Proof of single household - adopted or fostered children, cousins, asylum seekers - equality and exclusion implications	ACCEPTED - This change has been accepted and amended to: 2.4 The licence holder shall carry out checks at the start of each tenancy and in each periodic inspection to ensure that occupiers belong to a single household. If they find a tenant has allowed members of a separate household to move in the licence Holder must take action to return the property to single household use.
(Selective 2.5 & Additional 2.2) TDPS information is required within 30 days, not when deposit is taken.	ACCEPTED - This change has been accepted and amended to: 2.5 The licence holder shall protect any deposit taken under an assured short-hold tenancy by placing it in a statutory tenancy deposit scheme. The tenant must be given the prescribed information about the scheme being used within 30 days. This information must be provided to the Council within 28 days upon demand.
(Selective designations 1&3, 2.6h and Additional 2.7h) Section 8 eviction for ASB should be last resort, not default after 14 days, focus on tenancy sustainment	REJECTED - This change has been rejected as CPWs are only issued after an extensive investigation and it is found that an individual's behaviour has a detrimental effect on the quality of life of those in the locality, it is unreasonable, and it is persistent. However, this condition will be amended to be clearer, to: If after 14 days of receiving a written Community Protection Warning the tenant is continuing with antisocial behaviour, the licence holder shall take formal steps under the written statement of terms for occupation, e.g. the tenancy agreement, which shall include promptly commencing legal eviction proceedings to address the anti- social behaviour.
Property management (Selective 3.1 and 3.2 & Additional 3.1 and 3.2) - unclear whether 3.2 refers to repair requests or complaints	ACCEPTED - This change has been accepted and amended to: 3.1 The licence holder shall ensure that if they are informed, in writing, by email or other form of communication, of a complaint of disrepair or a pest infestation in the property, from the occupiers or the Council, they take action to remedy the disrepair and/or infestation within 14 days. AND 3.2 Details in writing of any such written complaint (including by email) and the licence holder's response must be provided by the licence holder to the Council within 28 days on demand.
(Selective 3.3 & Additional 3.3) public liability insurance certificates for all contractors goes beyond legislation, is impractical and unnecessary	REJECTED - This change has been rejected as this is considered one of the main types of insurance and it covers compensation payments if works carried out cause injury or damage and this should be considered part of the landlord's basic due diligence. However, we will amend to make clearer to: 3.3 The licence holder shall ensure that any repairs, improvement works or treatments at the property are carried out by competent person(s), and that that person has public liability insurance, whether that person is employed directly by the licence holder or by an agent/employee of the licence

	holder. Copies of receipts and/or invoices for any such works must be provided to the Council within 28 days upon demand.
(Selective 3.10 & Additional 3.10) 'regular checks' is not clear, and a timescale should be given, possibly in line with 3.18 which refers to six-monthly inspections	ACCEPTED - This change has been accepted and amended to: 3.10 The licence holder shall ensure that inspections of the gardens and yards are carried out at least every six (6) months to ensure they are not an eyesore, and that they are free from waste which could provide harbourage for pests and/or is a nuisance and/or is detrimental to the local amenities, other than waste stored in appropriate receptacles for the storage of household refuse and recycling. If issues are found action must be taken within 14 days. Details of actions taken must be provided in writing to the council within 28 days upon demand.
(Selective 3.11/3.12 & Additional 3.11/3.12) disposing of waste is tenants' responsibility and terms of tenancy agreement	REJECTED - This change has been rejected as it is considered that the landlord will ultimately be responsible for clearing the waste, but we will amend this to incorporate condition 3.14 so the steps required are clear: 3.11 The licence holder shall ensure that waste such as old furniture, bedding, mattresses, rubbish or refuse from the property is not left outside the property or in its vicinity. If the licence holder is informed, in writing, by email or other form of communication, from the occupiers or the Council of waste outside the property, they shall: a) if appropriate write a warning letter to the occupiers within 7 days informing them of the permitted means of disposing of waste. b) If the tenants fail to remove the items take action to clear the refuse within 7 days. Details of action taken must be provided in writing to the Council within 14 days upon demand. Additionally, 3.9 has been amended to incorporate the deleted condition in 3.12 as follows: 3.9 The licence holder must provide the tenants with approved and adequate storage containers for refuse and recycling. The Licence Holder must ensure that there are suitable and appropriate receptacles for the storage of household refuse and recycling between collections, so that bags or loose refuse and recycling are not stored outside the property.
(Selective 3.15 & Additional 3.15) pest control is tenants' responsibility, the same as it is for council tenancy conditions	REJECTED - This change has been rejected. We will provide advice in the tenant's information booklet on good housekeeping and how to reduce the likelihood of an infestation, however if the landlord becomes aware of a problem, they must take steps to eradicate it.
(Selective 3.19 & Additional 3.21) what tenants verification checks are intended and how would this	ACCEPTED - This change has been accepted and has been amended to be clearer: 3.19 The licence holder shall carry out checks every six (6) months to ensure that the Assured

be done in practice? Cannot insist that all tenants are at every inspection	Shorthold Tenancy named tenants are still residing at the property and that the maximum occupant numbers are not exceeded, nor that other unnamed occupants have taken up residence.
(Selective 6.3a) in single family property, landlord or agent would have no knowledge of which room each occupant sleeps in and this could change	ACCEPTED - This change has been accepted and the condition has been amended to: 6.3 The licence holder shall if required by written notice provide the council with the names of all adult occupiers (regardless of whether they are the named AST tenant or not) and numbers of children in occupation. The particulars shall be provided to the Council within 28 days upon demand.
(Additional 3.16) not all HMOs fall within the remit of the Regulatory Reform (Fire Safety) Order 2005	REJECTED - The Fire Safety Regulations require that a fire risk assessment is carried out in all HMOs including shared houses.
Standardise timescale and process for providing documentation to council required - should always be requested in writing, and timescale either 21 or 28 days to allow for holiday or sickness	REJECTED - Where we ask for documentation, we ask for it within 28 days except for licence condition 2.1 (on both Selective and Additional). However, we have amended the condition to be clearer and it now states that 'Copies of the written statement of terms must be provided to the Council within 7 days on demand.'

VIEWS ON PROPOSED LICENCE FEES AND DISCOUNTS

Section Overview

Survey respondents were asked whether they agreed with the proposed fees and discounts. They were also asked whether there were any discounts that should be removed.

This section includes the most common suggestions and points received and provides the council's response to the main points raised by consultees.

Example comments from consultees	Council's consideration
Theme 3.1: Costs may be passed on to tenants	
<i>"The fees are always passed down to the tenants which has reflected in massive increases in rents."</i>	Our proposed fees have been very carefully considered to ensure they cover the costs of running the scheme in the most efficient way possible to keep the licence fee as low as possible. Without any discounts, the fee equates to £3.65 per week for selective and £5.38 per week for additional HMO which, in comparison to rents in the area, is considered an affordable sum. Independent research commissioned by the Government found no evidence to support the claim that licence fees get passed onto tenants. Rather, the report found that the PRS is a "competitive market and market forces mean that rents are set at a level the market will bear". Moreover, there have been licensing schemes in the borough for the past 10 years. As such, the cost to landlords will be no different (and potentially less for those who qualify for our newly proposed discounts), and therefore no impact on finances should be felt by landlords or tenants alike. Finally, landlords must always follow statutory procedures around rent increases and are, therefore, unable to increase rents significantly.
<i>"The ones that don't increase housing costs for tenants."</i>	
<i>"Don't impose any more licence fees on landlords which will take out from tenants at the end."</i>	
<i>"Agreed but I'm worried the costs will be passed onto tenants."</i>	
<i>"These rules will make landlords increase the rents and ultimately tenants will suffer."</i>	
Theme 3.2: It is a money-making scheme	
<i>"It's all about raising more money. There are bigger problems here that are not related to the property."</i>	By law, councils are not allowed to make any profit from licensing schemes. Therefore, the scheme would be cost neutral solely covering the cost of running the scheme. Due to having a current scheme in place, we have been able to undertake very educated calculations around what the new scheme would cost and set the licence fees accordingly. Furthermore, the finances of the scheme will be reviewed annually to ensure that the scheme remains cost neutral throughout.
<i>"Another money-making scheme, LBBD scraping bottom of the barrel once again."</i>	
<i>"The new additional licensing is just another way for the council to make money from hard working good landlords and has no bearing on how I rent my property."</i>	
<i>"There will be nothing improved, only making money for council."</i>	
<i>"Another taxation scheme."</i>	
Theme 3.3: It penalises good landlords and bad landlords will continue to operate	

<p><i>“Licensing properties will not make much difference if a rogue landlord decides to not comply with quality assurance and good standing practices.”</i></p>	<p>As highlighted in our consultation evidence report, more than 50% of privately rented properties in Barking and Dagenham fail their compliance inspection meaning that they suffer from serious disrepair and are poorly managed. To combat this, not only will we be inspecting every single property, but we will be issuing guidance upon application so that landlords have clear guidelines for the condition of the property ahead of the inspection. To drive behaviour, change and urge landlords to ensure their property passes the inspection, we will be offering a substantial discount of £200 for every property that is compliant upon inspection. Alongside this, there will be a dedicated unlicensed properties team that will specialise in identifying and enforcing against all unlicensed properties in the borough. This will stop criminal landlords from being able to go under the radar and not licence their property. However, we recognise that many landlords take their responsibilities seriously and are just inexperienced resulting in non-compliance. Therefore, we hope that the inspection guidance, alongside our newly developed landlord and tenant booklets, will provide good competent landlords with the additional support and guidance they require to thrive in the PRS.</p>
<p><i>“Unfair financial burden on good landlords. Punish bad landlords with fines.”</i></p>	
<p><i>“The council should find and fine the rogue landlords rather than get payment from all regardless.”</i></p>	
<p><i>“Rogue landlords will not bother applying and law-abiding landlords are forced to pay for a licence. It is unnecessary cost with no benefit from it.”</i></p>	
<p><i>“While there are undoubtedly good landlords, there are also those who are negligent. However, it’s unfair to penalise responsible landlords with well-maintained properties due to the actions of others.”</i></p>	
<p>Theme 3.4: Costs too high</p>	
<p><i>“Something that doesn’t involve costing so much, I mean why not just do a check-up.”</i></p>	<p>As stated in response to Theme 3.2, it is illegal for us to profit from any licensing scheme. The costs have been carefully calculated to cover the cost of running the scheme and have been benchmarked against other boroughs. We have also introduced a two-tier discount for compliant properties and accredited landlords to recognise and reward those who will require less intervention throughout the duration of the scheme. The fees will be reviewed annually to ensure they remain cost neutral throughout the 5-year scheme.</p>
<p><i>“A more balanced approach, without huge fees, to avoid discouraging landlords which reduces availability of housing. Fails to take into account costs of mortgages increasing, so this just adds another cost and additional red tape to landlords.”</i></p>	
<p><i>“The cost is too high.”</i></p>	
<p><i>“If council is very serious about this, they should charge less fees and penalties from rogue landlords to be used to implement the scheme.”</i></p>	
<p><i>“The fees are ridiculously high, until council can justify the fees, they should not charge the landlords.”</i></p>	
<p>Theme 3.5: Should be free for compliant landlords/remove licensing fees</p>	
<p><i>“Rather than effectively fine good private landlords, only require those who do not do the right things to have a licence until they do comply.”</i></p>	<p>We cannot run the scheme without charging a fee, however, our proposed discounts focus on rewarding compliant landlords and offer a substantial discount for those who have a</p>

<p><i>"I assume that you know who the bad landlords are, target them and deal with them. Set up something where good landlords who meet criteria and can demonstrate that they look after their tenants are left alone."</i></p>	<p>compliant property, and an additional discount for accredited landlords. Therefore, you would only be paying for the inspection and administration checks and not the potential enforcement action and running of the scheme as we would not anticipate needing to liaise with you further due to your compliance.</p>
<p><i>"Landlords should not be paying for this. People that are signing up for the licence are generally not the ones who need to be monitored. It is the people in the hidden economy who need to be kept a check on."</i></p>	
<p><i>"Do an inspection, help landlords and penalise bad landlords and reward good landlords, not tax them via licence."</i></p>	
<p><i>"I do not believe that having to pay and have this licence actually makes the bad landlords any better... it makes the good ones still have to pay for the bad landlords out there."</i></p>	
<p>Theme 3.6: No discounts should be given</p>	
<p><i>"Landlords shouldn't be rewarded for doing what they are legally meant to do! They should pay the fee and if they don't meet the standards fine them."</i></p>	<p>Barking and Dagenham are keen to utilise the unique opportunity licensing presents for us to work together with landlords to drive up standards in our Private Rented Sector. The aim of the scheme is not to penalise landlords letting in the borough; it is about improving compliance by targeting those landlords who fail to accept their responsibilities and fostering good relationships with landlords that do. Part A of the licence fee covers the administration costs and inspection whilst part B of the fee covers the running of the scheme and required enforcement. We believe it is important to recognise good landlords who will not need further engagement from the Council due to having a well-maintained compliant property. Therefore, we have proposed a discount from the part B fee for compliant properties that we will likely not have to revisit, and a further discount for accredited landlords who have taken the time to be aware of their responsibilities.</p>
<p><i>"I think the discounts are too high in view of the cost to the council (the taxpayer) – landlords are making money on large HMOs and should be prepared to pay a reasonable fee to have the properties checked and the licence granted."</i></p>	
<p><i>"Silver Compliance and Gold Compliance should be removed."</i></p>	
<p><i>"Landlords should have a duty of care and act responsibly for the home, residents and the wider community. It should be a legal requirement – so why should they get discount for doing that. This all related to bricks and mortar and what about people's lives."</i></p>	
<p>Theme 3.7: Discounts for good landlords</p>	
<p><i>"Discount for landlords who have consistently provided good quality housing and complied with all terms and conditions."</i></p>	<p>Our proposed discounts are all aimed at rewarding good landlords, including a £200 discount for compliant properties and a £50 discount for accredited landlords. As such, discounts for good landlords are already part of our proposals.</p>
<p><i>"Discount for previous satisfactory licences."</i></p>	
<p><i>"Discount for landlords that have had good inspection report."</i></p>	
<p><i>"Long term discounts should be given to landlords who have never required enforcement action to bring their properties up to standard."</i></p>	
<p>Theme 3.8: Discounts for landlords with multiple properties</p>	

<i>"Discount for multiple properties."</i>	We understand the frustration in paying for multiple licences and understand the idea that landlords aim to keep all their properties in the same condition, we are promising that we will inspect every property which is partially what the licence pays for. It would not be fair on some tenants to not receive this inspection, but we could not afford to offer an additional discount and still inspect all properties. However, if all properties are compliant, the landlord will receive a significant discount on each of the licences through our compliance discount.
<i>"Discounts should be given to landlords with multiple properties especially if there are no issues with those properties."</i>	
<i>"Discounts based on number of properties."</i>	
<i>"If you're going to licence landlords, there should be one singular licence for all their properties."</i>	
Theme 3.9: Discounts for single property landlords	
<i>"Discount for single property landlords."</i>	We understand the sentiment that you are not running a business and making a living from renting out one property, however, landlords with only one property are more likely to be 'accidental' landlords and therefore require more advice and intervention from the Council. Therefore, we are unable to offer a specific discount for landlords with only one property. However, if your property is compliant, our proposed discounts would still offer you a substantial reduction in the fee.
<i>"Those with a single property who may have been forced into it due to financial circumstances or the cladding scandal should get a discount."</i>	
<i>"Anyone with one property should receive larger discount, compared to other landlord who have multiple properties."</i>	
<i>"Those with only 1 property or 'accidental landlords' shouldn't suffer the same expenses as those with many. Those with a portfolio are doing this for a living, whereas the former are just trying to survive."</i>	
Theme 3.10: Discounts for landlords who use accredited/reputable managing agents	
<i>"Landlords using a registered property management company should be discounted further."</i>	We are already proposing a discount of £50 for landlords who are part of an accreditation scheme or reputable membership body. All accepted membership bodies are listed in our updated fee structure.
<i>"If the property is managed by agents, then satisfactory quarterly reports could be used as a marker for further discounts."</i>	
<i>"Discount for properties with a good condition that are managed by letting agent."</i>	
<i>"If a landlord takes care of their property and lets it out through a licensed letting agent, should be given a bigger discount."</i>	
Theme 3.11: Discounts too low	
<i>"The gold award is only £50 extra discount, but it would cost more than £50 to get accreditation, including time to go and complete the course, therefore it is not financially beneficial for me to make the effort to get accredited, I would just pay the council the extra £50 over 5 years, rather than the accreditation costs which annual is more than that.. I would really like accreditation and would be happy to pay if I would get a further discount."</i>	Whilst we understand the current cost of living crisis, the scheme needs to be able to fund itself, with the remaining fee after the discounts covering the administration and inspection costs. Without any discounts, the Selective licence costs just £3.65 a week, and the Additional licence costs £5.38 per week - both of which are even cheaper with the discounts. Relative to the average rents in Barking and Dagenham, we believe this is an affordable rate.

<i>"If you get the right awards, should get a better discount."</i>	
<i>"The discounts should be much higher."</i>	
<i>"The discounts are not enough – for a gold standard, where the landlord goes well beyond, there should be a marked discount on accreditation fees/membership fees."</i>	
Theme 3.12: Free for accredited landlords	
<i>"The removal of all licensing costs (both A & B) for good and accredited landlords will be fair."</i>	We most definitely want to recognise those who have taken the time to become accredited and understand their responsibilities as a landlord which is why we have implemented a discount for accredited landlords. However, we will still be inspecting every property which comes at a cost meaning that we are unable to offer the licence free to accredited landlords. This is in line with all other London boroughs.
<i>"If a landlord is properly accredited and the property meets the standards immediately, they should pay nothing beyond a basic administration fee of say £50."</i>	
Theme 3.13: Discount based on tenant feedback	
<i>"Discount for existing landlords who have complied since licensing began and have had no complaints. Perhaps existing tenants could rate their landlords?"</i>	Although this suggestion has a great sentiment, in practice it could be very subjective and biased. It could also be open to manipulation and cause issues between landlords and tenants based on the review given and discount awarded. We believe it would be fairer, and our resources would be better used inspecting every property and awarding discounts for all compliant properties. Therefore, good landlords will still be rewarded but this will be done based on specific criteria to remove subjectivity.
<i>"Discount based on tenant feedback."</i>	
<i>"Discount if a landlord has conformed to all council legal requests and during inspection the tenants speak positively about the landlord."</i>	
Theme 3.14: Pro-rata refund when property sold	
<i>"Should the property be sold during the period in which the licence is valid then a refund should be made back to the Landlord on a pro rata basis. It is unreasonable to charge for a period it is not required and withheld by the Council."</i>	We understand the frustration in paying for a 5-year licence and then selling the property before the end of the 5-year term. However, the majority of the licence fee covers the administration and inspection which is required to be carried out for each licence holder. As such, it would not be financially viable to refund licence holders when they sell their property before their licence expires.
<i>"For landlords who are expecting to sell their property during the five years there should be a pro rata refund of the licence fee."</i>	
<i>"You are charging each landlord for each property, with any transfer of the property requiring a new licence. If you are going to licence landlords, there should be one singular licence for all their properties. If you're going to licence properties, then there should be one fee for the property and no 'doubling up' of an additional fee for the next landlord taking over."</i>	

Theme 3.15: Specific concerns around the property condition guidance for the compliance discount	
<i>“The guidance needs to make clear what is a legal requirement and what is a recommendation to encourage best practice.”</i>	REJECTED. The guidance has been created in accordance with the Government’s Housing Health and Safety Rating System, to reduce the potential risks to the health and safety of occupiers and visitors from property deficiencies. All of the requirements in the Property Condition Guidance are aligned with that guidance to make a clear set of standards to provide a safe and healthy environment.
<i>(HMOs) “It states all glass in windows must be safety glass. That is incorrect and would only be appropriate if it was low level glazing at heightened risk of impact damage.”</i>	ACCEPTED. This has been amended to: “All glass in doors, low windows, and other vulnerable locations must be safety glass.”
<i>(Selective – all internal rooms) “Whilst it is good practice to encourage tenants to keep any staircase and hallway within their letting clear of storage, this cannot be enforced.”</i>	CLARIFIED. These standards relate to property conditions, not tenant belongings. Therefore, it will be amended to be clearer. Instead of ‘Escape routes should be kept clear’, it will say ‘Escape routes from bedrooms shall not be via a kitchen or another room unless there is a reasonably sized openable window or door to a place of safety free from the effects of fire.’
<i>(Selective – Bathrooms and Kitchens) “It is not practical to deliver hot water to wash hand basins at 41 degrees Celsius. No heating engineer could achieve that precise result.”</i>	ACCEPTED. This has been amended to: “There should be hot and cold water to each sink, basin, and bath/shower. Water storage tanks should store hot water between 60°C to 65°C. Hot water delivered to taps should be scalding (advised: 40-44°C in baths and showers, 41°C to wash hand basins, and 60°C to kitchen sinks.) Supply pipes and drains must be in good repair with no leaks. Seals between a sink, a drainer, a worktop, a basin, bath, or shower and the wall should be free from mould, watertight and in good condition.”
<i>(Selective – Bathrooms and Kitchens) “Whilst it is good practice to have a heat alarm in the kitchen of a single-family property, it is not a legal requirement.”</i>	ACCEPTED. This has been removed.
<i>(Selective – Windows and Doors) “There is no requirement for all windows to be fitted with safety glass.”</i>	ACCEPTED. This has been amended to: “All glass in doors, low windows, and other vulnerable locations must be safety glass.”
<i>(Selective – Windows and Doors) “There is no requirement for thumb turn locks to final exit doors in a single-family property. If the council wish to suggest that the guidance should make clear it is a recommendation.”</i>	ACCEPTED. This has been amended to: “Doors should be able to be opened and closed from the inside with ease, and locks should provide a quick and easy exit. It is recommended they are ‘thumb turn’ locks or similar so that residents do not need to find a key to escape in an emergency. Speak to your insurance company to ensure the locks meet their rules.”

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OTHER VIEWS AND SUGGESTIONS ON THE PROPOSED SCHEMES

Section Overview

Survey respondents were asked whether there were any alternatives to property licensing that the council should consider and what more the council could be doing to support tenants and landlords. They were also given the opportunity to provide any other feedback they had on our proposals.

The most common landlord support suggestions were support with tenancy breaches and tenant issues (22%), reduce licensing fees (15%), and remove licensing fees (14%). The most common tenant support suggestion was to provide more advice and information (19%), closely followed by support with rent increases and rent controls (17%).

All remaining feedback from consultees is included below with the council's consideration clearly outlined.

Example comments from consultees	Council's consideration
Theme 4.1: There is already legislation in place to regulate the PRS / scrap licensing	
<i>"There is currently a great amount of legislation that can be used to deal with a great many of the matters proposed here, and additional charges should not be made to current owners."</i>	Barking and Dagenham believes that selective and additional licensing is a necessary tool to bolster our existing enforcement regime and achieve greater compliance in the PRS. Licensing stands out against other measures considered as it offers a much-needed proactive inspection approach and provides clearly defined offences (licensed/unlicensed) which simplify enforcement. Furthermore, we do not believe that, either individually or collectively, the other measures considered would prove to be as effective as a means of tackling poor housing conditions, deprivation and ASB in the borough. Nor can they deliver the scale of improvement that we believe is required. You can read the full list of options appraised and our rationale on pages 50 and 51 of the Consultation Evidence Report.
<i>"Remove licensing requirements."</i>	
<i>"I own one property and I am a good landlord, go above and beyond helping my tenants, don't need to pay a fee and receive a paper to inform me that I done my bit to keep tenant and property safe."</i>	
<i>"I don't see what improvements the scheme is making. Landlords are legally obliged to carry out the requirements within the licensing scheme anyway."</i>	
<i>"The licensing scheme should be abolished. Landlords know and have obligation to follow as per terms and condition of the tenancy agreement."</i>	
Theme 4.2: There is a lack of evidence of licensing working	
<i>"No comparative data."</i>	The Chartered Institute of Environmental Health and the Chartered Institute of Housing published a joint review of selective licensing (CIH & CIEH (Chartered Institute of Environmental Health), 2019). 20 councils participated in the research which analysed the performance of 37 schemes. The review found that many licensing schemes were delivering significant benefits in terms of tackling property conditions and anti-social behaviour. These findings were echoed by an independent review of selective licensing commissioned by the Government (2019, Page 7). The report
<i>"I would hope that regulation would improve – as a minimum – safety standards in rented properties, but I have no data to support this."</i>	
<i>"No change has been seen."</i>	
<i>"I wasn't aware of the scheme, so I guess it's not all that effective."</i>	

<p><i>"I have been living in a poor condition house which is licenced."</i></p>	<p>concluded that "selective licensing can be an effective policy tool with many schemes achieving demonstrable positive outcomes". More locally, our consultation evidence report published as part of the consultation highlights the successes of our previous schemes.</p>
<p>Theme 4.3: It needs regular monitoring/checks to enforce conditions</p>	
<p><i>"Check that properties are compliant with the licensed granted."</i></p>	<p>Under the proposed schemes, every single property will be inspected to ensure compliance. We also have a dedicated web reporting tool, phone line and email address for reports and complaints to be submitted. One of our Housing Enforcement Officers will then visit the property to ensure that any required works are completed, and the property remains compliant for the duration of the scheme. All unlicensed properties will be similarly investigated and enforced against to ensure compliance with the scheme. You can report any unlicensed properties to ULP@lbbd.gov.uk.</p>
<p><i>"The council should follow up the issues and do checks after."</i></p>	
<p><i>"Maybe have at least annual checks in private houses about matters concerning property conditions."</i></p>	
<p><i>"The Council Inspector should come from time to time to see and review the property conditions."</i></p>	
<p><i>"Have an officer who checks up on them once in 6 months."</i></p>	
<p>Theme 4.4: Need a system for reporting issues</p>	
<p><i>"Provide a support number for them to raise complaints."</i></p>	<p>We acknowledge the importance of accessible methods for reporting issues. We already have a dedicated reporting webpage in place, as well as a dedicated phone line, email address and mailing address which is picked up by the service's Business Support team Monday-Friday 8am-5pm.</p>
<p><i>"The council should simply have a scheme where tenants can notify the council of properties in poor condition."</i></p>	
<p><i>"There should be a regular consultation with the residents at least yearly so they can discuss their issues and get them resolved."</i></p>	
<p><i>"Hotline for concerns."</i></p>	
<p><i>"24-hour helpline number for landlords."</i></p>	
<p>Theme 4.5: Council should focus on its own properties and tenants</p>	
<p><i>"All council properties should be subject to the same conditions imposed on private sector. This is not happening at the moment, and they are in a worse state and over occupied."</i></p>	<p>Our 2023-2026 Corporate Plan focuses on ensuring that residents live in good housing and avoid becoming homeless. This covers all tenures, but actions specific to social housing include:</p> <ul style="list-style-type: none"> - Increasing the visibility of Landlord Services in wards to ensure tenant issues are dealt with promptly and effectively. - Improving the speed and quality of repairs and maintenance to prevent stock from falling into disrepair. - Strengthen the inspection and compliance regime to ensure that every Council-owned
<p><i>"Council tenants complain about the state of the homes they live in, and the council should be focusing on this."</i></p>	
<p><i>"Ought to look at condition of council homes in the first instance rather than targeting landlords."</i></p>	

<p><i>“Take a good look at council owned properties I have evidence of repairs taking in excess of 6 months for council tenants whereas private landlords would be penalised if we acted in the same way.”</i></p>	<p>property meets gas, fire, and electrical safety requirements.</p> <ul style="list-style-type: none"> - Launch a damp and mould taskforce. - Use a data-led approach to deliver sufficient properties, in terms of both development and allocation, that meet the needs of our residents <p>However, social housing is a different area to private sector housing with different policies. The PRS is a vital component of the housing stock in Barking and Dagenham, and we want to drive up standards across all tenures.</p>
<p><i>“The council needs to ensure that its own property stock is similarly required to meet the standards proposed for private landlords. Council property is by no means universally up to standard and LA tenants frequently have to fund matters that private landlords would be expected to pay for or do themselves (pest control).”</i></p>	
<p>Theme 4.6: Need more social housing</p>	
<p><i>“We need more social housing.”</i></p>	<p>Barking and Dagenham are dedicated to delivering 50,000 new affordable homes in the next 20 years. This includes a target of 18,470 new affordable homes between 2025/25 and 2028/29. However, it is important to tackle the issues faced across all housing tenures in tandem to ensure the best outcome for all Barking and Dagenham residents.</p>
<p><i>“Build more houses to accommodate more people.”</i></p>	
<p><i>“Build more council houses.”</i></p>	
<p><i>“The council should create more social housing options, build more council housing units.”</i></p>	
<p>Theme 4.7: More partnership working between Council & landlords/support from Council for landlords</p>	
<p><i>“Hire more staff to support landlords, run dedicated surgeries, 1-2-1 face to face sessions via appointment for landlords to discuss issues.”</i></p>	<p>Though we historically engaged in the NRLA landlord forum based in the borough, we recognise that this relationship dissipated following the COVID pandemic. We have already re-engaged with the NRLA and attended their March landlord forum and are on the agenda for the June session. We will be continuing with our landlord newsletter that was launched last year and expanding on this to provide as much valuable information as possible, including relevant membership discounts to support landlords in gaining access to further support and advice. We are curating a new landlord booklet, and property condition inspection guidance, so that upon application you receive all the relevant information required to be a successful landlord in Barking and Dagenham. Furthermore, we are working with the website team to improve the accessibility and functionality of our website and ensure that everything you need is readily accessible. More broadly, we have our dedicated phone line and email address with a team always around to offer advice and guidance.</p>
<p><i>“So far it is just ‘a newsletter’, which does nothing of value, and letting a gimmick ‘provider’ offer their courses for sale, all of which are in working hours, which is pretty useless for those of us in full-time employment and no spare money to afford said courses because of all the aforementioned costs.”</i></p>	
<p><i>“Better communication.”</i></p>	
<p><i>“I think council should be always ready to teach or advise and be the first contact for support to help comply with the current law. It’s so much to deal with for the landlords so would be great if the landlord could contact the council to make sure he understands everything that is required from him.”</i></p>	
<p>Theme 4.8: Providing more support to landlords to deal with ASB</p>	

<i>"Have a register of bad tenants, non-paying, anti-social, etc. so landlords can reference this."</i>	We appreciate the difficulties that landlords may face when dealing with problem tenants and breaches to tenancy agreements. We offer support to landlords facing difficulties with their tenants through our Private Sector Housing team and our dedicated Anti-Social Behaviour team.
<i>"Helping when tenants need to be evicted due to breaches of tenancy or overcrowding or ASB."</i>	
<i>"Look at issue objectively and not hold landlords responsible for the actions of tenants and for all issues and damages caused by tenants."</i>	
<i>"Support landlords to enforce the conditions on tenants."</i>	
Theme 4.9: Provide support to landlords to deal with tenancy breaches and tenant issues	
<i>"Helping when tenants need to be evicted due to breaches of tenancy or overcrowding or ASB."</i>	We understand that unfortunately some tenants can cause problems, and we have many cases where we have written to tenants regarding their behaviour. We will not investigate an allegation of disrepair unless the tenant has reported it to the landlord to give them an opportunity to resolve the issue first. We will be producing a tenant information pack which will include, amongst other things, housekeeping advice to reduce the likelihood of pest infestations, how to properly heat and ventilate their homes, and what can happen if they don't pay their rent. We also have links to early intervention services if a landlord thinks a tenant is suffering from self-neglect and they need support. The risk of a tenant breaking the terms of the contract by damaging the property, sub-letting, or not paying rent, is the reason for taking a deposit, carrying out proper reference checks, taking photos of the property at the beginning of the tenancy, inspecting the property every 6 months for selective licenses and 3 months for HMOs. If a landlord is forced to evict a tenant to protect their property they are perfectly entitled to do so, and there is advice on the website how to do this legally. We also have a dedicated Tenancy Sustainment Officer who can work with you and the tenant to mediate and provide all relevant advice and information.
<i>"Help them to deal with bad tenants rather than supporting them."</i>	
<i>"Support the landlord if the tenant breaches their contract."</i>	
<i>"To help landlords when tenants breach tenancy agreement."</i>	
Theme 4.10: Reduce licensing fees	
See response to Theme 3.4.	
Theme 4.11: Remove licensing fees	
See response to Theme 3.5.	
Theme 4.12: Provide more advice and information to tenants	
<i>"Better signposting and advice for dealing with issues. Share tenant information packs."</i>	Our website provides really valuable advice and information. We are currently reviewing the website to ensure that it is as accessible as

<i>"Provide free legal support to tenants."</i>	possible and really easy to find the information you are looking for. We are also creating a new tenant information booklet which will include all relevant information for tenants and will be available on our website as well as sent out with every licence. Our dedicated Business Support team are always available to answer queries and provide advice and guidance.
<i>"Creating packs on what the landlord requirements are to meet property standards, repairs etc."</i>	
<i>"Provide free legal support to tenants."</i>	
Theme 4.13: Provide support to tenants regarding rent increases and rent controls	
<i>"Support services for rent rises, bullying by landlords."</i>	Our website provides advice on what to do if your landlord increases the rent: Rent increases London Borough of Barking and Dagenham (lbbd.gov.uk) . If tenants have any specific concerns regarding unlawful rent rises and rent controls or your landlord increases your rent unlawfully, you can contact our Tenancy Sustainment Officer who can support you in working with your landlord to ensure you rent increases lawfully.
<i>"Helping with unreasonable rent increases."</i>	
<i>"Make sure landlords has a limited amount they can increase the rent. This should be the only way to avoid high increase."</i>	
<i>"Monitor private rent price trends. For example, the way the rental prices have risen in recent years is eye watering and the conditions remain poor. There needs to be some kind of regulation and exceptional prices should be commensurate with exceptional facilities and standards."</i>	

Property Licensing Consultation 2024

Supplementary Data

Summary of Findings

	Poor property conditions:	Deprivation:		Anti-social behaviour:		Tenure:
	At least 20% of PRS properties at high risk of hazards (inspection failure rate over past 3 years) - check	Ward in the top 40% most deprived nationally (IMD 2019)	% PRS households deprived in at least 1 dimension in comparison to London average 52% (Census 2021)	Satisfies all of the below :		Percentage of PRS housing higher than national average 19% (English Housing Survey)
				Proportion of PRS properties reporting at least ONE ASB incident higher than borough average for all tenures 19.3	Proportion of PRS properties reporting MULTIPLE ASB incidents higher than borough average for all tenures 8.2	
Abbey	44%	Top 20%	61.40%	10.4	4.2	72.3%
Alibon	56%	Top 20%	60.90%	29.3	13.2	27.7%
Barking Riverside	44%	Top 20%	58.90%	21.8	9.1	35.7%
Beam	53%	Top 20%	61%	25.6	10.6	39.6%
Becontree	58%	Top 20%	61.10%	25.1	13.6	28.9%
Chadwell Heath	55%	Top 20%	63.50%	22.4	9.7	22.3%
Eastbrook & Rush Green	50%	Top 30%	56.20%	20.7	10.0	16.6%
Eastbury	61%	Top 20%	65.70%	27.1	13.8	26.2%
Gascoigne	47%	Top 10%	57.70%	11.5	5.1	42.0%
Goresbrook	57%	Top 20%	65.60%	24.1	10.9	27.4%
Heath	59%	Top 20%	60.50%	28.6	14.7	21.5%
Longbridge	65%	Top 40%	60.20%	30.2	13.5	25.6%
Mayesbrook	56%	Top 10%	61.40%	25.0	12.0	30.0%
Northbury	65%	Top 20%	67.90%	16.7	8.3	52.1%
Parsloes	61%	Top 10%	61.70%	27.0	12.8	23.1%
Thames View	65%	Top 10%	71.10%	30.5	15.1	21.6%
Valence	61%	Top 20%	63.60%	27.0	13.3	24.4%
Village	56%	Top 10%	62%	21.5	9.3	27.3%
Whalebone	56%	Top 30%	60.10%	24.2	10.8	34.0%

Count of all Properties by Tenure: November 2023

Ward	Tenure				Total Properties
	Owner Occupied	Private Rented	Social	unallocated	
Abbey	257	1401	237	44	1939
Alibon	1394	910	856	123	3283
Barking Riverside	620	1124	1017	391	3152
Beam	1174	1109	367	152	2802
Becontree	1153	873	869	124	3019
Chadwell Heath	1788	1027	1469	331	4615
Eastbrook & Rush Green	1583	491	718	166	2958
Eastbury	1815	1357	1805	210	5187
Gascoigne	521	1953	1932	239	4645
Goresbrook	1633	1289	1515	261	4698
Heath	957	706	1510	105	3278
Longbridge	2058	928	491	144	3621
Mayesbrook	1531	1501	1758	219	5009
Northbury	858	2361	1058	255	4532
Parsloes	2000	1203	1805	208	5216
Thames View	501	397	800	142	1840
Valence	1897	1244	1763	185	5089
Village	1403	1273	1677	309	4662
Whalebone	2064	1522	571	317	4474
Borough	25207	22669	22218	3925	74019

There are 22,669 privately rented properties in Barking and Dagenham.

Predicted Licences Excluding TA LBBD Private Sector Leased: November 2023

Ward	Additional HMO	Mandatory HMO	Selective Licence	All Licences
Abbey	9	8	1379	1396
Alibon	14	11	835	860
Barking Riverside	8	4	1088	1100
Beam	10	10	1017	1037
Becontree	13	10	815	838
Chadwell Heath	10	7	986	1003
Eastbrook & Rush Green	7	9	464	480
Eastbury	25	13	1265	1303
Gascoigne	16	4	1908	1928
Goresbrook	23	9	1197	1229
Heath	11	4	656	671
Longbridge	30	20	859	909
Mayesbrook	21	12	1424	1457
Northbury	44	38	2147	2229
Parsloes	24	11	1117	1152
Thames View	4	7	376	387
Valence	14	8	1173	1195
Village	22	6	1158	1186
Whalebone	15	13	1443	1471
Borough	320	204	21307	21831

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The Private Rented tenure count for the borough is 21,692.

Predicted Selective: 21,307

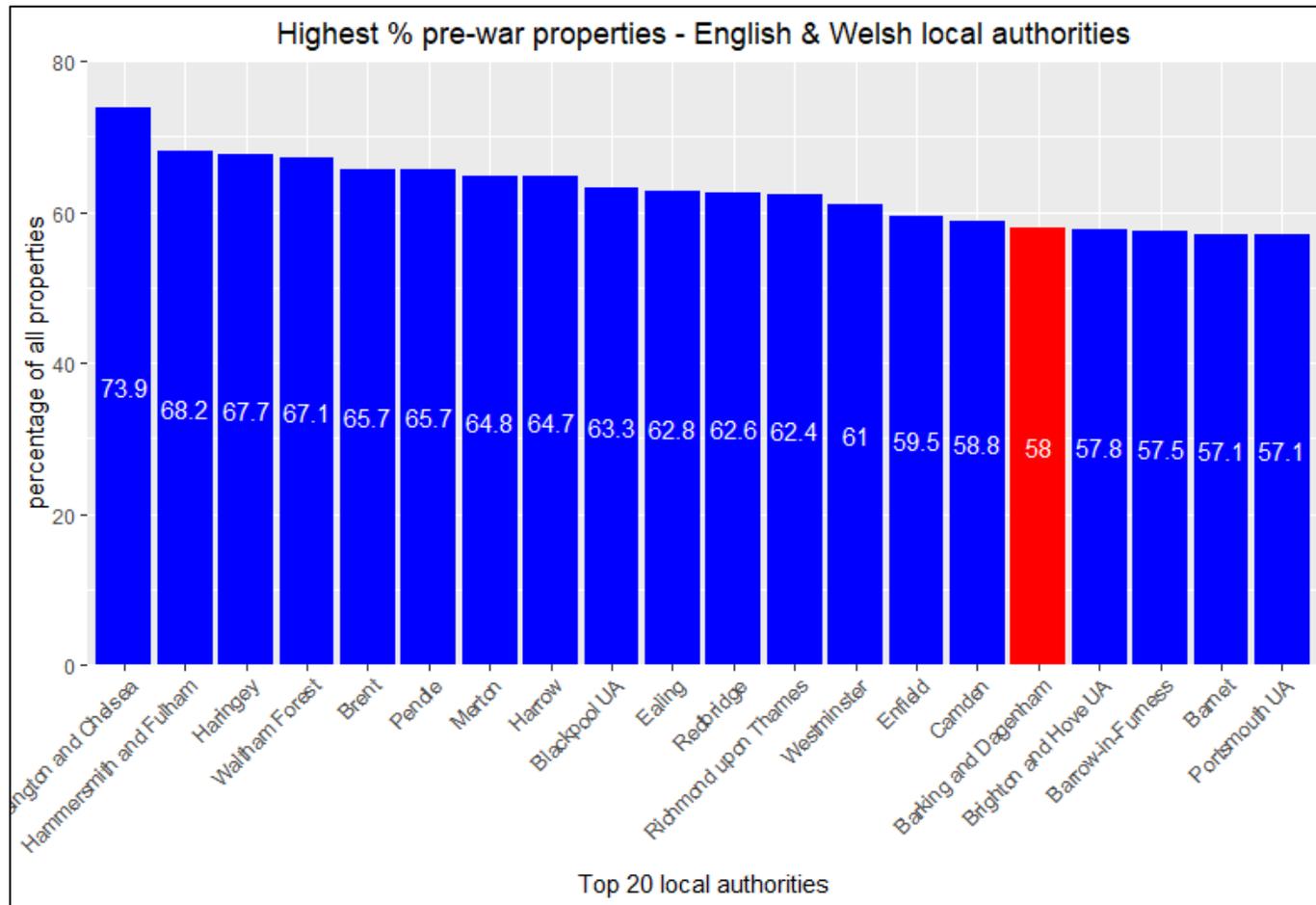
Predicted Mandatory HMO: 204

Predicted Additional HMO: 320

Excludes temporary accommodation.

Percentage of Properties Built Pre-War – Top 20 English & Welsh Local Authorities

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More than half (58%) of properties in Barking & Dagenham were built before the 2nd world war.

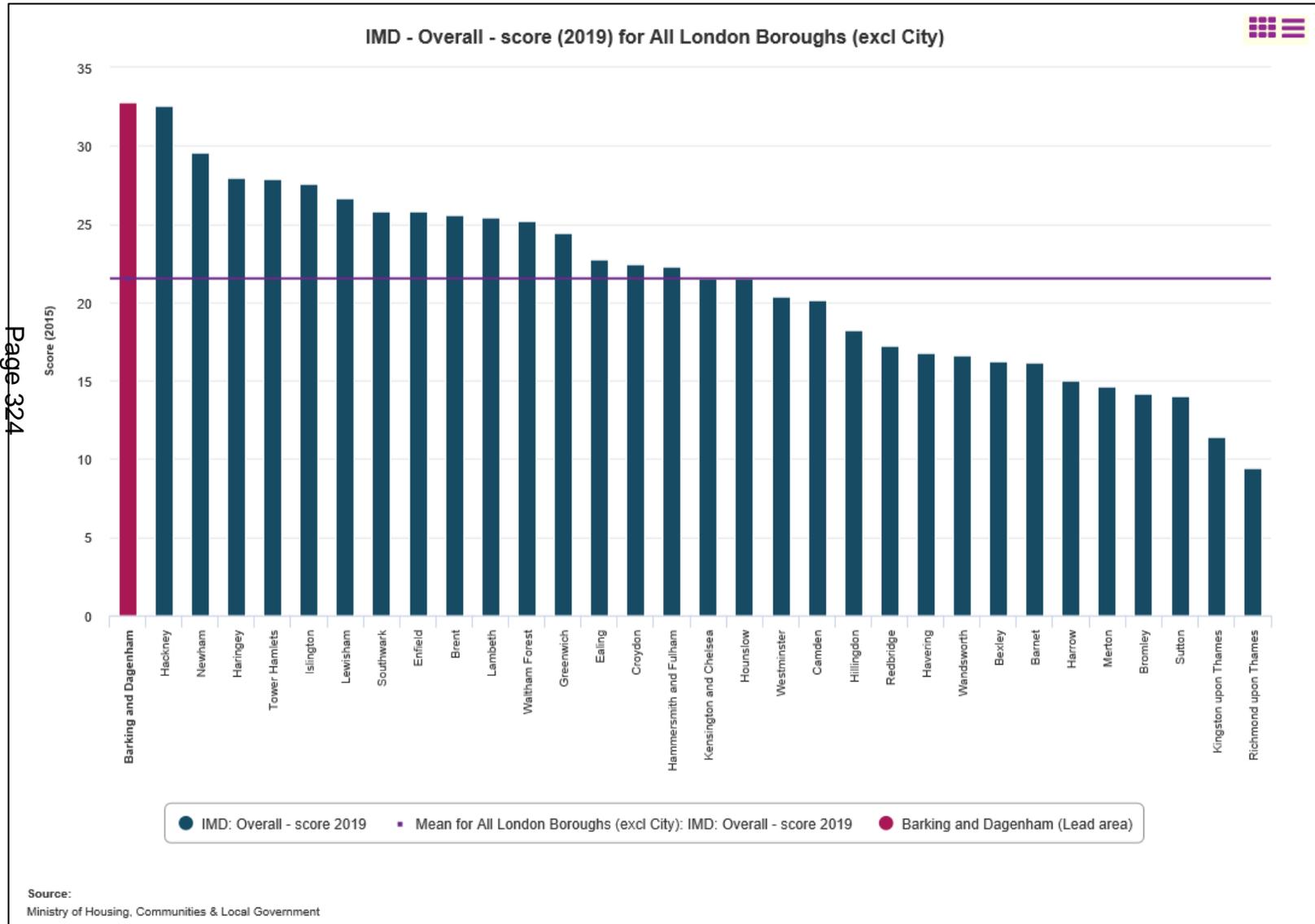
This is the 16th highest percentage of the 348 English & Welsh local authorities.

Only 5 of the 20 English & Welsh local authorities with the highest percentage are outside of London.

Index of Multiple Deprivation - 2019



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Barking & Dagenham had the 21st highest overall IMD score of the 317 English local authorities.

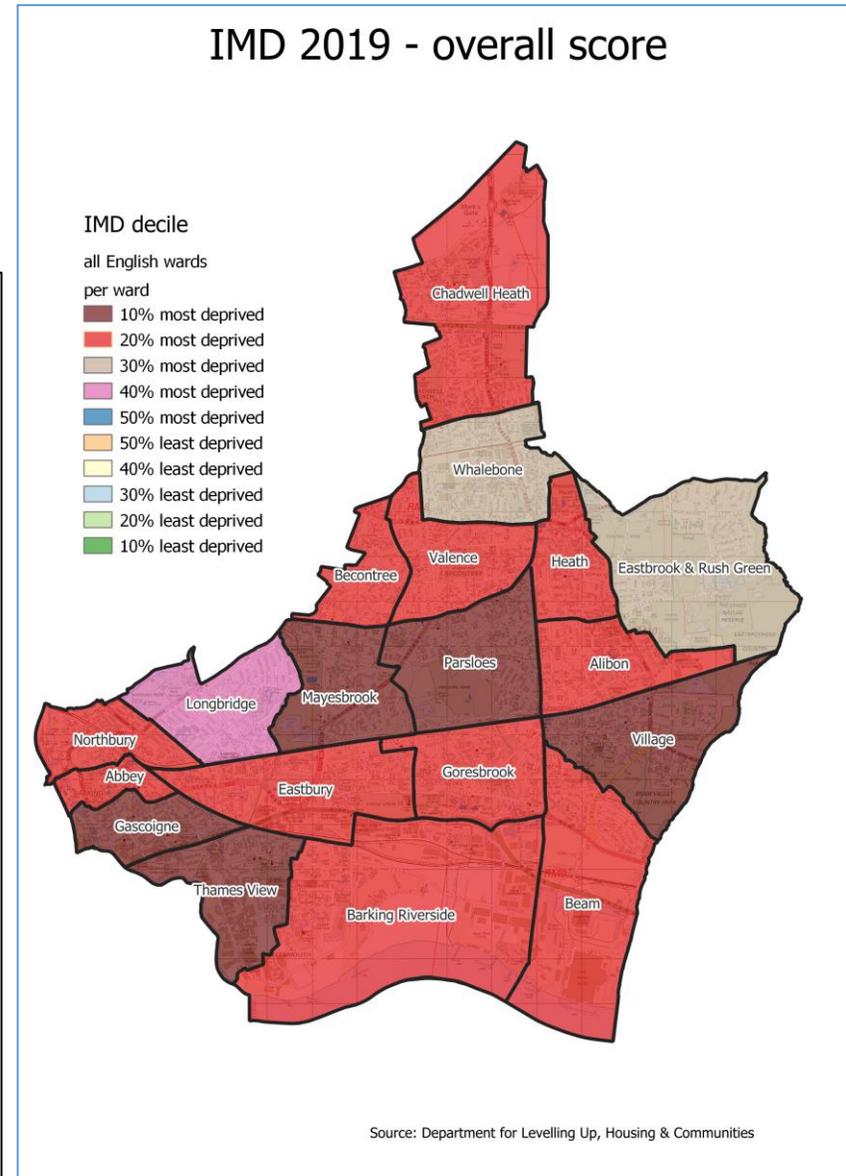
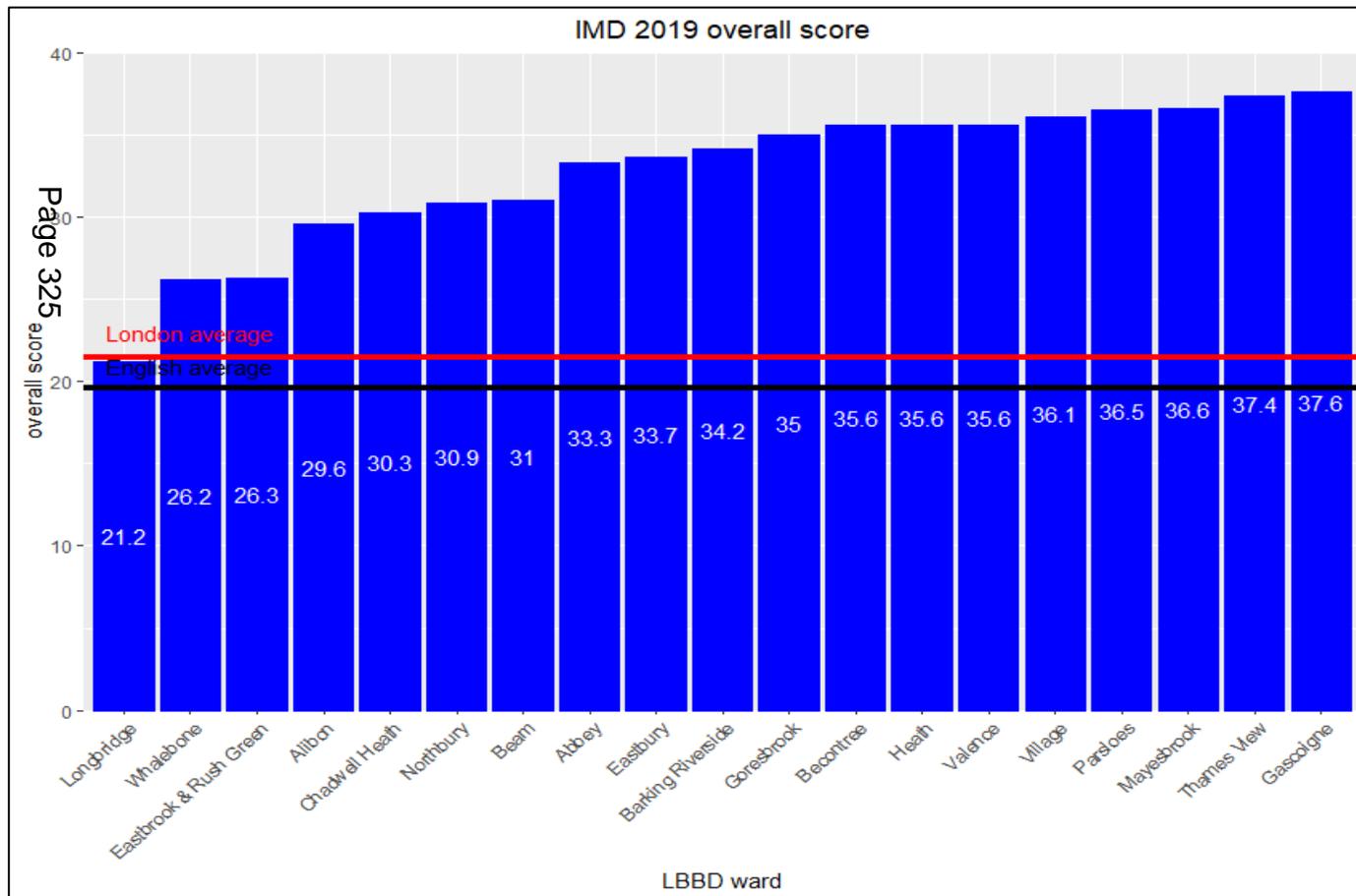
Barking and Dagenham has the highest score of all London boroughs.

Index of Multiple Deprivation - 2019

5 LBBD wards are amongst the 10% most deprived wards in England.

11 LBBD wards are amongst the 20% most deprived wards in England.

ENFORCEMENT



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Property Licence Conditions

Property Address: EXAMPLE DESIGNATION 1 SELECTIVE LICENCE

Selective Property

1: Permitted Occupation

The Licence Holder must not allow a new resident to occupy the house or any part of the house if that occupation:

- a) Exceeds the maximum permitted number of people for the house as detailed in the schedule of permitted numbers.
- b) Exceeds one household (or two individuals sharing).

A new resident means a person who was not an occupier of the house and/or the specific room at the date of the issue of the licence.

Please note:

1. Maximum permitted persons stated is regardless of age unless specified.
2. Maximum permitted number of households is one (or two individuals sharing).
3. Any part of the floor area of a room in relation to which the height of the ceiling is less than 1.5m is not to be taken into account in determining the floor area of that room.
4. If the property is found to be overcrowded prior to the licence being issued, the licence will be issued for the permitted numbers of occupants and an enforcement notice may be served.

Room Sizes

Room's floor space (m ²)	Maximum number of people allowed
4.6 – 6.5 m ²	One child under the age of 10 years
6.5 – 8.4 m ²	One child
8.4 – 10.2 m ²	One adult and one child under 10 years, or two children
10.2 m ² and over	Two adults

2: Tenancy Management

2.1 The licence holder shall supply the occupiers of the property with a written statement of the terms on which they occupy the property and details of the arrangements in place to deal with repair and emergency issues, and a copy of this licence and its conditions. Copies of the written statement of terms must be provided to the London Borough of Barking and Dagenham Council (the council) for inspection within seven days upon demand.

2.2 Checks must be carried out to confirm the tenants identity, and whether they have the right to rent a property (see [Checking your tenant's right to rent: Who you have to check - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/checking-your-tenant-s-right-to-rent-who-you-have-to-check)).

2.3 The licence holder must retain all references obtained for occupiers for the duration of this licence and provide copies to the council within 28 days upon demand.

Good references will mitigate the likelihood of the occupants causing anti-social behaviour within the area.

In the case of verbal references, the licence-holder must make a written record of the reference including the date obtained and their name, address and telephone number of the person providing the reference. The licence holder shall retain all references for the duration of the licence and provide a copy to the council within 28 days of receiving a written demand. This condition applies to any agreement made on or after the licence is granted.

2.4 The licence holder shall carry out checks at the start of each tenancy and in each periodic inspection to ensure that occupiers belong to a single household. If they find a tenant has allowed members of a separate household to move in the licence holder must take action to return the property to single household use.

2.5 The licence holder shall protect any deposit taken under an assured short-hold tenancy by placing it in a statutory tenancy deposit scheme. The tenant must be given the prescribed information about the scheme being used within 30 days. This information must be provided to the Council within 28 days upon demand.

2.5.1 The licence holder shall make fit for purpose tenancy management arrangements to ensure a prompt response to disrepair issues, to prevent or reduce anti-social behaviour by people occupying or visiting the property, and to ensure tenants occupy the property in a 'tenant-like manner'. Evidence of these management arrangements must be provided to the council within 28 days upon demand.

2.5.2 The Licence Holder shall provide all the following tenancy management information to the tenants in writing

- a) Details of an emergency 24hr contact number (including out of hours response arrangements).
- b) Details of arrangements for the disposal of rubbish and bulky waste
- c) Notification that inspections will be carried out for management and repair issues
- d) Rent receipts provided within 7 days of payment, where rent is not paid by bank transfer.
- e) Advice on how to heat and ventilate the property to reduce the likelihood of condensation mould.

Copies of these documents and when they were given to the tenants should be kept and must be provided to the council within 28 days upon demand.

2.6 The licence holder shall effectively and promptly address problems of antisocial behaviour resulting from the conduct on the part of occupiers of, or visitors to the premises by complying with the requirements of paragraphs (a) to (i) below (if the Licence Holder has an agent, it is still the licence holder's responsibility to ensure their agent acts on their behalf in compliance of the conditions):

For the purpose of these conditions, anti-social behaviour is defined as behaviour by the occupants of the house and/or their visitors, which causes a nuisance or annoyance to other occupants of the house, to lawful visitors to the house or to persons residing in or lawfully visiting the locality of the house.

- a) If the Licence Holder receives a complaint from any person or organisation (including the Council) regarding antisocial behaviour involving the occupiers of or visitors to the property, the Licence Holder must ensure that the occupiers are contacted within 7 days of receiving the complaint. The Licence Holder must ensure that the occupiers are informed in writing of the allegations of the ASB and of the consequences of its continuation. Any letters, relating to antisocial behaviour, sent, or received by the licence holder, or agent of the licence holder, must be kept for 3 years by the licence holder.
- b) The licence holder must make sure that written notes are kept of any meetings or telephone conversations or investigations regarding antisocial behaviour for 3 years.
- c) The licence holder should monitor any allegations of antisocial behaviour from the date they are informed.

Where the antisocial behaviour is continuing after 28 days from receipt of the complaint, the licence holder, or his agent must visit the premises within 7 days and

provide the tenant with a warning letter advising them that their behaviour is not acceptable, that they are responsible for the conduct of their visitors, the impact on the victims and local community, the consequences of its continuation, and of the possibility of eviction if the behaviour continues.

- d) Where the licence holder or his agent has reason to believe that the antisocial behaviour involves criminal activity the licence holder shall ensure that the appropriate authorities are informed.

If after 14 days of receiving a written Community Protection Warning the tenant is continuing with antisocial behaviour, the licence holder shall take formal steps under the written statement of terms for occupation, e.g. the tenancy agreement, which shall include promptly commencing legal eviction proceedings to address the anti- social behaviour. The Licence Holder shall co-operate with the Police and Council in resolving ASB in any licensed property under their control. Such co-operation includes attending or being represented at any case conferences or multiagency meetings and providing information to the Police or the Authority when requested. Any correspondence, letters and records referred to in condition 2.6 above must be provided to the council within 28 days on demand.

3: Property Management

3.1 The licence holder shall make sure that if they are informed, in writing, by email or other form of communication, of a complaint of disrepair or a pest infestation in the property, from the occupiers or the Council, they take action to investigate the disrepair and/or infestation within 14 days and remedy in a reasonable timescale.

3.2 The Licence Holder must keep all copies of documents about any complaints and responses for 5 years. These documents must be provided by the licence holder to the Council within 28 days on demand.

3.3 The licence holder must make sure that any repairs, improvement works or treatments at the property are carried out by a competent person/people, and that that person has public liability insurance, whether that person is employed directly by the licence holder or by an agent/employee of the licence holder. The Licence Holder must keep all copies of documents, receipts, invoices, schedules of works for 5 years and must be provided to the council within 28 days upon demand.

3.4 The licence holder shall not cause or permit any person who has previously applied for a property licence in respect of the property and has either:

- a) been found not to be a Fit and Proper person, or
- b) been made subject to a Banning Order under the Housing and Planning Act 2016,

to have control or management of the property, or to carry out or arrange any repair, improvement, or other building works at the property.

3.5 Licence holders who have been found to be evading their licensing responsibilities or are suspected of misconduct in relation to the management of their properties, may be required to provide a basic disclosure and barring service check at their own cost. A copy of the basic disclosure and barring service check must be provided to the Council within 28 days upon demand.

3.6 If gas is supplied at the property, the Licence Holder shall take all reasonably practicable steps to ensure that all gas installations and appliances are in a safe condition.

The Licence Holder must keep a current valid gas safety certificate obtained within the last 12 months by a Gas Safe registered Engineer or, if the boiler was installed less than 12 months ago, a Gas Safe Installation Certificate. A copy must be provided to the Council within 28 days on demand. Copies of this certificate must also be provided to all occupiers at the start of their occupation.

3.7 The licence holder must take all reasonably practicable steps to make sure that the electrical installation at the property is in a safe condition. The licence holder must obtain a 'satisfactory' electrical installation condition report (EICR), (or an Electrical Installation Certificate (EIC) if there has been a full rewire or it is a new build property) and provide a copy to the council within 28 days upon demand. The EICR (or EIC) must be produced by a competent person who is appropriately qualified to prepare this report. If the person issuing the EICR (or EIC) is not properly registered with the Electrical Contractors Association (ECA), National Inspection Council for Electrical Installation Contracting (NICEIC), ELECSA, NAPIT or Registered Competent Person Scheme (www.electricalcompetentperson.co.uk), the licence holder must also provide written evidence that the electrician has the necessary qualification/s, skills and experience to issue the condition report within 28 days upon demand. (PLEASE NOTE: The Council will not contact the electrician on your behalf).

3.8 The Licence Holder shall, keep all electrical appliances made available by him in the house in a safe condition. The Licence Holder must supply to the Council, on demand, a declaration by him as to the safety of such appliances within 28 days of a request being made by the Council.

3.9 The licence holder must provide the tenants with approved and adequate storage containers for refuse and recycling. The Licence Holder must ensure that there are suitable and appropriate receptacles for the storage of household refuse and recycling between collections, so that bags or loose refuse and recycling are not stored outside the property.

3.10 The licence holder shall inspect the gardens and yards are carried out at least every six (6) months to make sure they are not an eyesore, and that they are free from waste which could provide harbourage for pests and/or is a nuisance and/or is detrimental to the local amenities, other than waste stored in appropriate receptacles for the storage of household refuse and recycling. If issues are found action must be taken within 14 days. Details of actions taken must be provided in writing to the council within 28 days upon demand.

3.11 The licence holder shall make sure that waste such as old furniture, bedding, mattresses, rubbish or refuse from the property is not left outside the property or in its vicinity. If the licence holder is informed, in writing, by email or other form of communication, from the occupiers or the Council of waste outside the property, they shall:

- 1) If appropriate write a warning letter to the occupiers within 7 days informing them of the permitted means of disposing of waste.
- 2) If the tenants fail to remove the items take action to clear the refuse within 7 days.
- 3) Details of action taken must be provided in writing to the Council within 14 days upon demand.

3.12 The Licence Holder must give new occupiers of the property within 7 days of the start of their occupation, the following information on Waste and Recycling, in writing:

- a) The collection days for the refuse and recycling bins for the property: [Check your bin collection days | London Borough of Barking and Dagenham \(lbbd.gov.uk\)](#)
- b) Details on what they can and can't put in each bin, including what can be recycled: [What goes in each bin | London Borough of Barking and Dagenham \(lbbd.gov.uk\)](#)
- c) How they can dispose of bulky waste: [Book a bulky waste collection | London Borough of Barking and Dagenham \(lbbd.gov.uk\)](#)
- d) General waste guidance from the council's website: [Rubbish & Recycling | London Borough of Barking and Dagenham \(lbbd.gov.uk\)](#)
- e) Instructions that no refuse shall be kept in the front or rear garden other than in an approved storage container for that purpose.

A copy of the information provided to the occupiers must be kept for five years and provided to the Council within 28 days upon demand.

3.13 Where the licence holder becomes aware of a pest problem or infestation at the property he shall take steps within 7 days, to ensure that a treatment program is carried out to eradicate the pest infestation. Records shall be kept of such treatment programmes, and these must be provided to the Council within 28 days upon demand.

3.14 The licence holder shall install and maintain in good working order appropriate smoke alarms in the property and shall submit to the council, upon request, a declaration by him as to the condition and positioning of such alarms.

- a) The licence holder shall make sure that a smoke alarm is installed on each storey of the house on which there is a room used wholly or partly as living accommodation (A bathroom or lavatory is to be treated as a room used as living accommodation).
- b) The licence holder shall make sure each smoke alarm installed in any room in the house shall be kept in proper working order and is replaced over time according to manufacturer's instructions.
- c) The licence holder should submit to the Council, within 28 days of demand, a declaration by him as to the condition and positioning of any such smoke alarm.
- d) The licence holder shall make sure that a carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a fixed combustion appliance (excluding gas cookers). ("Room" includes a hall or landing. A bathroom or lavatory is to be treated as a room used as living accommodation).
- e) The licence holder shall make sure any carbon monoxide alarm installed in any room in the house shall be kept in proper working order and is replaced over time according to manufacturer's instructions.

- f) The licence holder must supply the authority, within 28 day of demand, a declaration by him as to the condition and positioning of any such carbon monoxide alarm.

3.15 The licence holder shall make sure that furniture made available in the property is in a safe condition. All upholstered furniture and covers and fillings of cushions and pillows should comply with current fire safety legislation. A declaration as to the safety of such furniture must be provided to the Council within 28 days upon demand.

3.16 The licence holder shall make sure that inspections of the property are carried out at least every six (6) months to identify any problems relating to the condition and management of the property. The records of such inspections should be kept for the duration of this licence. As a minimum requirement the records must contain a log of who carried out the inspection, date and time of inspection and issues found, and action(s) taken. Copies of these must be provided to the council within 28 days upon demand.

3.17 The licence holder shall carry out checks every six (6) months to make sure that the Assured Shorthold Tenancy named tenants are still residing at the property and that the maximum occupant numbers are not exceeded, nor that other unnamed occupants have taken up residence.

4: Documents to be Displayed

4.1 The licence holder must display a copy of the licence including these conditions in a place inside the property so it is easily visible to the occupants, or provide a copy to all tenants/occupiers at the start of their tenancy.

4.2 The licence holder must display a notice with the name, address and emergency contact number of the licence holder or managing agent in the property or provide a copy to all tenants/occupiers at the start of their tenancy and provided to the council within 28 days upon demand.

4.3 The licence holder must display a copy of the current gas safety certificate in the property or provide a copy to all tenants/occupiers at the start of their tenancy and provided to the council within 28 days upon demand.

4.4 If there have been new tenancies issued after 1st October 2008 for the premises, the licence holder must obtain a valid Energy Performance Certificate (EPC). Copies must be/have been made available to all tenants/occupiers at the start of their tenancy and provided to the council within 28 days upon demand.

5: Financial Management

5.1 The Licence Holder must not allow any other person other than any the agent named on this licence to collect and receive rental monies from the occupants of the property. The licence holder and/or named agent may pass on the rental monies to any third parties as required.

5.2 Where rents are collected or received from occupants, the licence holder must make sure that the payment is recorded and that the occupants receive a receipt for the payment, unless the occupant is an assured shorthold tenant and pays their rent via bank standing order or direct debit. The licence holder must keep a copy of all records and receipts and must provide the council with a copy of the same within 28 days of any request to inspect them.

5.3 In accordance with the need to demonstrate good financial management, any outstanding enforcement penalties issued by the Private Sector Housing Team must have been cleared in full. Where a landlord is the liable person for Council Tax, or for leasehold service charges to the council, the account for the property requiring a licence must be up to date or a sufficient arrangement in place.

6: General

6.1 The licence holder shall inform the Council in writing within 28 days of any of the following:

Change in ownership or management of the house

Any proposed changes to the construction or layout that would affect the licence or licence conditions; and

Any changes to their circumstances which could affect their “fit and proper” person status i.e., any cautions or convictions for any offence involving fraud or other dishonesty, violence, drugs, discrimination, or breach of housing or landlord / tenant law

A change of property manager

A change of address of the Licence Holder or property manager

Any application to planning for “change of use” of the property or part of such as: Use Class C3 (single dwelling) to Use Class C4 (small HMO) or from C3 to use class Sui Generis (large HMO) and to provide a copy of planning consent and, if applicable, building regulation certificates if approved

6.2 The licence holder must arrange for access to be granted at any reasonable time and must not obstruct council officers carrying out their statutory duties including the surveying of the property to make sure compliance with licence conditions and any relevant legislation.

6.3 The licence holder shall if required by written notice provide the council with the names of all adult occupiers (regardless of whether they are the named AST tenant or not) and numbers of children in occupation. The particulars shall be provided to the Council within 28 days upon demand.

6.5 The licence holder shall make sure that whilst any alteration or construction works are in progress, the work is carried out to ensure the safety to all persons occupying or visiting the premises.

6.6 The licence holder shall make sure that on completion of any works, the property shall be left in a clean, tidy condition and free from builders' debris.

7: Licence Limitations

7.1 LICENCE TRANSFER - This licence can NOT be transferred to another person, organisation or property.

7.2 COMPANIES AND PARTNERSHIPS - If the Licence Holder is a company or partnership and it is dissolved while the licence is in force, the licence ceases to be in force on the date of dissolution.

7.3 LICENCE HOLDER RESPONSIBILITY - Please note, the legal responsibility for compliance with the conditions of this licence remains with the Licence Holder, even if there is an agent or other entity involved with the management or other involvement of the property.

If the property is sold, then the licence holder should contact the Council to request the licence to be revoked and they should inform any new owner about this licence and their property licence obligations.

8: Other Statutory and Legal Requirements

8.1 PLANNING PERMISSION - This licence does **NOT** grant any planning approvals, consents or permissions under the Town and Country Planning Act 1990 or any related planning legislation, retrospectively or otherwise. If the property is being used as a House in Multiple Occupation (HMO) this may constitute a breach of planning control and you should check the Council's website to make sure the correct planning permissions are in place. This licence does not offer any protection against enforcement action taken by the Planning Department. If you are unclear on the matters outlined above, you should seek professional planning advice.

8.2 BUILDING CONTROL- This licence does **NOT** grant any Building Control (Development Control) approvals, consents or permissions, retrospectively or otherwise. This licence does not offer any protection or excuse against enforcement action taken by the Building Control (Development Control) Department.

8.3 PROPERTY CONDITION - This licence is **NOT** evidence that the property is safe or free from hazards and defects. The licence does not offer any protection against criminal or civil legal action being taken against the licence holder, or anyone else with an interest in the property, in respect of any hazards, nuisances or any other problems discovered in relation to the condition of the property.

8.4 CONSUMER RIGHTS & UNFAIR PRACTICES - The licence holder's attention is drawn to Office of Fair Trading's (OFT) guidance on unfair contracts in relation to their tenancies or licences. The licence holder must negotiate its agreements in good faith and must not carry out misleading or aggressive commercial practices. Full information should be supplied to any prospective occupier including details of this licence. Further advice can be found here: www.gov.uk/government/publications/unfair-contract-terms-cma37 and www.gov.uk/government/publications/unfair-terms-in-tenancy-agreements--2.

8.5 It is not the responsibility of the Council's Property Licensing Team to ensure the licence holder has complied with the above statutory requirements. If you are unclear on any of the matters outlined above, you should seek professional advice.

PROSECUTION/ CONTRAVENTIONS CONSEQUENCES - Please note that any prosecutions or enforcement action or legal action taken against the licence holder, or anyone associated with licence holder, or the management of the property, may affect the licence holder's 'fit and proper' status. The Council can revoke or vary the licence at any time, giving proper statutory notice.

WARNING

PENALTY FOR BREACH OF LICENCE CONDITIONS

Failure to comply with any licence condition may result in either a civil penalty notice of up to £30,000 or a prosecution in Court where the fine is

unlimited.



Property Licence Conditions

Property Address: EXAMPLE HMO LICENCE

Additional HMO

1: Permitted Occupation

The Licence Holder must not allow a new resident to occupy the house or any part of the house if that occupation:

1. exceeds the maximum permitted number of people for the house as detailed in the schedule of permitted numbers
2. exceeds the maximum permitted number of households for the house as detailed in the schedule of permitted numbers
3. exceeds the maximum permitted number of people for any letting as detailed in the schedule of permitted numbers

A new resident means a person who was not an occupier of the house and/or the specific room at the date of the issue of the licence.

Please note:

1. Maximum permitted persons stated is regardless of age unless specified.
2. Bedrooms can only be occupied by a maximum of two people.
3. Any part of the floor area of a room in relation to which the height of the ceiling is less than 1.5m is not to be taken into account in determining the floor area of that room.
4. In order for a bedroom below the size stated below to be accepted, a member of the private sector housing team must determine that suitable communal space is available to tenants. Any room with a floor area of less than 6.51m² is never permitted to be used as sleeping accommodation.
5. Please refer the Council's HMO standards for more details on space standards, including when occupants have kitchen facilities in their room, or have a two-room letting.
6. For further details on the number of kitchens and bathrooms, and the facilities within them, please refer the Council's HMO standards for full details.
7. If the property is found to be overcrowded prior to the licence being issued, the licence will be issued for the permitted numbers of occupants and an enforcement notice may be served.

The tables below outline the guideline requirements, however other factors may affect the number of permitted occupiers. Please refer to the Council's HMO standards for full details.

Occupancy and Maximum Permitted Persons per Letting

Bedroom Floor Area (sq m) where there is a shared kitchen and bathroom	Maximum permitted number of occupants per room
13m ² or above	2 people
9m ² – 13m ²	1 person

Note 1 kitchen and 1 bathroom is required per 5 occupiers. For full information please refer to the HMO standards.

Minimum Room Sizes of Communal Rooms:

Kitchen	6m ²
Kitchen/Diner	8.5m ²
Living Room	8.5m ²

2: Tenancy Management

2.1 The licence holder shall supply the occupiers of the property with a written statement of the terms on which they occupy the property and details of the arrangements in place to deal with repairs and emergency issues. Copies of the written statement of terms must be provided to the London Borough of Barking and Dagenham Council (the council) within 7 days on demand.

2.2 The licence holder shall protect any deposit taken under an assured short-hold tenancy by placing it in a statutory tenancy deposit scheme. The tenant must be given the prescribed information about the scheme being used within 30 days. This information must be provided to the Council within 28 days upon demand.

2.3 Checks must be carried out to confirm the tenants identity, and whether they have the right to rent a property (see [Checking your tenant's right to rent: Who you have to check - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/checking-your-tenant-s-right-to-rent-who-you-have-to-check)).

2.4 The licence holder must retain all references obtained for occupiers for the duration of this licence and provide copies to the council within 28 days on demand.

2.5 The licence holder shall make fit for purpose tenancy management arrangements to ensure a prompt response to disrepair issues, to prevent or reduce anti-social behaviour by people occupying or visiting the property, and to ensure tenants occupy the property in a 'tenant-like manner'. Evidence of these management arrangements must be provided to the council within 28 days on demand.

2.6 The arrangements shall be communicated to the tenants in writing and shall include as a minimum the following:

- a) Notification of an emergency 24hr contact number (including out of hours response arrangements)
- b) Notification of arrangements for the disposal of rubbish and bulky waste
- c) Notification that inspections will be carried out for management and repair issues
- d) Notification that rent receipts will be provided within 7 days of receiving the rent where rent is not paid by bank transfer
- e) Advice on how to heat and ventilate the property to reduce the likelihood of condensation mould

2.7 The licence holder shall effectively and promptly address problems of antisocial behaviour resulting from the conduct on the part of occupiers of, or visitors to the premises by complying with the requirements of paragraphs (a) to (j) below (if the licence holder has an agent it is still the licence holder's responsibility to ensure their agent acts on their behalf in compliance of the conditions):

- a) The licence holder must not ignore or fail to take action, if he has received complaints of anti-social behaviour (ASB) concerning the visitors to or occupiers of the premises.
- b) Any letters, relating to antisocial behaviour, sent or received by the licence holder, or agent of the licence holder, must be kept for 3 years by the licence holder.
- c) The licence holder must make sure notes are kept of any meetings or telephone conversations or investigations regarding antisocial behaviour for 3 years.
- d) If a complaint is received, or antisocial behaviour is discovered, the licence holder must contact the tenant within 7 days. The tenant must be informed of the allegations of the antisocial behaviour in writing and of the consequences of its continuation.
- e) The licence holder shall monitor any allegations of antisocial behaviour from the date they are informed.
- f) Where the antisocial behaviour is continuing after 28 days from receipt of the complaint, the licence holder, or his agent must visit the premises within 7 days and provide the tenant with a warning letter advising them that their behaviour is not acceptable, that they are responsible for the conduct of their visitors, the impact on the victims and local community, the consequences of its continuation, and of the possibility of eviction if the behaviour continues.
- g) Where the licence holder or his agent has reason to believe that the antisocial behaviour involves criminal activity the licence holder shall ensure that the appropriate authorities are informed, eg. police, council, DWP, Home Office, etc.
- h) If after 14 days of receiving a written Community Protection Warning the tenant is continuing with antisocial behaviour, the licence holder shall take formal steps under the written statement of terms for occupation, e.g. the tenancy agreement, which shall include promptly commencing legal eviction proceedings to address the anti- social behaviour.
- i) Where the licence holder is specifically invited they shall attend any case conferences or multi agency meetings arranged by the council or police or any other agency.
- j) The license holder is expected to co-operate fully and assist any agency that becomes involved in dealing with any matter relating to ASB.

Any correspondence, letters and records referred to in condition 2.4 above must be provided to the council within 28 days on demand.

3: Property Management

3.1 If the licence holder is informed of a disrepair or an infestation in the property by the occupier or the council in writing, by email or other form of communication, they must take action to fix it. The licenceholder must respond in writing to any such complaint within 14 days, stating what action they have taken or taking.

3.2 Details in writing of any such written complaint (including by email) and the licence holder's response must be provided by the licence holder to the Council within 28 days on demand.

3.3 The licence holder shall ensure that any repairs, improvement works or treatments at the property are carried out by a competent person/people, and that that person has public liability insurance, whether that person is employed directly by the licence holder or by an agent/employee of the licence holder. Copies of receipts and/or invoices for any such works must be provided to the Council within 28 days upon demand.

3.4 The licence holder shall not cause or permit any person who has previously applied for a property licence in respect of the property and has either:

- a) been found not to be a Fit and Proper person, or
- b) been made subject to a Banning Order under the Housing and Planning Act 2016,

to have control or management of the property, or to carry out or arrange any repair, improvement or other building works at the property.

3.5 Licence holders who have been found to be evading their licensing responsibilities or are suspected of misconduct in relation to the management of their properties, may be required to provide a basic disclosure and barring service check at their own cost. A copy of the basic disclosure and barring service check must be provided to the Council within 28 days upon demand.

3.6 The licence holder shall make sure gas installations and appliances are in a safe condition at all times. The licence holder must have available a current valid gas safety certificate obtained within the last 12 months. This must be provided to the Council within 28 days on demand and copies must be provided to all tenants/occupiers at the start of their tenancy. All work on gas appliances must be carried out by gas safe certified operatives.

3.7 The licence holder must take all reasonably practicable steps to make sure The licence holder must obtain a 'satisfactory' electrical installation condition report (EICR) (or an Electrical Installation Certificate (EIC) if there has been a full rewire or it is a new build property) and provide a copy to the Council within 28 days upon demand. The EICR (or EIC) must be produced by a competent person who is appropriately qualified to prepare this report. If the person issuing the EICR (or EIC) is not properly registered with the Electrical Contractors Association (ECA), National Inspection Council for Electrical Installation Contracting (NICEIC), ELECSA, NAPIT or Registered Competent Person Scheme (www.electricalcompetentperson.co.uk), the licence holder must also provide written evidence that the electrician has the necessary qualification/s, skills and experience to issue the condition report within 28 days of demand. (PLEASE NOTE: The Council will not contact the electrician on your behalf).

3.8 The licence holder shall make sure that all electrical appliances provided in the property are in a safe condition. The licence holder must submit to the council, for their inspection, an electrical appliance test report in respect of all electrical appliances that are supplied by the landlord to the council within 28 days on demand.

3.9 The licence holder must provide the tenants with adequate facilities for the disposal of refuse and recycling. The Licence Holder must ensure that there are suitable and appropriate receptacles for the storage of household refuse and recycling between collections, so that bags or loose refuse and recycling are not stored outside the property.

3.10 The licence holder shall ensure that inspections of the gardens and yards are carried out at least every three (3) months to ensure they are not an eyesore, and that they are free from waste which could provide harbourage for pests and/or is a nuisance and/or is detrimental to the local amenities, other than waste stored in appropriate receptacles for the storage of household refuse and recycling. If issues are found action must be taken within 14 days. Details of actions taken must be provided in writing to the council within 28 days upon demand.

3.11 The licence holder shall ensure that waste such as old furniture, bedding, mattresses, rubbish or refuse from the property is not left outside the property or in its vicinity. If the licence holder is informed, in writing, by email or other form of communication, from the occupiers or the Council of waste outside the property, they shall:

- 1) If appropriate write a warning letter to the occupiers within 7 days informing them of the permitted means of disposing of waste.
- 2) If the tenants fail to remove the items take action to clear the refuse within 7 days.

- 3) Details of action taken must be provided in writing to the Council within 14 days upon demand.

3.12 The licence holder shall make sure that there is an approved storage container for refuse.

3.13 The Licence Holder must give new occupiers of the property within 7 days of the start of their occupation, the following information on Waste and Recycling, in writing:

- a) The collection days for the refuse and recycling bins for the property: [Check your bin collection days | London Borough of Barking and Dagenham \(lbbd.gov.uk\)](#)
- b) Details on what they can and can't put in each bin, including what can be recycled: [What goes in each bin | London Borough of Barking and Dagenham \(lbbd.gov.uk\)](#)
- c) How they can dispose of bulky waste: [Book a bulky waste collection | London Borough of Barking and Dagenham \(lbbd.gov.uk\)](#)
- d) General waste guidance from the Council's website: [Rubbish & Recycling | London Borough of Barking and Dagenham \(lbbd.gov.uk\)](#)
- e) Instructions that no refuse shall be kept in the front or rear garden other than in an approved storage container for that purpose.

A copy of the information provided to the occupiers must be kept for five years and provided to the Council within 28 days on demand.

3.14 If the licence holder becomes aware that the occupiers of the property or their visitors are not using the waste disposal facilities provided and/or leaving waste outside the property or in its vicinity (for example old furniture, mattresses), they must write a warning letter to the occupiers within 7 days advising them to remove the items immediately. A copy must be kept and must be provided to the Council within 28 days on demand.

3.15 Where the licence holder becomes aware of a pest problem or infestation at the property, they shall take steps within 7 days to make sure that a treatment programme is carried out to eradicate the pest infestation. Records shall be kept of such treatment programmes and these must be provided to the Council within 28 days on demand.

3.16 The licence holder must carry out a fire risk assessment in accordance with The Regulatory Reform (Fire Safety) Order 2005 and to ensure, as far as is reasonably practicable, the safety of the people on the premises and in the immediate vicinity. The licence holder must provide to the Council, within 28 days on demand, a copy or evidence of the fire risk assessment.

PLEASE NOTE: HMOs often require a higher level of fire detection, more fire doors and fire-fighting equipment but this is dependent on the size and complexity of the layout and other risks of the HMO. Your fire risk assessment will identify any measures required and should be based on the LACORS - guidance on fire safety provision for certain types of existing housing. For specific guidance on the appropriate fire detection systems please ensure it is compliant with British Standard BS 5839:6 2019- Code of Practice for the design, installation, commissioning and maintenance of fire detection and fire alarm systems in domestic premises.3.17- The Licence Holder shall ensure that any firefighting equipment and fire alarm at the property are maintained in good working order and inspected by a competent person at regular intervals.

The Licence Holder must provide to the Council, within 28 days on demand, all periodical inspection reports and test certificates for any automatic fire alarm system, emergency lighting and firefighting equipment provided in the property.

3.17 In the property the licence holder shall install and maintain in good working order appropriate smoke alarms in the property and upon request shall submit a declaration of the condition and positioning of the alarms,

Please note: The conditions below are to be treated as the standard level of fire detection. Your risk assessment may require a higher level of detection and other fire safety equipment.

- a) The licence holder shall make sure a smoke alarm is installed on each storey of the house where there a room used wholly or partly as living accommodation (A bathroom or lavatory is to be treated as a room used as living accommodation).
- b) The licence holder shall make sure that each smoke alarm installed in any room or other part of the house is kept in proper working order and is replaced over time according to manufacturer's instructions.
- c) The licence holder shall submit to the Council, on demand, a declaration by him as to the condition and positioning of any such smoke alarm.
- d) The licence holder shall make sure that a carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a fixed combustion appliance (excluding gas cookers). ("Room" includes a hall or landing. A bathroom or lavatory is to be treated as a room used as living accommodation).
- e) The licence holder shall make sure carbon monoxide alarm installed in any room in the house shall be kept in proper working order and is replaced over time according to manufacturer's instructions.
- f) The licence holder must supply the Council, within 28 days on demand, a declaration by him as to the condition and positioning of any such carbon monoxide alarm.

3.19 The licence holder shall make sure that furniture made available in the property is in a safe condition. All upholstered furniture and covers and fillings of cushions and pillows should comply with current fire safety legislation. A declaration as to the safety of the furniture must be provided to the Council within 28 days on demand.

3.20 The licence holder shall make sure that inspections of the property are carried out at least every three (3) months to identify any problems relating to the condition and management of the property. The records of the kept for the duration of this licence. As a minimum requirement the records must contain a log of who carried out the inspection, date and time of inspection and issues found, and action(s) taken, and schedule of routine maintenance and cleaning programme, and schedule of fire detector testing. Copies of these must be provided to the council within 28 days on demand.

3.21 The licence holder shall carry out checks every three (3) months to ensure that the Assured Shorthold Tenancy named tenants are still residing at the property and that the maximum household and occupant numbers are not exceeded, nor that other unnamed occupants have taken up residence.

4: Documents to be Displayed

4.1 The licence holder must display a copy of the licence to which these conditions apply in the common parts of the property. Alternatively, copies must be provided to all tenants/occupiers at the start of their tenancy.

4.2 The licence holder must display a notice with the name, address and emergency contact number of the licence holder or managing agent in the common parts of the property. Alternatively, copies must be provided to all tenants/occupiers at the start of their tenancy and provided to the council within 28 days on demand.

4.3 The licence holder must display a copy of the current gas safety certificate in the common parts of the property. Alternatively, copies must be provided to all tenants/occupiers at the start of their tenancy and provided to the council within 28 days on demand.

4.4 If there have been new tenancies issued after 1st October 2008 for the premises, the licence holder must obtain a valid Energy Performance Certificate (EPC) Copies must be/have been made available to all tenants/occupiers at the start of their tenancy and provided to the Council within 28 days on demand. Where individual rooms in a building are rented out and there are shared facilities (e.g. kitchen and/or bathroom). an EPC is not required.

5: Financial Management

5.1 No person other than the licence holder or the agent named on the licence may collect and receive rental monies from the occupants of the property. The licence holder and/or agent may pass on the rental monies to any third parties as required.

5.2 Where rents are collected or received from occupants, the licence holder must make sure that the payment is recorded and that the occupants receive a receipt for the payment, unless the occupant is an assured shorthold tenant and pays their rent via bank standing order or direct debit. The licence holder must keep a copy of all records and receipts and must provide the council with a copy of the same within 28 days of any request to inspect them.

6: General

6.1 The licence holder must advise the Council in writing of any proposed changes to the construction, layout or amenity provision of the house that would affect the licence or licence conditions. For planning and building regulation queries please refer to the planning pages on the Council's website.

6.2 The licence holder must advise the Council's Property Licensing Team directly, in writing or by email, if they create or remove any rooms, bathrooms, WCs or kitchens in the property, at least 28 days before starting works.

6.3 The licence holder must arrange for access to be granted at any reasonable time and must not obstruct Council officers carrying out their statutory duties including the surveying of the property to ensure compliance with licence conditions and any relevant legislation.

6.4 If requested by email or in writing, the licence holder must provide the council within 28 days upon demand, with following regarding the occupancy of the property:

- a) the names and numbers of individuals/households accommodated specifying the rooms they occupy within the property; and
- b) the number of individuals in each household.

6.5 The licence holder shall inform the Council's property licensing team in writing or by email, of any change in ownership or management of the house, or any change in address, email or telephone number for the licence holder and/or agent.

6.6 The address of the licence holder given on their application form shall be used as the address for the proper service of any letter, notice or other document by the Council's property licensing

team on the licence holder. It is the licence holder's responsibility to ensure that they take all reasonable steps to receive and act upon any letter, notice or other document sent to that address.

6.7 The licence holder shall ensure that whilst any alteration or construction works are in progress, the work is carried out to ensure that anyone occupying or visiting the premises is safe.

6.8 The licence holder shall ensure that on completion of any works, the property shall be left in a clean tidy condition and free from builders' debris.

7: Licence Limitations

7.1 LICENCE TRANSFER - This licence can NOT be transferred to another person, organisation or property.

7.2 COMPANIES AND PARTNERSHIPS - If the Licence Holder is a company or partnership and it is dissolved while the licence is in force, the licence ceases to be in force on the date of dissolution.

8: Other Statutory and Legal Requirements

8.1 PLANNING PERMISSION - This licence does NOT grant any planning approvals, consents or permissions under the Town and Country Planning Act 1990 or any related planning legislation, retrospectively or otherwise. If the property is being used as a House in Multiple Occupation (HMO) this may constitute a breach of planning control and you should check the Council's website to ensure the correct planning permissions are in place. This licence does not offer any protection against enforcement action taken by the Planning Department. If you are unclear on the matters outlined above you should seek professional planning advice.

8.2 BUILDING CONTROL- This licence does NOT grant any Building Control (Development Control) approvals, consents or permissions, retrospectively or otherwise. This licence does not offer any protection or excuse against enforcement action taken by the Building Control (Development Control) Department.

8.3 PROPERTY CONDITION - This licence is NOT evidence that the property is safe or free from hazards and defects. The licence does not offer any protection against criminal or civil legal action being taken against the licence holder, or anyone else with an interest in the property, in respect of any hazards, nuisances or any other problems discovered in relation to the condition of the property.

8.4 CONSUMER RIGHTS & UNFAIR PRACTICES - The licence holder's attention is drawn to Office of Fair Trading's (OFT) guidance on unfair contracts in relation to their tenancies or licences. The licence holder must negotiate its agreements in good faith and must not carry out misleading or aggressive commercial practices. Full information should be supplied to any prospective occupier including details of this licence. Further advice can be found here: <https://www.gov.uk/government/publications/unfair-contract-terms-cma37> and <https://www.gov.uk/government/publications/unfair-terms-in-tenancy-agreements--2>.

8.5 It is not the responsibility of the Council's Property Licensing Team to ensure the licence holder has complied with the above statutory requirements. If you are unclear on any of the matters outlined above, you should seek professional advice.

8.6 PROSECUTION/ CONTRAVENTIONS CONSEQUENCES - Please note that any prosecutions or enforcement action or legal action taken against the licence holder or anyone associated with licence

holder, or the management of the property, may affect the licence holder's 'fit and proper' status. The Council can revoke or vary the licence at any time, giving proper statutory notice.

8.7 Enforcement requirements could ultimately result in an unlimited fine.

8.8 For planning and building regulation queries please refer to the planning and building pages on the Council's website.

8.9 Any requirements relating to the licence and conditions are without prejudice to assessments and appropriate actions including enforcement actions under the Housing Act 2004. This includes actions to deal with category 1 and category 2 hazards as may be identified under Housing Health and Safety Rating System (HHSRS) and does not preclude such action.

WARNING

PENALTY FOR BREACH OF LICENCE CONDITIONS

Failure to comply with any licence condition may result in either a civil penalty notice of up to £30,000 or a prosecution which has an unlimited fine.

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Statement of Fees, Charges and Discounts

Fee Structure

Licence fees will be taken in two parts.

- 1) Part A will be taken upon application and will cover the cost to process and determine the application, including the initial compliance audit inspection. The application fee is non-refundable, regardless of whether the application is successful.
- 2) Part B will be taken once the Council has determined to grant a licence and will cover the administration, management and enforcement of the scheme.

Licences will be issued from the date of application, and they will not be issued until the full fee has been paid.

Fee Level

The cost of new applications, including renewals:

Type of licence	Part A	Part B
Selective	£650	£300
Additional HMO	£1000	£400

Any application made without payment (or with missing/deficient documents or incorrect information) will not constitute a valid application. Full payment of Part A must be received and cleared to form a valid application.

Applicants who have submitted an incomplete application will have 2 months to supply any information requested by the Council. Failure to do so will result in the application being rejected, and a new application must be made. For a new application, the Part A fee will be payable again.

Licences are not transferable. If a person wants to become the new licence holder for a property, they must apply and pay for a new licence to enable 'fit and proper' checks to be completed.

Licences will generally last for 5 years. In some cases, if the Council has concerns about the management, use, condition or occupation of the property, the licence may be issued for a reduced term, and if this is proposed, the licence holder will have the opportunity to make representations. In such cases the same fee would apply on renewal.

If a property is found to have been unlicensed for more than 3 months before an application is made, the licence will be issued for a reduced term of one year. If a renewal is not made within 1 month of expiry, the new licence will be issued for a further one year only.

The Council will review the position annually to ensure the scheme costs are met by the fees.

Fee Discounts

We will be offering discounts to recognise best practice. This will be awarded in two tiers based on accreditations status and meeting the required property standards during the compliance audit inspection. All properties are intended to be inspected within six months of application. Guidance will be provided in advance of the inspection on how to prepare for the inspection to maximise the chances of qualifying for the discount. If licenceholders disagree with a decision to not award a discount they can contact the service to make representations.

Tier	Requirements	Amount
Silver compliance award	Satisfactory rating from compliance audit inspection (property meets the standards when inspected)	Discount on the Part B fee of £200
Gold compliance award	Landlord accredited* AND Satisfactory rating from compliance audit inspection (property meets the standards when inspected)	Discount on the Part B fee of £250

* List of currently recognised accredited organisations:

- 1) London Landlord Accreditation Scheme (LLAS)
- 2) National Residential Landlord Association (NRLA)
- 3) British Landlords Association (BLA)
- 4) Safeagent
- 5) Propertymark
- 6) UK Association of Letting Agents (UKALA)

This list will be updated if further organisations provide a similar level of accredited training and landlord support in the future.

Variation Fees

Service	Cost
Change of address details of any existing licence holder, manager, owner, mortgagor, freeholder, leaseholder etc	Free
Change of mortgagor, owner, freeholder, and leaseholder (unless they are also the licence holder or manager)	Free
Reduction in the number of maximum occupiers and/or households for licensing purposes	Free
Variation of licence instigated by the council	Free
Change of manager (unless they are also the licence holder)	Free
Reprinting of lost licence (electronic version)	£15
Revocation of licence	Free
Application for licence following revocation of licence	Full application fee
Application refused by the council	Full application fee with no refund
Application withdrawn by the applicant	Full application fee with no refund
Application made in error by someone out of borough	No fee, and a refund will be made

Mandatory HMO Licence Fees*

For each application for a 5-year licence	Application Fee – Part A	Part B Payment	Fee for assistance with application (including form completion)
Up to 5 habitable rooms	£1000	£500	£170
6 to 9 habitable rooms	£1000	£600	£180
10 to 14 habitable rooms	£1000	£700	£190
15 to 19 habitable rooms	£1000	£800	£200
20 or more habitable rooms	£1000	£1000	£210

**Not in the scope of the proposed new schemes.*

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Property Condition Guidance for Single Household Properties

All Internal Rooms

- ✓ Properties should be free from any form of damp or mould.
- ✓ Properties should be free from pest infestations.
- ✓ There should be adequate artificial lighting.
- ✓ Floor surfaces and coverings throughout the property should be even, well fitted, and in good repair.
- ✓ Walls and ceilings should be in good repair, not bulging, with no signs of cracks or dampness.
- ✓ There should be a working smoke alarm to each level of the premises, ideally near stairwells and reception rooms. Battery operated is acceptable, but ideally they should be mains wired and interlinked. They should be positioned according to manufacturers' instructions.
- ✓ Escape routes from bedrooms shall not be via a kitchen or another room unless there is a reasonably sized openable window or door to a place of safety free from the effects of fire.
- ✓ Ceilings should ideally be 2.4m. If there is low headroom, for example, to doors or under beams, precautions must be in place to prevent collisions.
- ✓ The property should not be overcrowded. The living area, kitchen, and bathroom should all be an adequate size for the household. Bedroom room sizes are as follows:
 - Rooms less than 4.6m² cannot be used for sleeping.
 - Rooms between 4.6 - 6.5m² are only suitable for one child under 10 years.
 - Rooms between 6.5 – 8.3m² are only suitable for one person.
 - Rooms 8.3 – 10.1m² are suitable for 2 children or an adult plus an under 10-year-old.
 - Rooms over 10.2m² can be used for 2 people.

Bathroom and Kitchen

- ✓ The bathroom and kitchen should be capable of being maintained in a hygienic condition. Floors should be smooth, impervious, hygienic, and cleanable, and all internal surfaces should be smooth, even, and free from cracks and crevices which may allow entry by or give harbourage to pests.
- ✓ The layout of the kitchen and bathroom should be well functioning and sufficient for more than one person, to allow for a parent to help a child, or a carer to help an elderly person.
- ✓ There should be adequate ventilation to the kitchen and bathroom, ideally mechanical ventilation.
- ✓ Bathroom and kitchen lights should have an IP rating of 44 or higher.
- ✓ There should be hot and cold water to each sink, basin, and bath/shower. Water storage tanks should store hot water between 60°C to 65°C. Hot water delivered to taps should be not be scalding above 60°C. Ideally, hot water should be no more than 60°C in kitchens, 41°C for hand basins and 46°C for baths.¹ Supply pipes and drains must be in good repair with no leaks. Seals between a sink, a drainer, a worktop, a basin, bath, or shower and the wall should be free from mould, watertight and in good condition.

¹ [HousingHealthSafety.qxd \(publishing.service.gov.uk\)](#)

- ✓ Kitchen facilities should be laid out so as to make safe and hygienic preparation and cooking of food easy. Cooking facilities should be in good repair, and there should be adequate food storage provision, and a sink, drainer, and worktop. Cupboards and shelves should be securely fixed.
- ✓ There should be at least one tap in the kitchen for drawing drinking water, and it should be supplied at an adequate pressure.
- ✓ Bathroom facilities should be in good repair and capable of being easily cleaned. Baths and showers should be stable and securely fitted, and strong enough to safely take the weight of the user. Baths should have good slip resistance and have a handle or grab rail. There should be sufficient toilets, wash hand basins, and baths/showers for the occupants. The wash hand basin should be sited in the room where the toilet is.
- ✓ The bathroom/WC room should have a door capable of being locked from the inside, and ideally openable from the outside in an emergency.
- ✓ There should not be electrical sockets in bathrooms other than shaver sockets.

Stairs

- ✓ Stair tread and rise dimensions should be 280-360mm and 100-180mm respectively. The stairs should be less than 900mm-1000mm wide, and their pitch (angle of stairs) to be less than 42°
- ✓ Doors should not open directly onto stairs.
- ✓ Stair coverings should have good friction quality.
- ✓ There should be guarding or a handrail between 900mm and 1000mm above the treads, which must be securely fixed. They should be designed to prevent climbing.
- ✓ There should not be any openings on stairs, either to the stairs themselves or to balustrades or guarding, which are larger than 100mm.

Electrics, Gas, Heating, and Insulation

- ✓ Light switches, plug sockets, gas appliances and hobs should be located in a safe position and properly fitted. There should be no switches or sockets above or around the hob. New installations of sockets or switches cannot be within 300mm of the hob or sink, and existing sockets or switches cannot be within 100mm of the hob and 300mm of the sink.
- ✓ There should be no broken electrical fixings or exposed wires. There should be a sufficient number of electrical sockets to prevent the need for trailing extension leads and to prevent an overloaded circuit.
- ✓ All landlords must hold a satisfactory Electrical Installations Condition Report known as an EICR. In addition, all external wiring must be ingress protected and installed by a qualified electrician and must be covered by the EICR.
- ✓ Gas appliances should be correctly installed and maintained. A Carbon Monoxide Alarm should be installed to all rooms containing a gas appliance. They should be positioned according to manufacturers' instructions.
- ✓ Heating should be controllable by the occupants, safely and properly installed, and capable of maintaining an indoor temperature of 21° C.
- ✓ Windows and doors should be in good condition, thermally efficient and without blown or cracked panes or draughts (except trickle ventilation).
- ✓ Consideration should be given to hot surfaces, and therefore central heating and hot water pipework and radiators should, where possible, be enclosed to reduce risk.

Windows and Doors

- ✓ Windows and doors should be maintained in good repair. All glass in doors, low windows, and other vulnerable locations must be safety glass.
- ✓ There should be safety catches to restrict the distance a window can be opened to 100mm on all windows less than 1.2m from floor level, above ground floor level, or upper floor windows. Any opening limiter should be easy to over-ride by an adult in the event of fire.
- ✓ There should be adequate natural lighting to the bedrooms.
- ✓ There should be adequate locks to secure the property against unauthorised entry.
- ✓ Doors should be able to be opened and closed from the inside with ease, and locks should provide a quick and easy exit. It is recommended they are 'thumb turn' locks or similar so that residents do not need to find a key to escape in an emergency. Speak to your insurance company to ensure the locks meet their rules.

Exterior

- ✓ The property should be structurally sound, with no risk of falling elements and the exterior should be free of cracks and unprotected holes.
- ✓ Yards and paths should not be too steep, they should be even, have inherent slip resistance and drainage, and should be well maintained.
- ✓ There should be adequate external lighting.
- ✓ There should be no accumulation of refuse and the outside space should be tidy and well maintained and not likely to encourage harbourage for rodents.
- ✓ There should be sufficient space for separate refuse and recycling provisions to accommodate the number of occupants living in the property.

Hazardous Materials

- ✓ Lead pipework should not be present, and no lead-based paint should be exposed.
- ✓ Hazardous items such as gas canisters and chemicals should not be stored within the premises.
- ✓ There should not be high levels of volatile organic compounds, radiation, or biocides.
- ✓ Asbestos should not be present in dwellings, and manufactured mineral fibres should be sealed and inaccessible.

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Property Condition Guidance for HMOs

Properties must also comply with [Barking & Dagenham HMO Standards](#)

All Internal Rooms

- ✓ Properties should be free from any form of damp or mould.
- ✓ Properties should be free from pest infestations.
- ✓ Floor surfaces and coverings throughout the property should be even, well fitted, and in good repair.
- ✓ Walls and ceilings should be in good repair, not bulging, with no signs of cracks or dampness.
- ✓ Ceilings should ideally be 2.4m. If there is low headroom, for example, to doors or under beams, precautions must be in place to prevent collisions.

Bathroom and Kitchen, Fire Precautions, Lighting and Ventilation, Gas and Electricity, Space Standards, and Management

- ✓ Refer to the HMO standards.

Stairs

- ✓ Stair tread and rise dimensions should be 280-360mm and 100-180mm respectively. The stairs should be less than 1000mm wide, and of average pitch.
- ✓ Doors should not open directly onto stairs.
- ✓ Stair coverings should have good friction quality.
- ✓ There should be guarding or a handrail between 900mm and 1000mm above the treads, which must be securely fixed. They should not be constructed so as to facilitate climbing.
- ✓ There should not be any openings on stairs, either to the stairs themselves or to balustrades or guarding, which are larger than 100mm.

Electrics, Gas, Heating, and Insulation

- ✓ Light switches, plug sockets, gas appliances and hobs should be located in a safe position and properly fitted. There should be no switches or sockets above or around the hob. New installations of sockets or switches cannot be within 300mm of the hob or sink, and existing sockets or switches cannot be within 150mm of the hob and 300mm of the sink.
- ✓ There should be no broken electrical fixings or exposed wires. There should be a sufficient number of electrical sockets to prevent the need for trailing extension leads and to prevent an overloaded circuit.
- ✓ All landlords must hold a satisfactory Electrical Installations Condition Report known as an EICR. In addition, all external wiring must be ingress protected and installed by a qualified electrician and must be covered by the EICR.
- ✓ Gas appliances should be correctly installed and maintained. A Carbon Monoxide Alarm should be installed to all rooms containing a gas appliance. They should be positioned according to manufacturers' instructions.

- ✓ Heating should be controllable by the occupants, safely and properly installed, and capable of maintaining an indoor temperature of 21° C.
- ✓ The structure of the dwelling should have sufficient thermal and noise insulation. Windows and doors should be in good condition, thermally efficient and without blown or cracked panes or draughts (except trickle ventilation). There should be means for ensuring low level background ventilation without excessive heat loss or draughts.
- ✓ Consideration should be given to hot surfaces, and therefore central heating and hot water pipework and radiators should, where possible, be enclosed to reduce risk.

Windows and Doors

- ✓ Windows and doors should be maintained in good repair. All glass in doors, low windows, and other vulnerable locations must be safety glass.
- ✓ There should be safety catches to restrict the distance a window can be opened to 100mm on all windows less than 1.2m from floor level, above ground floor level, or upper floor windows. Any opening limiter should be easy to over-ride by an adult in the event of fire.
- ✓ There should be adequate natural lighting to the bedrooms. Window openings should provide a reasonable view of the immediate surroundings.
- ✓ There should be adequate locks to secure the property against unauthorised entry.
- ✓ Locks should be 'turn and release' locks, also called 'thumb turn' locks so that residents do not need to find a key to escape in an emergency. They should be able to be opened and closed from the inside with ease. Speak to your insurance company to ensure the locks meet their rules.

Exterior

- ✓ The property should be structurally sound, with no risk of falling elements and the exterior should be free of cracks and unprotected holes.
- ✓ Yards and paths should not be too steep, they should be even, have inherent slip resistance and drainage, and should be well maintained.
- ✓ There should be adequate external lighting.
- ✓ There should be no accumulation of refuse and the outside space should be tidy and well maintained and not likely to encourage harbourage for rodents.
- ✓ Fences should be in good condition.
- ✓ There should be a clearly defined area for refuse.

Hazardous Materials

- ✓ Lead pipework should not be present, and no lead-based paint should be exposed.
- ✓ Hazardous items such as gas canisters and chemicals should not be stored within the premises.
- ✓ There should not be high levels of volatile organic compounds, radiation, or biocides.
- ✓ Asbestos should not be present in dwellings, and manufactured mineral fibres should be sealed and inaccessible.

PUBLIC NOTICE

London Borough of Barking and Dagenham

NOTICE OF DESIGNATION OF AREAS FOR SELECTIVE LICENSING

Section 80, Housing Act 2004

The London Borough of Barking and Dagenham ("The Council") in exercise of its powers under section 80 of the Housing Act 2004 ("the Act") hereby designates the areas described in paragraph 5 as subject to Selective Licensing as described more fully below **CITATION, COMMENCEMENT AND DURATION**

1. The designation shall be cited as the London Borough of Barking and Dagenham Designations for Areas for Selective Licensing 2025. All privately rented residential accommodation situation within the designated areas must be licensed with the Council.
2. The licensing scheme will be known as The London Borough of Barking and Dagenham Selective Licensing Scheme 2025.
3. Under section 82 of the Housing Act 2004, the designation of this scheme is required to be confirmed by the Secretary of State for Levelling Up, Communities and Housing. Applications were made on XXXX and their confirmation was given on XXXX.
4. The Designation will come into force on XXXXX .
5. The Designations shall cease to have effect on **** 2030 (not more than 5 years) or earlier if the Council revokes the scheme under section 84 of the Act.

AREA TO WHICH THE DESIGNATION APPLIES

6. This designation shall apply to the following 3 designation areas of the London Borough of Barking and Dagenham. Maps of the three designation areas are included in annex A below. The following wards are included in each designation area.

Wards included in Designation Area 1

Alibon, Barking Riverside, Beam, Becontree, Chadwell Heath, Eastbury, Goresbrook, Heath, Longbridge, Mayesbrook, Parsloes, Thames View, Valence, Village, Whalebone.

Wards included in Designation Area 2

Abbey, Gascoigne, Northbury.

Wards included in Designation Area 3

Eastbrook & Rush Green.

APPLICATION OF THE DESIGNATION

7. This designation applies to any house¹ which is let or occupied under a tenancy or licence within the area described in paragraph 5 unless:
 - a. the house is a house in multiple occupation [HMO] that falls within the nationally prescribed category of HMO that is required to be licensed as a 'mandatory HMO' under section 55(2)(a) Part 2 of the Act², or a other type of HMO that is required to be licenced under part 2 of the act, in an area subject to Additional HMO Licensing
 - b. the tenancy or licence of the house has been granted by a non-profit registered provider of social housing or profit making registered provider of social housing, in respect of social housing within the meaning of Part 2 of the Housing and Regeneration Act 2008³;
 - c. the tenancy or licence of the house has been granted by registered social landlord⁴.
 - d. the house is subject to an Interim or Final Management Order or an Interim and Final Empty Dwelling Management Orders under Part 4 of the Act;
 - e. the house is subject to a temporary exemption under section 86 of the Act; or

the house is occupied under a tenancy or licence which is exempt under the Act or the occupation is of a building or part of a building exempt as defined in the section below titled Exempted Tenancies or Licences, **EFFECT OF THE DESIGNATION**

8. Subject to paragraph 7 every house in the area specified in paragraph 5 that is occupied under a tenancy or licence shall be required to be licensed under section 85 of the Act.⁵
9. The London Borough of Barking and Dagenham will comply with the notification requirements contained in section 83 of the Act and shall maintain a register of all houses registered under this designation, as required under section 232 of the Act.⁵

EXEMPTED TENANCIES OR LICENSES

10. A tenancy or licence of a house or a dwelling within a house where the house or the dwelling is subject to a prohibition order made under section 20 of the Act the operation of which has not been suspended under section 23.
11. A tenancy which cannot be an assured tenancy by virtue of section 1(2) of the Housing Act 1988 comprised in Part of Schedule 1 of the Act And which is:
 - a. a business tenancy under Part II of the Landlord and Tenant Act 1954
 - b. a tenancy under which the dwelling-house consists of or comprises premises, which, by virtue of a premises licence under the Licensing Act 2003, may be used for the supply of alcohol (within the meaning of Section 14 of that Act) for consumption on the premises
 - c. a tenancy under which agricultural land, exceeding two acres, is let together with the housed. a tenancy under which the house is comprised in an agricultural holding or the holding is comprised under a farm business tenancy if it is occupied (whether as tenant or as a servant or agent of the tenant), in the case of an agricultural holding, by the person responsible for the control of the farming of the holding, and in the case of a farm business tenancy, by the person responsible for the control of the management of the holding
12. A tenancy or licence of a house or dwelling within a house that is managed or controlled by:
 - a. a local housing authority
 - b. a police authority established under section 3 of the Police Act 1996 or the Metropolitan Police Authority established under section 5B of that Act
 - c. a fire and rescue authority under the Fire and Rescue Services Act 2004;
 - d. a health service body within the meaning of section 4 of the National Health Service and Community Care Act 1990
13. A tenancy, licence or occupation of a house which is regulated under the following enactments:
 - a. sections 87 to 87D of the Children Act 1989
 - b. section 43 (4) of the Prison Act 1952
 - c. section 34 of the Nationality, Immigration and Asylum Act 2002
 - d. The Secure Training Centre Rules 1998
 - e. The Prison Rules 1998
 - f. The Young Offender Institute Rules 2000
 - g. The Detention Centre Rules 2001
 - h. The Criminal Justice and Court Service Act 200 (Approved Premises) Regulations 2001
 - i. The Care Homes Regulations 2001
 - j. The Children's Homes Regulations 2001
 - k. The Residential Family Centres Regulations 2002
14. A tenancy or licence of a house or a dwelling within a house –
 - a. Which is managed or controlled by a specified educational establishment or is of a specified description of such establishments; and
 - b. the occupiers of the house or dwelling are undertaking a full time course of further or higher education at the specified establishment
 - c. the house or dwelling is being managed in conformity with an Approved Code of Practice for the management of excepted accommodation under section 233 of the Act
15. A tenancy of a house or a dwelling within a house provided that –

- a. the full term of the tenancy is for more than 21 years and
 - b. the tenancy does not contain a provision enabling the landlord (or his successor his in title) to determine it other than by forfeiture, earlier than at the end of the term and
 - c. the house or dwelling is occupied by a person to whom the tenancy was granted or his successor in title or by any members of either of those person's family.
16. A tenancy or licence of a house or a dwelling within a house where –
- a. the person who has granted the tenancy or licence to occupy is a member of the family of the person who has been granted the tenancy or licence and
 - b. the person who has granted the tenancy or licence to occupy is the freeholder or long leaseholder of the house or dwelling and
 - c. the person occupies the house or dwelling as his only or main residence (and if there are two or more persons at least one of them so occupies).
17. A tenancy or licence of a house or a dwelling within a house that has been granted to the person for the purpose of a holiday.
18. A tenancy or licence of a house or a dwelling within a house under the terms of which the person granted the tenancy or licence shares the use of any amenity with the person granting that tenancy or licence or members of that person's family. An "amenity" includes a toilet, personal washing facilities, a kitchen or a living room but excludes any area used for storage, a staircase, corridor or other means of access.
19. Interpretation and Definition for this section:
- a. "person" includes "persons", where the context is appropriate
 - b. "tenancy" or "licence" includes "a joint tenancy" or "joint licence", where the context is appropriate
 - c. "long leaseholder" in paragraph 16(b)) has the meaning conferred in paragraphs 15 (a) and (b) and in those paragraphs the reference to "tenancy" means a "long lease".
 - d. a person is a member of the family of another person if – (i) he lives with that person as a couple (ii) one of them is the relative of the other; or (iii) one of them is, or is a relative of, one member of a couple and the other is a relative the other member of the couple and (iv) For the purpose of this paragraph –
 - i. "couple" means two persons who are married to each other or live together as husband and wife or in an equivalent arrangement in the case of persons of the same sex
 - ii. "relative" means a parent, grandparent, child, grandchild, brother, sister, uncle, aunt, nephew, niece or cousin
 - iii. a relationship of the half-blood is to be treated as a relationship of the whole blood and
 - iv. a stepchild of a person is to be treated as his child

If you are a landlord, managing agent or a tenant, or if you require information regarding this designation, or to apply for a licence, further information and assistance is available from the Council's Private Rented Property Licensing Team by telephone on 0208 724 8898 or by email to prpl@lbbd.gov.uk, or by writing to Private Rented Property Licensing, Barking Town Hall, 1 Clockhouse Avenue, Barking, IG11 7LU.

The Designation may be inspected at the above address during office hours. All landlords, managing agents or tenants within the designated area should obtain advice to ascertain whether their property is affected by the Designation by contacting the Council's Private Rented Property Licensing Team.

A person having control of or managing a licensable property as described above must apply to the London Borough of Barking and Dagenham for a licence. Failure to apply for a licence is an offence under Section 95(1) Housing Act 2004 punishable on conviction by payment of an unlimited fine or alternatively may be made subject to a financial penalty not exceeding £30,000. A person who breaches a condition of a licence, or who knowingly allows their property to be occupied by more than the number of persons or households permitted by the licence, will be similarly liable. In addition, they may be required to repay up to 12 months' rent if the tenant or the Council (in the case of housing benefit payments), apply to the First-tier Tribunal (Property Chamber) Residential Property for a rent repayment order. Furthermore, no section 21 notice may be given in relation to a shorthold tenancy of a part of an unlicensed property so long as it remains unlicensed. The Council may also take over the management of an unlicensed property by the making of a Management Order under Part 4 of the Act.

Signed

¹ For the definition of "house" see sections 79 and 99 of the Act

² Section 55 of the Act defines which Houses in Multiple Occupation are required to be licensed under the Act. See also The Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018 (SI 2018/221)

³ See Section 79(3) of the Act

⁴ for the definition of a Registered Social Landlord see part 1 of the Housing Act 1996

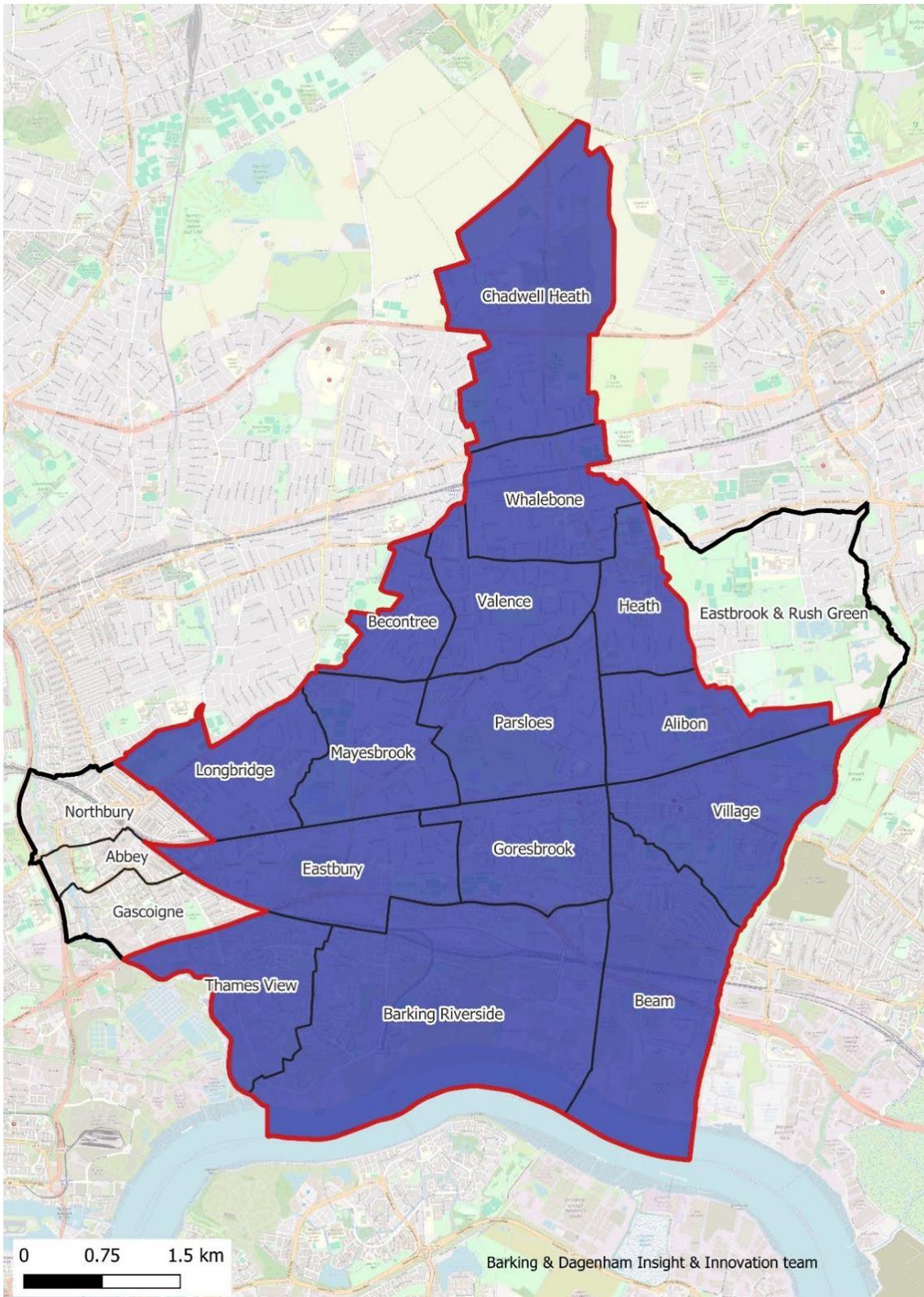
⁵ Section 232 of the Act and paragraph of 11 of SI 373/2006.

⁶ See the Selective Licensing of Houses (Specified Exemptions) (England) Order 2006 SI 370/2006.

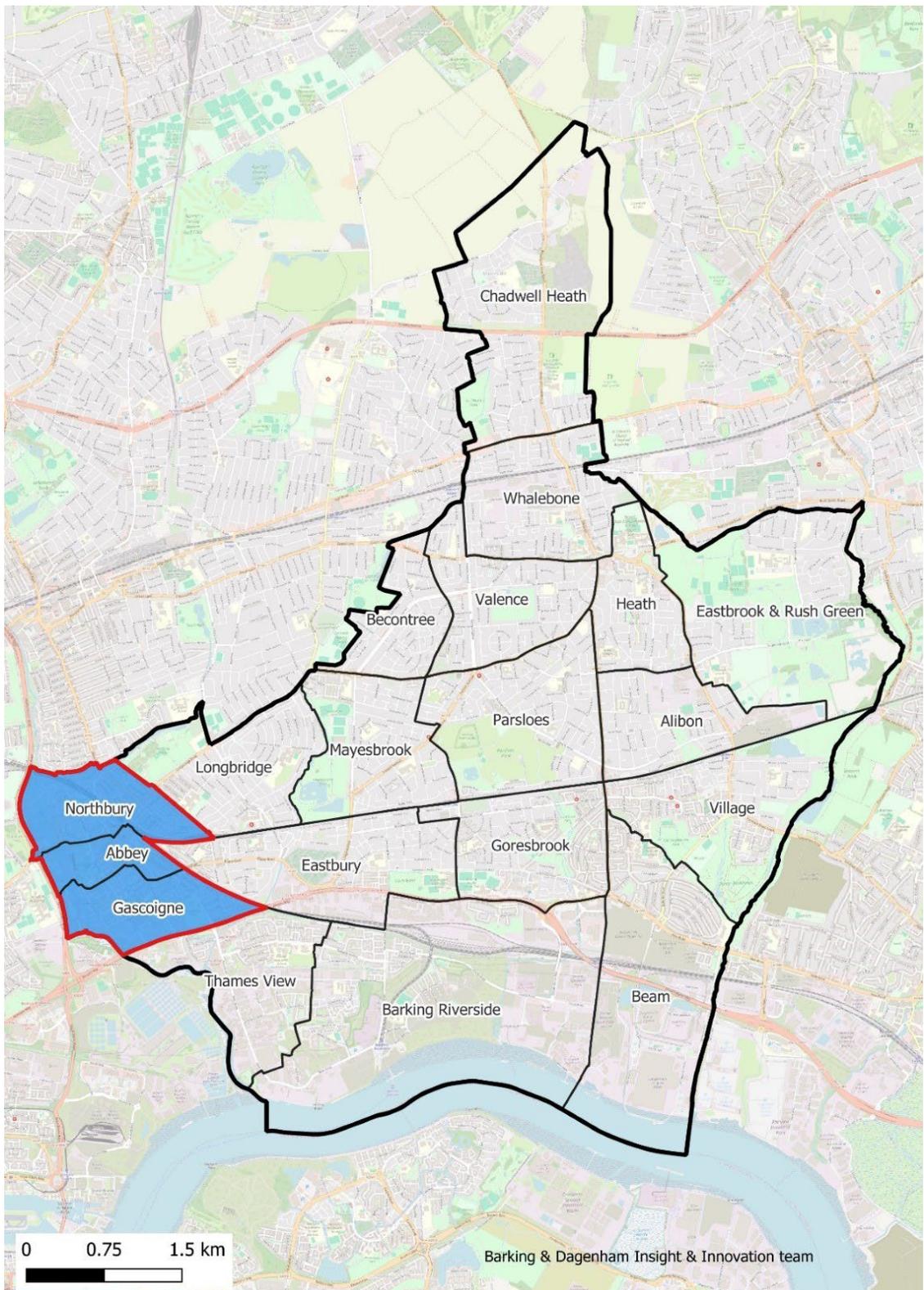
ANNEX A

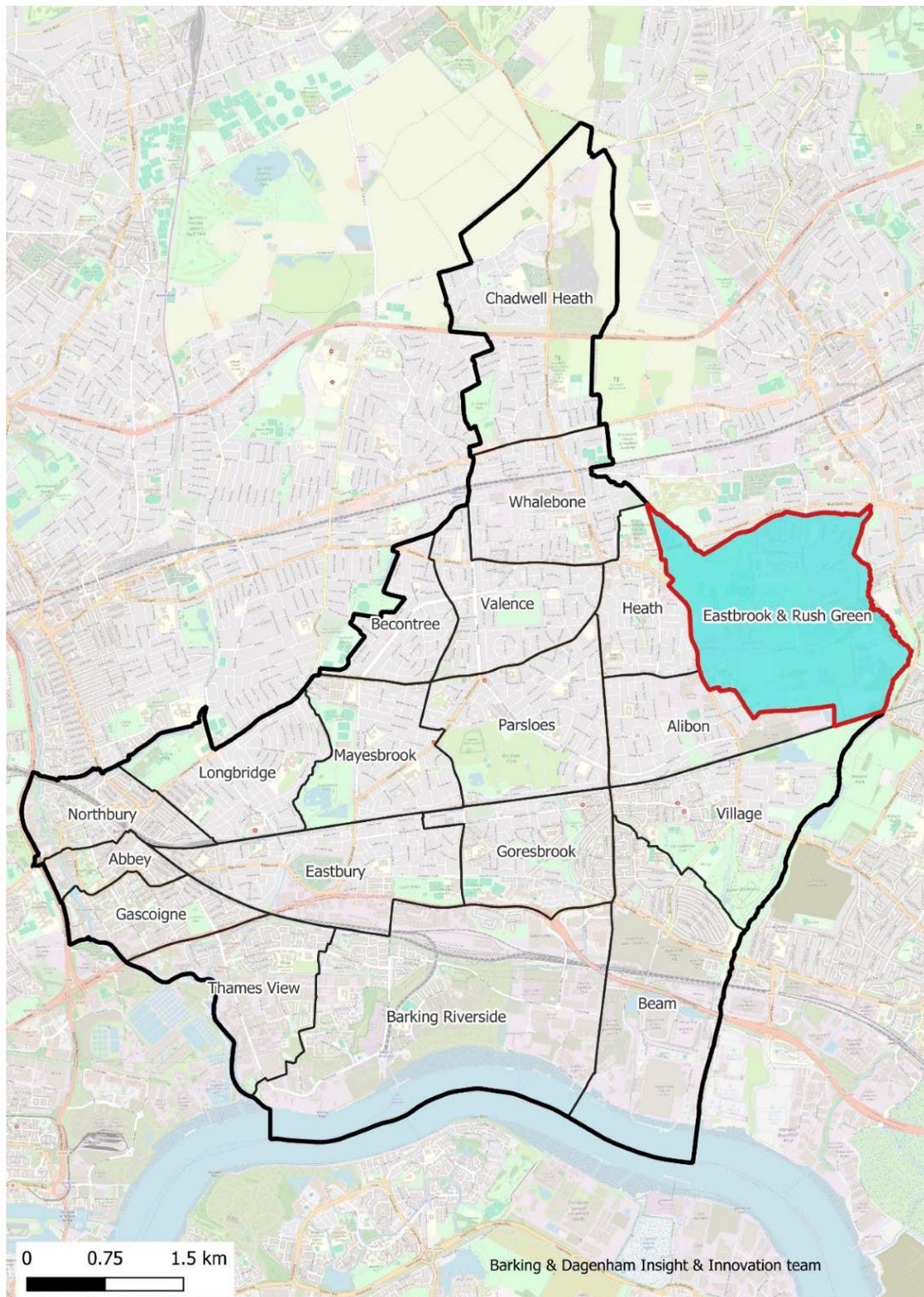
Three maps below showing Selective licensing designation areas 1, 2 and 3 with the boundaries delineated in red.

Designation Area 1



Designation Area 2





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PUBLIC NOTICE

London Borough of Barking and Dagenham

NOTICE OF DESIGNATION OF AN AREA FOR ADDITIONAL LICENSING OF HOUSES IN MULTIPLE OCCUPATION (HMO) 2024

1. The London Borough of Barking and Dagenham ("The Council") in exercise of its powers under section 56 of the Housing Act 2004 ("the Act") hereby designates the entire area of its district, as subject to Additional HMO Licensing as described at paragraph 6. The designation applies to all Houses in Multiple Occupation ("HMOs") as described at paragraph 7.

CITATION, COMMENCEMENT AND DURATION

2. This designation will be cited as The London Borough of Barking and Dagenham Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2024.
3. The licensing scheme will be known as The London Borough of Barking and Dagenham Additional HMO Licensing Scheme 2024.
4. This designation has the approval of the Secretary of State under section 58 of Housing Act 2004 by virtue of the Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015 and the public consultation which took place in excess of 10 weeks from XXXX to XXXX.
5. The Designation comes into force on XXXXXX and unless revoked beforehand or extended will cease to have effect on XXXXX or earlier if the Council revokes the scheme under section 60 of the Act.

AREA TO WHICH THE DESIGNATION APPLIES

6. This designation shall apply to the entire area of the London Borough of Barking and Dagenham as delineated on the map in annex A below.

APPLICATION OF THE DESIGNATION

7. The designation applies to all Houses in Multiple Occupation ("HMOs") in the area as described above that meet any of the definitions in section 254 of the Act, which are occupied by 3 or more persons comprising 2 or more households, as defined in Annex B. unless:
 - a. It is an HMO that is required to be licensed under section 55(2)(a) of the Act and the Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018) or other legislation that requires it to be licensed as a 'Mandatory HMO' under section 55(2)(a) Part 2 of the Act¹ ;
 - b. the HMO is subject to an Interim or Final Management Order under Part 4 of the Act;
 - c. the is subject to a temporary exemption under section 62 of the Act;
 - d. the building is of a description specified in Schedule 14 of the Act (Buildings which are not HMOs for the purposes of the Act excluding Part 1)².or.

it is a building converted into self-contained flats but does not meet the standards of conversion required by the Building Regulations 1991, and where less than two thirds of the flats are owner occupied to which Section 257 of the Housing Act 2004 applies where: the building or part of a building is of three or more storeys that have been converted into three or more self-contained flats and where both the building and s elf-contained flats it contains are under the same ownership or considered by the council to be effectively under the same control.**EFFECT OF THE DESIGNATION**

8. Subject to paragraph 7 above, every HMO of the description specified in that paragraph in the area specified in paragraph 4 shall be required to be licensed under section 61 of the Act.
9. The London Borough of Barking and Dagenham will comply with the notification requirements contained in section 58 of the Act and shall maintain a register of all houses registered under this designation, as required under section 232 of the Act.³

If you are a landlord, managing agent or a tenant, or if you require information regarding this designation, or to apply for a licence, further information and assistance is available from the Council's Private Rented Property Licensing Team by telephone on 0208 724 8898 or by email to prpl@lbbd.gov.uk, or by writing to Private Rented Property Licensing, Barking Town Hall, 1 Clockhouse Avenue, Barking, IG11 7LU.

The Designation may be inspected at the above address during office hours. All landlords, managing agents or tenants within the designated area should obtain advice to ascertain whether their property is affected by the Designation by contacting the Council's Private Rented Property Licensing Team.

A person having control of or managing a prescribed HMO must apply to the London Borough of Barking and Dagenham for a licence. Failure to apply for a licence is an offence under Section 72(1) Housing Act 2004 punishable on conviction by payment of an unlimited fine or alternatively may be made subject to a financial penalty not exceeding £30,000. A person who breaches a condition of a licence, or who knowingly allows an HMO to be occupied by more than the number of persons or households permitted by the licence, will be similarly liable. In addition, they may be required to repay up to 12 months' rent if the tenant or the Council (in the case of housing benefit payments), apply to the First-tier Tribunal (Property Chamber) Residential Property for a rent repayment order. Furthermore, no section 21 notice may be given in relation to a shorthold tenancy of a part of an unlicensed HMO so long as it remains such an HMO. The Council may also take over the management of an unlicensed HMO by the making of a Management Order under Part 4 of the Act. Any enforcement action may be added to local and national databases and publicised in the public interest and deterrence of others.

Signed

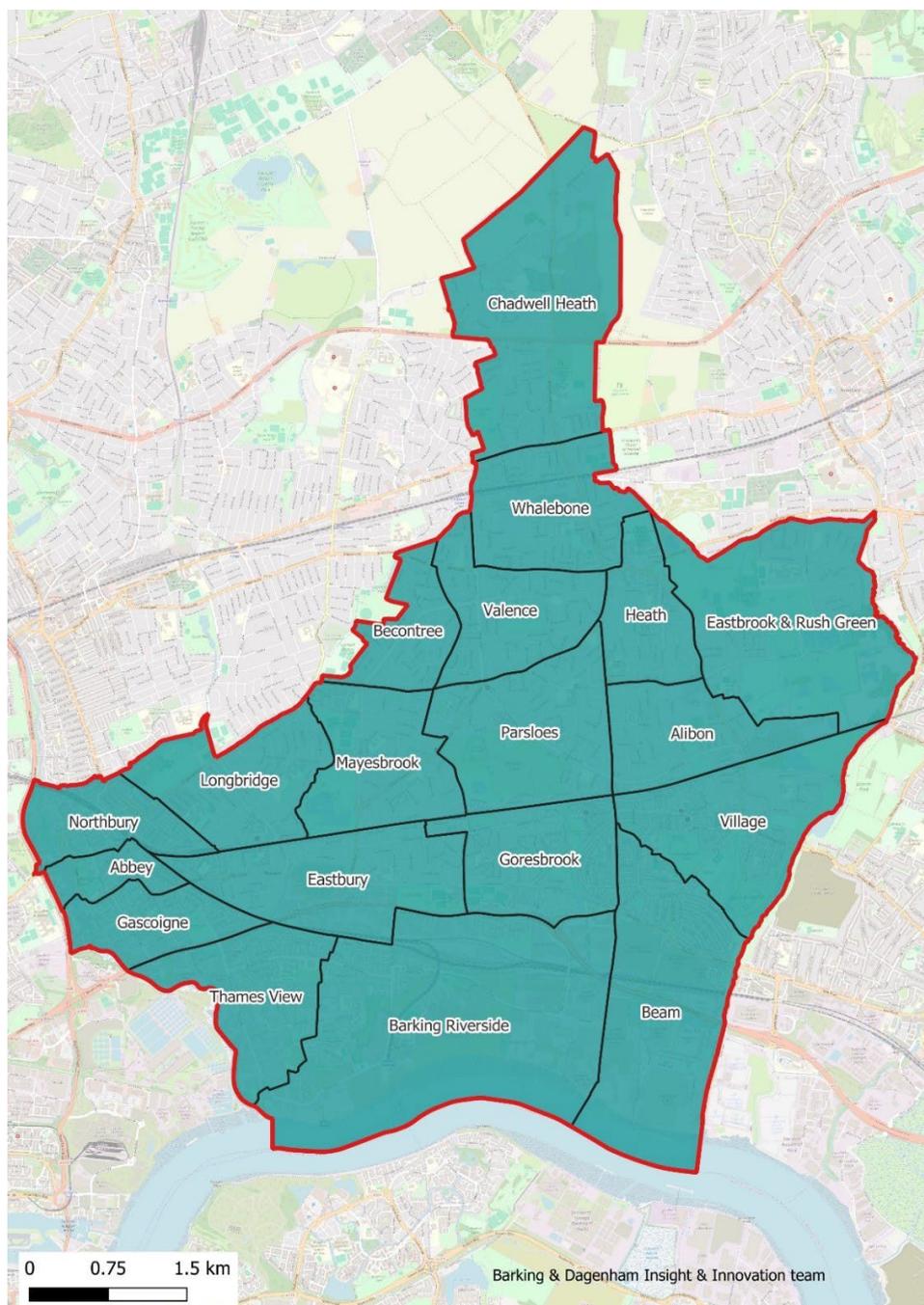
¹ Section 55 of the Act defines which Houses in Multiple Occupation are required to be licensed under the Act. See also The Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018 (SI 2018/221)

² Schedule 14 of the Housing Act 2004 describes the buildings that are not HMOs for licensing but are classed as HMOs for Part 1, the enforcement of housing conditions [HHSRS]

³ Section 232 of the Act and paragraph 11 of SI 373/2006 describe the requirements and particulars for property licensinf

ANNEX A

Map of the borough wide additional licensing designation showing the boundary delineated in red.



ANNEX B

HMOs to which this designation applies

A building or a part of a building meets the standard test if—

- (a) It consists of one or more units of living accommodation not consisting of a self-contained flat or flats;
- (b) The living accommodation is occupied by persons who do not form a single household⁴ ;
- (c) the living accommodation is occupied by those persons as their only or main residence or they are to be treated as so occupying it⁵ ;
- (d) Their occupation of the living accommodation constitutes the only use of that accommodation;
- (e) Rents are payable or other consideration is to be provided in respect of at least one of those persons' occupation of the living accommodation; and
- (f) Two or more of the households who occupy the living accommodation share one or more basic amenities or the living accommodation is lacking in one or more basic amenities.

A part of a building meets the self-contained flat test if—

- (a) It consists of a self-contained flat; and
- (b) Paragraphs (b) to (f) of standard test definition above apply (reading references to the living accommodation concerned as references to the flat).

A building or a part of a building meets the converted building test if—

- (a) It is a converted building;
- (b) It contains one or more units of living accommodation that do not consist of a self-contained flat or flats (whether or not it also contains any such flat or flats);
- (c) The living accommodation is occupied by persons who do not form a single household⁴ ;
- (d) The living accommodation is occupied by those persons as their only or main residence or they are to be treated as so occupying it⁵ ;
- (e) Their occupation of the living accommodation constitutes the only use of that accommodation; and
- (f) Rents are payable or other consideration is to be provided in respect of at least one of those persons' occupation of the living accommodation.

“Basic amenities” means—

- (a) A toilet,
- (b) Personal washing facilities, or
- (c) Cooking facilities

“Converted building” means a building or part of a building consisting of living accommodation in which one or more units of such accommodation have been created since the building or part was constructed;

“Enactment” includes an enactment comprised in subordinate legislation (within the meaning of the Interpretation Act 1978 (c. 30));

“Self-contained flat” means a separate set of premises (whether or not on the same floor)—

- (a) which forms part of a building;
- (b) either the whole or a material part of which lies above or below some other part of the building; and
- (c) in which all three basic amenities are available for the exclusive use of its occupants

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Community and Equality Impact Assessment: Property Licensing Project 2024

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	Private Rented Property Licensing
Lead Officer	Felicia Johnston
Contact Details	Felicia.Johnston@lbbd.gov.uk

Why is this service or policy development/review needed?
<p>The Private Rented Sector (PRS) is the fastest-growing tenure in Barking & Dagenham, it has increased by over a third since 2011. Fueled by escalating house prices and an acute lack of social housing, the sector now accounts for 30% of properties in the borough, becoming a long-term housing solution for many of our most deprived and vulnerable residents. Alongside this growth, we have seen an acute rise in insecure short-term tenancies, poor property conditions and persistent anti-social behaviour (ASB) in the PRS.</p> <p>Over the past decade, we have implemented a series of discretionary property licensing schemes for 5-year terms to increase our regulation of the PRS and tackle the prevalence of these issues. These time-bound interventions have been run in conjunction with the national mandatory Houses in Multiple Occupation (HMO) licensing scheme for homes let to 5 or more unrelated sharers.</p> <p>In September 2014, we adopted the first of two such schemes borough-wide: a selective licensing scheme focused on reducing ASB in homes let to single households or two unrelated sharers, and an additional HMO licensing scheme aimed at improving the management of small HMOs not covered by the mandatory HMO scheme. Both initiatives had positive outcomes, including a notable reduction in PRS-related ASB, despite rates accelerating in other tenures. Additionally, they enhanced our intelligence on the PRS, enabling us to identify other problems necessitating intervention.</p> <p>By the end of the schemes, addressing high levels of deprivation and supporting the surge in migration to the PRS emerged as our top priority areas of concern. A replacement borough-wide selective licensing scheme was introduced in September 2019 to help us address both issues. However, we did not renew the additional HMO licensing scheme.</p> <p>Given its proven impact, property licensing remains a crucial tool for supporting our broader efforts to elevate standards within the PRS and fulfilling our strategic objective of “ensuring the provision of quality housing and preventing homelessness” for our residents as outlined in the Corporate Plan 2023-26.</p>

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.

Demographics Impacted

The general impact of property licensing is formalising the lightly regulated private rented sector (PRS) by imposing a framework to enforce obligations on landlords and licence holders. It should continue to lead towards greater quality in our borough's accommodation and greater stability in the community for all groups. The scheme is proposed for all wards, across three designations. Although the mechanism for monitoring and control is through private rented properties, the benefits are intended to be felt by all residents across all the groups in the borough. These demographics and protected characteristics can be summarised as follows:

Age

The borough has the highest proportion (26.1%) of residents aged under 16 in England and Wales. The over 65 population accounts for one of the smallest percentages (8.7%) of population in England and Wales (Census, 2021).

Disability

Barking and Dagenham has the highest proportion (29.8%) of households where at least one person identified as disabled (Census, 2021) with approximately 4,834 of our residents claiming disability allowance (DWP Stat-Xplore, 2023).

Sex

51.3% of the borough's residents are female, and 48.7% are male (Census, 2021).

Gender Reassignment

We do not hold any local data on the Trans population in the designation area or the borough.

Pregnancy and Maternity Status

We do not hold any local data on the pregnancy and maternity status in the designations or the borough as a whole.

Marriage and Civil Partnership

42.8% of the population aged 16 and above are married or in a registered civil partnership (Census, 2021). 41.8% are single and never married (Census, 2021).

Ethnicity

The ethnic diversity of the borough is 44.9% White; 25.9% Asian, Asian British, or Asian Welsh; 21.4% Black, Black British, Black Welsh, Caribbean, or African residents; 4.3% are from multiple or mixed ethnic groups; and 3.6% are from any other ethnic group (Census, 2021).

Religion or Belief

54.4% of the population identify as Christian, 24.4% identify as Muslim, and 18.8% identify with no religion (Census, 2021).

Sexual Orientation

Approximately 4,990 people aged 16 years and over in Barking and Dagenham are lesbian, gay, bisexual, or other (LGB+) (Census, 2021).

The private rented sector represents an important element of housing choice across all demographics, providing accommodation for the homeless as well as for young and middle-income households and new migrants. In Barking and Dagenham, the percentage of private renting increased from 17.7% in 2011 to 24.2% in 2021 (ONS, 2023). During the same period, the percentage across England increased from 16.8% to 20.5%. The rate of social renting in Barking and Dagenham fell from 33.7% to 31.5%, while the rate of home ownership decreased from 46.4% to 42.4% (ONS, 2023). Our current estimate is that the borough is 30.4% private rented accommodation meaning that there has already been a huge increase from the 2021 figures. The impact of the private rented property licensing scheme, or lack of a scheme, across all groups will be significant.

Potential impacts	Positive	Neutral	Negative	What are the positive and negative impacts?	How will benefits be enhanced and negative impacts minimised or eliminated?

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

Local communities in general	X				
Age	X			Our borough continues to become an increasingly young community (Census, 2021). The private rented sector and licensing scheme has a large positive impact on this demographic, especially concerning property conditions and landlord exploitation.	
Disability	X			The 2019 Annual Population Survey detailed that disabled people are only slightly less likely to live in private rented accommodation than their non-disabled counterparts. While the scheme does not enforce accessibility, disabled people are also disproportionately likely to face discrimination in the private rented sector. As such, licensing will have a positive effect on these individuals and households in the sector through ensuring property standards that do not cause or exacerbate pre-existing health conditions and preventing discrimination from landlords.	
Gender reassignment	X			There is no evidence on transgender representation in the private rented sector, however, transgender people are disproportionately likely to face discrimination in the private rented sector. A recent study found that 25% of trans respondents had been discriminated against because of their gender identity by a landlord or letting agent (HQN, 2022). As such, licensing will have a positive effect on these individuals and households in the sector by preventing discrimination from landlords and letting agents.	
Marriage and civil partnership	X			There is no evidence directly linking benefits to this group in the private rented sector over that for the total population. However, a recent survey found that LGBTQ+ respondents were 48% more likely to have lived in unsuitable housing, 19% more likely to have struggled with repairs, and 17% more likely to have experienced damp and mould (Generation Rent, 2022). One particular respondent cited that their landlord “refused to acknowledge or respond to any	

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

			communications from [their] same-sex partner and co-tenant” (Generation Rent, 2022). As such, licensing will have a positive effect on these individuals and households in the sector by preventing discrimination from landlords and letting agents.	
Pregnancy and maternity	X		A recent report by Shelter (2020), found that households containing children were one of the worst hit groups of renters in the UK and were disproportionately more likely to encounter problems when privately renting. Therefore, selective licensing will provide expectant and new mothers with greater protection from ‘no fault’ evictions and should encourage more reporting of difficulties without fear of retribution.	
Race (including Gypsies, Roma and Travellers)	X		Multiple charities have highlighted that a lack of regulation in the private rented sector, alongside the Right to Rent legislation, has left the door open for racial discrimination in the sector (BBC, 2023). Therefore, a selective licensing scheme enhances the regulation and means we have more powers to protect individuals and families from discrimination on the basis of race. Moreover, as the private rented sector is the only accessible housing tenure for new communities to the borough, various ethnic groups as well as travellers and new migrants will be positively affected. Our analysis shows that recent migrants are subject to the poorer conditions addressed by this scheme.	
Religion or belief	X		Given that the proportion of Muslims in the borough is increasing and the borough has a higher proportion of Muslims compared to London and England, residents from some religious backgrounds may be disproportionately likely to benefit from the selective licensing scheme proposal.	
Sex	X		There is no indication that one gender is overrepresented across the private rented sector. However, a report by Shelter (2020) found that women are one of the worst hit groups of renters in the UK and were disproportionately more likely to	

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

				<p>encounter problems when privately renting. Therefore, women should benefit from the proposed scheme.</p>	
Sexual orientation	X			<p>There is no evidence on sexual orientation representation in the private rented sector, however, a recent study found that 13% of LGBTQ+ respondents had been discriminated against, because of their gender identity, by a landlord or letting agent (HQN, 2022). As such, licensing will have a positive effect on these individuals and households in the sector by preventing discrimination from landlords and letting agents.</p>	
Socio-economic Disadvantage	X			<p>By raising property standards across the private rented sector, selective licensing will have an overall positive impact on tackling the socio-economic inequalities faced by the Borough. Being one of the most deprived boroughs, improved property conditions will have a positive impact on the wellbeing of the Borough's most deprived and vulnerable tenants.</p> <p>A recent report into the effectiveness of selective licensing found no evidence of licence fees being passed onto tenants. Therefore, there is no material risk of the scheme having an adverse financial impact on the Borough's more deprived and vulnerable tenants.</p>	
Any community issues identified for this location?	X			<p>The community issues targeted in the scheme:</p> <ul style="list-style-type: none"> - Anti-social behaviour - Poor property conditions - High levels of deprivation 	

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

We pulled together a comprehensive communication strategy, with a targeted plan for reaching all stakeholders to ensure that we complied with all statutory obligations. We used a variety of consultation methods to make it both accessible and engaging. Throughout the consultation, we tracked the demographic of respondents to ensure that all groups were adequately reached. We partnered with community organisations to promote the consultation. All residents had the chance to participate in the survey and any equality concerns raised were reflected in our proposals.

Public Consultation

The public consultation took place over a 10-week period from 16th February 2024 to 26th April 2024. An online survey was used via One Borough Voice, the Council's survey and outreach platform, was used as the principal method of consultation, with paper copies of the questionnaire and a phone line available for those who preferred to complete the survey in that manner. A consultation email address was also set up for interested parties to provide written comments and ask any questions. These comments have also been analysed and included in the appendices.

Throughout the consultation, the response rate and demographic profile of respondents was periodically reviewed. Originally, the landlord respondents were much higher so the Council responded by posting letters to all private rented homes and pop up stalls were organised for Barking Market and Dagenham Heathway to increase the number of tenant and resident respondents.

Communication Channels

The council used a wide range of communication channels to promote the consultation and make stakeholders aware of the proposals.

Activities to engage all stakeholder groups, inside and outside the borough, and raise their awareness included:

- Adding a banner to the top of the council website on all pages from 18th April to 26th April 2024.
- Issuing press releases on 16th February and 19th April 2024
- Using the council's social media:
 - o 18 X (Twitter) posts with a total of 5.5k impressions, 1.4% engagement rate, 8 shares, and 8 likes
 - o 26 Facebook posts, with a total of 61k people reached, 62.2k impressions, 119 clicks, 14 shares, and 29 likes
- Placing adverts in local and neighbouring borough newspapers:
 - o Barking and Dagenham Post – 13th March and 17th April 2024
 - o Newham Recorder – 13th March and 17th April 2024
 - o Ilford Recorder – 14th March and 18th April 2024

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

- Romford Recorder – 15th March and 19th April 2024
- Digital advertising on local newspaper websites from Thursday 14th March to Friday 26th April 2024 which resulted in 144,792 impressions, 525 clicks, and a 0.44% click through rate
- Running a digital advertising campaign from 23rd February 2024 to 26th April 2024 which resulted in 3,663,392 impressions, 8,814 clicks to the consultation page with a cost per click of 0.68p, which is a good figure considering the landlord strategy. The digital campaign placed adverts on websites and social media pages related to Barking and Dagenham and the private rented sector, including:
 - rightmove.co.uk
 - gumtree.com
 - zoopla.co.uk
 - propertytorenovate.co.uk
 - homebuilding.co.uk
 - theprimarymarket.com
 - facebook.com
 - Instagram.com
 - dailymail.co.uk
 - investing.com
 - metro.co.uk

Activities to reach out to Barking and Dagenham tenants and residents included:

- Letter drop to 18,523 private rented homes on 15th April 2024, which included information about the public meetings being held
- Leaflet drop to a random selection of 4,800 houses on 23rd and 24th April 2024
- The consultation was included as an item in emails sent to resident mailing lists on:
 - 28th February 2024 – 37,944 recipients, 12,440 opens, 78 clicks
 - 13th March 2024 – 38,191 recipients, 13,216 opens, 72 clicks
 - 27th March 2024 – 41,554 recipients, 12,513 opens
 - 10th April 2024 – 38,518 recipients, 14,679 opens, 45 clicks
 - 24th April 2024 – 38,635 recipients, 10,784 opens, 99 clicks
- Adverts were added to outdoor digital boards across the borough. The campaign on the outdoor digital boards ran from 26th February to 26th April 2024
- Text message sent to 20,000 residents via the GP text messaging service on 23rd April 2024
- Advertising posters placed in all 11 Community Hubs in the borough throughout the duration of the consultation
- Four drop-in sessions per week from 19th April 2024 to 26th April 2024 at Whalebone Lane Community Hub and Dagenham Library Community Hub
- Local authority officers handing out business cards during all visits during the period of the consultation
- Pop up stalls in Barking Market on 4th April and 25th April and on Dagenham Heathway on 10th April 2024.
- Officers handing out consultation business cards outside Ripple Road Mosque on 26th April 2024

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

- Placing adverts in local and neighbouring borough newspapers:
 - Barking and Dagenham Post – 13th March and 17th April 2024
 - Newham Recorder – 13th March and 17th April 2024
 - Ilford Recorder – 14th March and 18th April 2024
 - Romford Recorder – 15th March and 19th April 2024

Activities to reach out to landlords included:

- An email to 10,806 licence holders on 28th February 2024 to inform them about the consultation and NRLA landlord forum session we were presenting at on
- The consultation was included on the landlord newsletter sent to 10,814 licence holders on 28th March 2024
- An email to 10,823 licence holders on 12th April 2024 to inform them about the consultation
- A final chance email to 10,830 licence holders on 23rd April 2024 to inform them about the consultation
- Officers handing out consultation business cards outside Ripple Road Mosque on 26th April 2024
- A digital campaign on the London Property Licensing website. London Property Licensing is the leading website for informing private landlords in the UK. The campaign started on 26th February 2024 and ran until 26th April 2024. the campaign included:
 - A 300x400 pixel banner advert was placed on the home page and sixteen London borough pages from 27th February 2024 to 26th April 2024. Anyone clicking on the advert was taken directly to the council's licensing consultation webpage.
 - From 27th February to 26th April 2024, high profile scheme promotion was achieved by inserting a banner headline which remained one of the top three rotating landscape images at the top of the LPL home page. The banner headline had a hyperlink to the LPL Barking & Dagenham property licensing consultation webpage.
 - On 26th February 2024, the LPL Barking & Dagenham webpage was updated with information about the licensing consultation and a direct link to the council's consultation webpage in the orange 'At a Glance box' to encourage people to find out more and take part in the consultation.
 - From 27th February to 26th April 2024, a LBBD licensing consultation listing was displayed on the LPL website and promoted on the home page, the licensing consultations page, and on sixteen borough pages. The listing summarised the purpose of the consultation and explained how people could take part.
 - The consultation webpage promoted consultation events taking place on 12th and 14th March and 3rd and 5th April 2024.
 - A news article about the additional and selection licensing consultation was published on 3rd March 2024 and promoted via social media and the LPL newsletter.
 - A regular newsletter is sent out to people who have requested updates on housing regulation and property licensing schemes. The newsletter is widely distributed to landlords, letting agents, organisations, local authority officers and government officials. The consultation was promoted in newsletters distributed on 4th March and 8th April 2024 with each newsletter sent to between 3,729 and 3,742 people. The newsletters also displayed the LBBD banner advert with a direct link to the consultation page on the council's website.

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

- Tweets about the licensing consultation were published on the LPL X (Twitter) feed on average every 9-11 days, timed to cover mid-week and weekends with a variety of morning, afternoon and evening posts between 04/03/2024 and 26/04/2024. During this period, the LPL Twitter feed had over 2,300 followers which generates impressions, likes and retweets.
- On 5th March and 23rd April 2024, posts about the licensing consultation were published on the LPL LinkedIn and LPL Facebook pages.
- Running a digital advertising campaign from 23rd February 2024 to 26th April 2024 which resulted in 3,663,392 impressions, 8,814 clicks to the consultation page with a cost per click of 0.68p, which is a good figure considering the landlord strategy. The digital campaign placed adverts on websites and social media pages related to Barking and Dagenham and the private rented sector, including:
 - rightmove.co.uk
 - gumtree.com
 - zoopla.co.uk
 - propertytorenovate.co.uk
 - homebuilding.co.uk
 - theprimarymarket.com
 - facebook.com
 - Instagram.com
 - dailymail.co.uk
 - investing.com
 - metro.co.uk

Activities to reach landlords outside the borough included:

- Placing adverts in local and neighbouring borough newspapers:
 - Barking and Dagenham Post – 13th March and 17th April 2024
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 - On 26th February 2024, the LPL Barking & Dagenham webpage was updated with information about the licensing consultation and a direct link to the council's consultation webpage in the orange 'At a Glance box' to encourage people to find out more and take part in the 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

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- Tweets about the licensing consultation were published on the LPL X (Twitter) feed on average every 9-11 days, timed to cover mid-week and weekends with a variety of morning, afternoon and evening posts between 04/03/2024 and 26/04/2024. During this period, the LPL Twitter feed had over 2,300 followers which generates impressions, likes and retweets.
- On 5th March and 23rd April 2024, posts about the licensing consultation were published on the LPL LinkedIn and LPL Facebook pages.
- Running a digital advertising campaign from 23rd February 2024 to 26th April 2024 which resulted in 3,663,392 impressions, 8,814 clicks to the consultation page with a cost per click of 0.68p, which is a good figure considering the landlord strategy. The digital campaign placed adverts on websites and social media pages related to Barking and Dagenham and the private rented sector, including:
 - rightmove.co.uk
 - gumtree.com
 - zoopla.co.uk
 - propertytorenovate.co.uk
 - homebuilding.co.uk
 - theprimarymarket.com
 - facebook.com
 - Instagram.com
 - dailymail.co.uk
 - investing.com
 - metro.co.uk

Activities to make digitally excluded and vulnerable stakeholders aware of the consultation included:

- Pop up stalls in Barking Market on 4th April and 25th April and on Dagenham Heathway on 10th April 2024.
- Placing adverts in local and neighbouring borough newspapers:
 - Barking and Dagenham Post – 13th March and 17th April 2024
 - Newham Recorder – 13th March and 17th April 2024

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

- Ilford Recorder – 14th March and 18th April 2024
- Romford Recorder – 15th March and 19th April 2024
- Letter drop to 18,523 private rented homes on 15th April 2024, which included information about the public meetings being held
- Leaflet drop to a random selection of 4,800 houses on 23rd and 24th April 2024
- Local authority officers handing out business cards during all visits across the period of the consultation
- Adverts were added to outdoor digital boards across the borough. The campaign on the outdoor digital boards ran from 26th February to 26th April 2024
- Adverts placed in all 11 Community Hubs in the borough throughout the duration of the consultation
- Four drop-in sessions per week from 19th April 2024 to 26th April 2024 at Whalebone Lane Community Hub and Dagenham Library Community Hub
- Officers handing out consultation business cards outside Ripple Road Mosque on 26th April 2024

Activities to make stakeholders within the council aware of the consultation included:

- Adding a banner to the top of the council website on all pages from 18th April to 26th April 2024
- Council staff laptop screensaver from 28th March to 26th April 2024
- The Leaders briefing on 1st March 2024
- CEO's briefing to all staff on 1st March 2024
- Council staff newsletter on 28th February, 10th April and 24th April 2024
- Using the council's social media:
 - 18 X (Twitter) posts with a total of 5.5k impressions, 1.4% engagement rate, 8 shares, and 8 likes
 - 26 Facebook posts, with a total of 61k people reached, 62.2k impressions, 119 clicks, 14 shares, and 29 likes

Activities to make other stakeholders outside the borough aware of the consultation included:

- Email to all London borough CEOs on 16th April 2024
- Email to all London Private Sector Housing team leaders on 25th March 2024, notifying them of the consultation

3. Monitoring and Review

How will you review community and equality impact once the service or policy has been implemented? <i>These actions should be developed using the information gathered in Section 1 and 2 and should be picked up in your departmental/service business plans.</i>		
Action	By when?	By who?
Project manager to review this document following closure of the consultation should results make it warranted.	April 2024	Felicia Johnston
Project manager to review this document following confirmation/updated from the Department for Levelling Up, Housing and Communities on the designation.	Late 2024	Felicia 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
<p>The evidence from the existing scheme introduced in 2019 along with our recent borough analysis and stakeholder discussions, demonstrates the overall impact is relevant to all equality groups in Barking and Dagenham and that the overall impact is positive.</p> <p>Since 2017, we have seen a great improvement in the private rented sector (PRS) including a reduction in ASB. However, evidence indicates that there is still widespread deprivation and poor property conditions. Additionally, both rates of single and multiple ASB incidents in the PRS are disproportionately higher than the borough average for all tenures. Without a new scheme, this problem is likely to worsen, given that the size of the PRS in the borough is increasing.</p> <p>Residents of the borough will be positively impacted by a new designation as they benefit from the requirements placed on landlords to provide proper arrangements and conditions. The introduction of a new scheme will continue to help improve standards within the PRS in relation to health and safety including damp and mould, property conditions, and fire safety through</p>

Implications/ Customer Impact

compliance and condition audits. It will allow us to identify those properties that are suffering from disrepair, overcrowding, and any other concerns and take the appropriate enforcement action.

It will allow the council to target criminal landlords who do not licence their properties and act with criminal intent. We will work with internal departments to ensure public money is protected in respect of fraudulent housing benefit claims and unpaid council tax on HMOs.

It will help to prevent the exploitation of tenants ensuring tenancy support is provided in respect of tenancy agreements, rent deposit protection from illegal eviction and harassment.

It will support the engagement between internal departments, such as Environmental Health, Trading Standards, Housing Benefits, and Council Tax.

The introduction of the new scheme will allow residents to continue to make informed choices about the property they occupy by first checking the property is register on the private rented property licence register published on the council website.

The key impacts of the new scheme can be summarised as:

- Tackling anti-social behaviour
- Reducing poor property conditions
- Reducing high levels of deprivation

The positive impacts of the new scheme will be wide-reaching, improving the social and economic conditions of the borough and tackling non-compliant landlords and supporting our good landlords.

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
Julia Kanji	Head of Regulatory Services	
Gary Jones	Operational Director	

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Private Sector Housing Strategic Statement

Our Vision: ‘One Borough, One Community. No One Left Behind’

Our vision is to improve standards of housing in the private sector. It is therefore essential that the council work with our partners to both improve property conditions and to provide access to well managed private sector housing to help meet the housing needs of our residents.

Housing is an important determinant of health, wellbeing, and stability. Priority 7 of our Corporate Plan is that ‘Residents live in good housing and avoid becoming homeless.’ Priority 6 is that ‘Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods.’ We want to make sure Barking and Dagenham has a well-run and managed private rented sector, where properties are good quality and where landlords, letting agents and tenants are all aware of their rights and responsibilities and are supported where appropriate and where the necessary action is taken when the law is broken.

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Forward

We want to ensure that the growing private housing sector is well managed, is in good condition, and above all else, that residents are safe.

The safety of our residents, that they live healthy and happy lives, and in good quality housing are the Council's priority concerns which is why we have developed a new private sector housing strategic statement. We recognise that a lot of the private sector is very good, however, when properties are not well managed or responsibly run, there is a huge impact upon the lives of individuals and families.

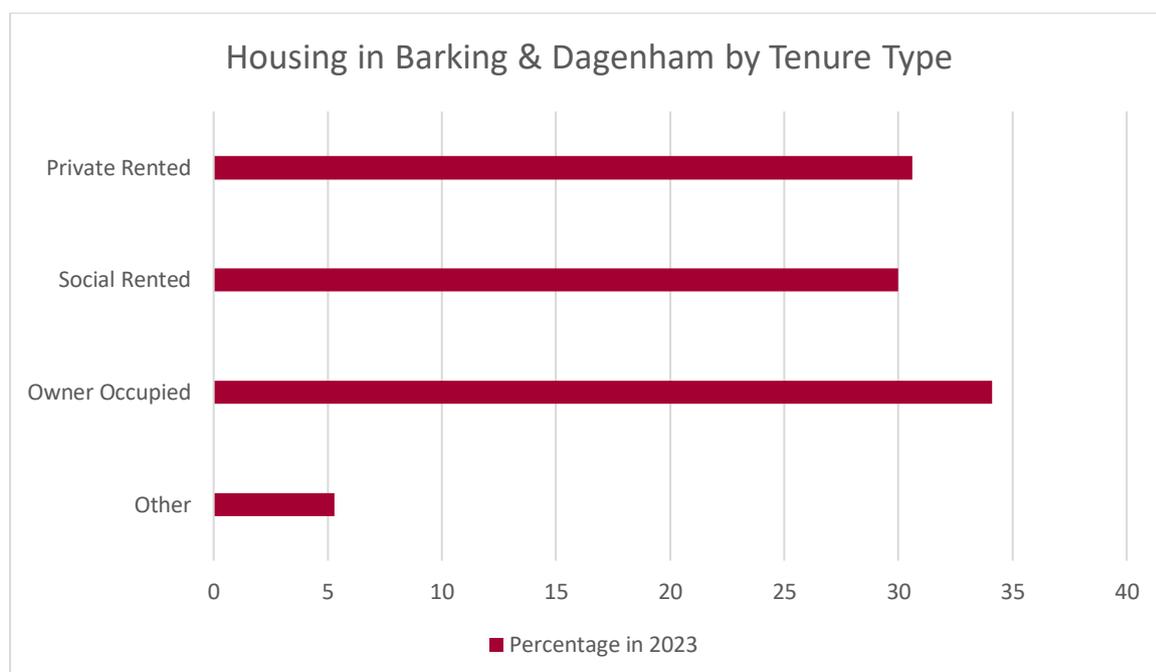
We aim to support tenants, landlords and lettings agents, so everyone understands their rights and responsibilities. However, we also need to be tough with landlords and agents who exploit tenants and abuse the rules. It is not acceptable that lives and aspirations are marred by poor quality private rented housing and practices.

We want Barking & Dagenham to be a desirable location in which people want to settle and play their part in safe, clean neighbourhoods. This statement sets out how we will help to do just that; to support the private rented sector, promote improved health and inclusive growth, and protect the quality of life for all who choose Barking & Dagenham as their home.

Councillor Syed Ghani

Introduction

Barking and Dagenham has a substantial private rented sector. It has increased 412% since 2001 now making up 30.6% of all housing in the borough. Private renting therefore performs a vital role in meeting housing need in the borough. We also have a substantial owner-occupied sector and a small number of these can fall into severe disrepair or become long term empties. These properties can pose a risk to public health and can have a huge detrimental impact on neighbouring properties and residents.



We have developed this Private Sector Housing Strategic statement because it is a significant portion of Barking and Dagenham’s housing. In particular the private rented sector is a vital part of the market, providing homes for thousands of our residents, therefore private landlords play a crucial role in having a housing stock that is maintained to a high standard. Although much of the sector is well run and managed and of good quality, the impact on people, families and communities is significant when it is not. Renting is increasingly becoming a longer-term tenure for many, given the cost of buying, significant financial hardship, and the high demand for social housing.

Barking and Dagenham’s private rented sector is home to different people and households - homeless households in temporary accommodation, families or single people renting a flat or house, young people flat sharing, students, families and people living in houses in multiple occupation.

This strategy doesn’t cover homelessness, as although the loss of a private rented tenancy can be a cause of it, our plans to tackle homelessness from the sector are set out in our Homelessness Strategy 2019 – 2023 [2].

[1] From 2021 Census

[2] Homelessness Strategy 2019-2023

[3] See Appendix 3 for how IMD is calculated

Key facts for Barking and Dagenham and the private rented sector

- Twenty first highest IMD [3] score in England (based on 317 local authority districts, where 1 is the most deprived and 317 is the least deprived)
- highest IMD score in London.
- Gascoigne, Heath, Thames and Village wards all had neighbourhoods amongst the 10% most deprived in the country.
- every neighbourhood in both Gascoigne and Mayesbrook wards were amongst the 20% most deprived in the country.
- Longbridge was the only ward without any neighbourhoods amongst the 30% most deprived in the country.

Visit our [borough data explorer](#) to see thematic maps showing the broad distribution of deprivation across Barking & Dagenham in 2010, 2015 and 2019.

Our priorities of this strategic statement

This strategic statement focuses predominantly on what it is possible for the council to do to support the sector, using its legal powers, duties and relationships, rather than on areas that are beyond its control.

- **Priority One:** To tackle poor conditions in private housing and take robust action against rogue landlords.
- **Priority Two:** To support good landlords and letting agents.
- **Priority Three:** To support and engage with tenants.
- **Priority Four:** Improved collaboration with other services to support residents, tenants, landlords and lettings agents.
- **Priority Five:** Help to improve the energy efficiency of the private sector housing.

Priority One: To tackle poor conditions in private housing and take robust action against rogue landlords.

We'll do this by:

Taking tough action against rogue landlords and agents who exploit tenants and fail to keep properties in good repair.

Protecting tenants of HMOs from poorly managed and maintained properties.

Targeting unlicensed properties to make sure we are able to inspect all non-exempt rented properties across the borough.

Taking action in line with the Enforcement Policy which may result in serving statutory notices, and then prosecuting or issuing Civil Penalty Notices for failure to comply.

Recording all prosecutions and Civil Penalty Notices on the Rogue Landlord and Agent Checker and in severe cases publicising them through press releases.

Revoking and refusing property licences where landlords fail to comply with requirements to have an effective tenancy management system, and failure to carry out safety checks etc.

Carrying out a public consultation on the introduction of an additional licensing scheme across Barking and Dagenham for all houses in multiple occupation (HMOs). HMOs are more likely to be in a poor condition and associated with poor practices compared with other private rented homes. The scheme will help to address these issues, as conditions are set as part of the licence, covering for example, fire safety and overcrowding. Licences can be removed if standards are not met.

Applying to the Department for Levelling Up, Housing and Communities for a selective licensing scheme when the current scheme expires on 31st August 2024.

Working to bring long term empty properties back into use, and prioritise those that have been empty for over 2 years, are an eyesore and may attract antisocial behaviour, and properties where we are receiving a high volume of complaints. Empty properties can deteriorate rapidly often

causing damp and structural problems for adjoining properties. They also attract squatters, leading to a multitude of problems in the neighbourhood.

Raising awareness of our services which tackle poor quality rented properties. Evidence shows that some tenants are unaware of our services, and this is compounded by high turnover in the sector, and high numbers of migrant communities, and that private tenants tend to be younger, which may mean they are less likely to use it either due to lack of knowledge or for fear of becoming homeless as a result.

Priority Two: To support good landlords and letting agents.

We'll do this by:

Working with the sector to increase the number of accredited landlords and lettings agents. Accreditation offers benefits such as training, continuous professional development and networking. With a large private rented sector, we aim to have the most landlords accredited.

Continue to support Accreditation Schemes such as the London Landlord Accreditation Scheme (LLAS), and the National Residential Landlords Association (NRLA).

We will issue regular landlord newsletters which will be sent out to the thousands of landlords and letting agents that hold property licences in the borough. We will provide information on legislation changes, and advice on for example, how to legally implement a rent increase, or how to reduce the likelihood of mould in the winter months.

Support landlords where their tenant is involved in serious antisocial behaviour or breaking the terms of their contract by not paying rent or damaging the property. We will listen to both sides of the story and work with all parties to reach a resolution. We will work with the Council's ASB team and the Police to review evidence and consider appropriate enforcement action under antisocial behaviour legislation.

Priority Three: To support and engage with tenants.

We'll do this by:

Responding to complaints from private tenants about their property conditions. We will assess properties using the Housing, Health and Safety Rating System (HHSRS), a risk-based tool which helps to identify hazards in the home which can have a detrimental effect on health. We will take action in line with our enforcement policy.

Having a dedicated tenancy sustainment officer to investigate harassment and illegal evictions. This officer will check that eviction notices and rent increases are lawful and that the correct procedures have been followed and take action if they haven't. We will work with private tenants that are threatened with homelessness and sign post them to housing advice if they need to find a new home.

Continuing to work with organisations that provide specialist support to tenants to help them claim Rent Repayment Orders. Private tenants may feel daunted to claim Rent Repayment Orders

so we will offer advice and support their applications where appropriate. We'll publicise successful Rent Repayment Orders and as part of this try to tell 'tenant stories' about the impact the experience has had on them.

Communicate better with agencies who have reported problems on tenants' behalf. Feedback on cases would be useful in order for them to understand the tenant's situation when they are helping with them other problems.

Priority Four: Improved collaboration with other services to support residents, tenants, landlords and lettings agents.

We'll do this by:

Strengthening our relationship with services managing temporary accommodation, public sector housing, mental health teams, anti-social behaviour teams, social services and other services to improve the way we support their tenants with related issues.

Strengthening our relationship with the Police and other organisations to help prevent illegal evictions. Many illegal evictions occur without our knowledge, and we'll investigate if there is more we can do to prevent them.

Working with our Trading Standards colleagues to identify breaches of consumer protection legislation by lettings agents and take enforcement action where necessary. Consumer protection legislation includes the Tenant Fees Act 2019 which prevents landlords and lettings agents from requiring tenants to pay fees for most activities, such as getting references and for renewing a tenancy. Trading Standards issues fines from lettings agents and there are also a number of payment plans in place relating to penalties served. Over twelve months, Trading Standards served 50 notices against 29 lettings agents for breaches of consumer protection legislation, such as failure to publicise relevant fees and other information and for failing to belong to redress schemes.

Strengthening our relationship with agencies that represent landlords such as the National Residential Landlords Association (NRLA), British Landlords Association (BLA), and Safeagent, and we aim to promote the services they offer to landlords.

Strengthening our relationship with non-profit organisations who represent tenants' interests such as Justice for Tenants and Cambridge House Safer Renting.

Strengthening our relationship with our enforcement and ASB colleagues to tackle owner occupied properties that are affecting the street scene or having a detrimental effect on neighbourhoods.

Priority Five: Help to improve the energy efficiency of private sector housing.

We'll do this by:

Investigating if private landlords can be offered dedicated energy efficiency advice and funding opportunities to help them meet the Government proposal that the Minimum Energy Efficiency Standard (MEES) in private rented homes is raised from 'E' to 'C' in 2028. Advice will be given to landlords in advance so they can make sure their properties are compliant as soon as possible.

Consulting on the possibility of offering discounts on property licences if properties have a very good energy efficiency rating.

Refusing licence applications where the energy efficiency rating is below 'E'.

Working with landlords and tenants, as living in a cold home has a detrimental impact on health and can increase the risk of cardiovascular problems and strokes. Improving the energy efficiency of homes would help to alleviate fuel poverty amongst private tenants.

Glossary

Category 1 hazards These are hazards in the home which pose a serious and immediate risk to the health and safety of the occupants. Once identified, the local authority has a duty to ensure they take action for them to be removed.

Civil Penalty Notices Civil Penalty Notices were introduced as part of the Housing and Planning Act 2019, and they enable councils to fine landlords up to £30k per offence as an alternative to prosecution if they commit certain offences. Landlords have an opportunity to make representations before a final notices is served, which may be then appealed.

Fitness for Human Habitation Act 2018 The Act enables tenants of all tenures to take legal action against their landlord if their property doesn't meet certain standards. It was implemented for new tenants in March 2019 and for existing tenants in March 2020.

Fuel poverty A household is considered to be in fuel poverty if their fuel costs are above average, and if they were to spend that amount on keeping their home warm, they would be left with an income which would take them below the official poverty line.

Housing, Health and Safety Rating System (HHSRS) The HHSRS was introduced as part of the Housing Act 2004. It is a risk based evaluation tool which enables local authorities to assess any risks in the home to occupants. There are 29 hazards possible hazards which could have an impact on the health and safety of the occupants. The most serious are Category 1 hazards (see above).

Housing Advice Service The service within the council which helps people at risk of homelessness, and can offer advice on how tenants can find other privately rented accommodation.

Appendices

Appendix 1 - Empty Property Policy 2024 - 2029

London Borough of Barking & Dagenham Empty Property Policy 2024 – 2029

This Empty Property Policy sets out the key priorities and issues concerning empty homes in the borough.

There is a severe housing shortage in London and empty properties are a wasted resource. Empty properties are an eye sore, can blight a neighbourhood and have a detrimental impact on the lives of residents and the community. They attract antisocial behaviour, fly tipping, vandalism and other criminal behaviour as well as increasing the fear of crime.

Empty properties can deteriorate rapidly often causing damp and structural problems for adjoining properties. They also attract squatters, leading to a multitude of problems in the neighbourhood. This in turn puts pressure on public resources including emergency services and various council departments.

The quickest and most cost-effective way to return an empty property back into use, is by property owner carrying out all necessary renovations and reoccupying the property, therefore increasing the housing supply. Empty property owners are missing out on the chance to earn valuable income on the property and are paying higher rates in terms of council tax and other insurance premiums.

It is the policy to target those homes which have been left empty the longest, which blight communities, attract anti-social behaviour and or crime. The policy sets out our objectives and the tools that can be used.

Our objectives are to:

- Prioritise properties that have been empty for over 2 years, are an eyesore, attracting antisocial behaviour and properties where we are receiving a high volume of complaints about.
- Engage with owners and encourage them to bring long term empty properties back into use.
- Develop a co-ordinated and comprehensive approach to help identify and tackle empty homes.
- Explore innovative solutions.
- As part of our property licensing schemes, empty homes in the borough will be targeted within the designations to ensure a co-ordinated approach to improving communities.

Using the following means:

- Raising awareness.
- Advising property owners.
- Promoting leasing schemes. These generally run between 3-5 years and will provide a guaranteed rent and full management of the property.
- Encouraging sale on the open market or by auction.
- Encouraging letting privately.
- Advising on VAT incentives for renovations.
- Working closely with the Local Police and Community Safety Team, Anti-social behaviour team, Environment Enforcement Team and Council Tax team.

- Charging double council tax for properties that are empty between 2 and 5 years and treble for properties that have been empty over 5 years, in line with LBBD's Council Tax policy.
- Maintaining accurate records of long term empties.
- Providing an online reporting tool.
- Using enforcement tools: Statutory Notices to address defects, carrying out works in default where Notices haven't been complied with, considering prosecution or Civil Penalty Notices, considering compulsorily acquiring the property or enforcing the sale if there is a relevant debt.

Appendix 3 – How IMD is calculated

IMD 2019 ranks every small area or neighbourhood in England from 1 (most deprived area) to 32,844 (least deprived area) and is based on 39 separate indicators within the domains of income deprivation, employment deprivation, health deprivation and disability, education, skills and training deprivation, barriers to housing and services, crime, and living environment deprivation.

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CABINET**23 July 2024**

Title: School Place Planning and Capital Investment Update	
Report of the Cabinet Member for Educational Attainment and School Improvement	
Open Report	For Decision
Wards Affected: All Wards	Key Decision: Yes
Report Author: Andrew Carr Head of Service: School Investment, Organisation and Admissions	Contact Details: Tel: 020 8227 2254 E-mail: andrew.carr@lbbd.gov.uk
Accountable Director: Jane Hargreaves, Commissioning Director, Education	
Accountable Executive Team Director: Elaine Allegretti, Strategic Director, Children and Adults	
<p>Summary</p> <p>The report provides an update on the forecast demand for education places in primary, secondary and special needs settings.</p> <p>Further, the report sets out new grant allocations received from the Department for Education (DfE), proposed capital adjustments to existing schemes and new projects to create specialist places.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Note the actions being taken by officers to manage school places across the Borough and to meet the demand for specialist places; (ii) Approve the proposed projects, allocations of funding and procurement routes as set out in sections 8 and 9 of the report, to support the provision of new specialist places and improvements; and (iii) Delegate authority to the Strategic Director, Children and Adults, in consultation with the Cabinet Member for Educational Attainment and School Improvement and the Head of Legal, to conduct the procurements and award the respective project contracts. 	
<p>Reason(s)</p> <p>The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and to support priority 4 of the Council's Corporate Plan 2023-2026.</p>	

1. Introduction and Background

- 1.1 The Council has a statutory obligation to provide a suitable school place for every child of statutory school age who lives in the Borough and wants a school place. It has been the practice to provide Cabinet with regular information on the forecast demand of pupil numbers at Primary, Secondary and for those who require Special Educational Needs places.
- 1.2 The report provides an overview of the forecast demand for pupil places in primary, secondary and special need places for the next 5 years but also an indication of longer-term trend for the next 10 years using the data we have available.
- 1.3 To ensure that there are sufficient high-quality places to meet current and future demand, data led forecasting takes into consideration the following factors.
 - Numbers of pupils currently in the Borough.
 - GLA data including population, migration and birth numbers;
 - Transition rates from birth to Reception age five years later;
 - New housing proposals as advised in the Local Plan Review and planning applications received for proposed housing developments;
 - Historical data and trends such as migration patterns and those pupils who live in the borough but choose schools outside;
 - Internal knowledge of recent population fluctuations, in particular the impact of population movements into and out of the Borough.
 - Number of pupils with Education Health Care Plans.
- 1.4 The report provides an update on capital grant received and proposals to create further specialist places to meet demand.

2. Update on Pupil Numbers and Capacity for September 2024

- 2.1 In January 2024, London Councils published *Managing falling school rolls in London*. The publication articulated how many London Local Authorities and schools were currently dealing with a significant fall in the demand for mainstream school places. The landscape is stark, affirming our previous view that families have, and continue to, move away from London due to the lack of affordable housing, increase cost of living, the impact of the pandemic and Brexit. With more people choosing to raise a family outside the capital, the birth rates in London continue to decrease.
- 2.2 This picture of decline varies across the capital as there are local influencing factors impacting on demand. We are seeing something similar at a borough level where there are areas of declining primary pupil numbers and conversely growth in others. Long term, there will be a need to create further school places in the south of the borough from the new housing developments as these are built out, however action will be required in other areas to manage/reduce the number of places available.
- 2.3 From a London perspective, there is increasing demand being seen from pupils with Special Education Needs and Disabilities (SEND) and without exception this is the position in Barking and Dagenham where we are seeing exceedingly high

caseloads of children and young people with more profound needs and where further additional specialist places are required.

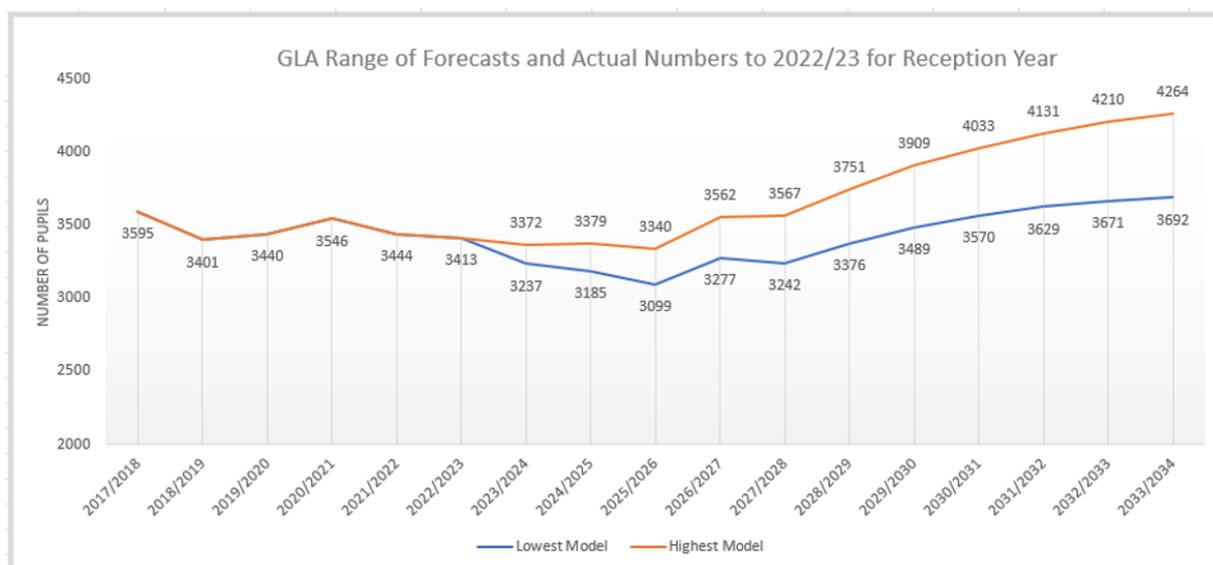
3. Mainstream Primary update

3.1 For primary school places, the forecasts focus on Reception numbers as a key indicator of demand over the medium long term and long term.

3.2 For this Academic Year (2023/24), the actual number on roll (Spring 2024 census) and forecast were very close at 99% accuracy:

Reception Year	Pupil Numbers
Forecast for 2023/24	3300
Number on roll – Spring 2024 census	3293
GLA Forecast Range for 2024/25	3185 to 3379

3.3 For September 2024, on national offer day we were able to offer 3240 school places for families who had applied. The demand for Reception school places across London was down by 2.2% on previous years however Barking and Dagenham showed a slight increase of 6% (185 places). This was in line with our forecasts below.



3.4 The School Places and Capital Investment Cabinet report January 2024 (item 75, para 3.6) highlighted the need to review the primary school estate in some areas of the borough. The reason is that some schools have been adversely impacted by falling demand for mainstream places and by our own long-term forecast were unlikely to change for the foreseeable future.

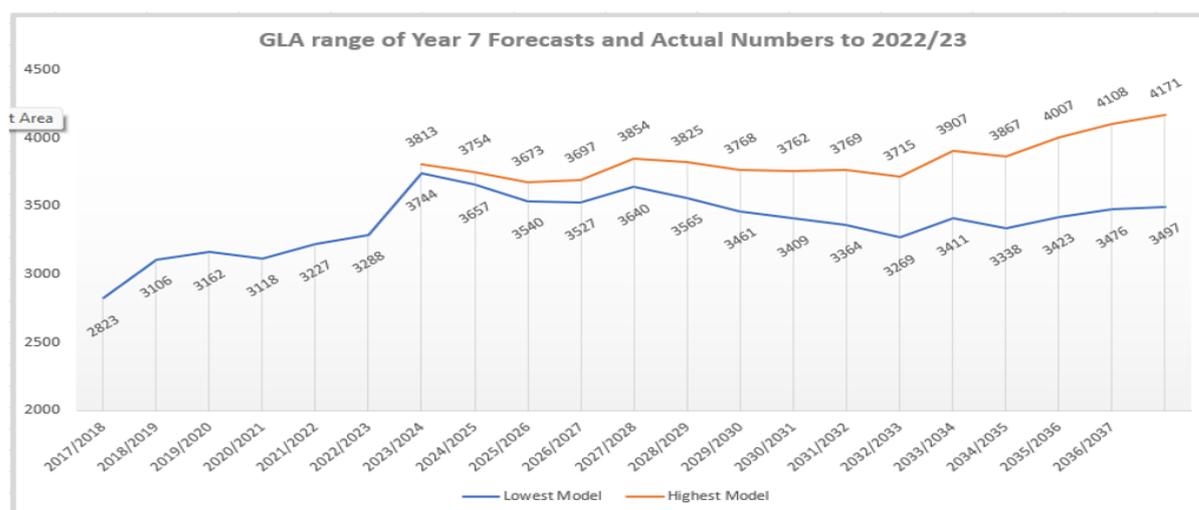
3.5 We need to have the right balance of mainstream places available to match the equivalent demand so that schools in the area can plan and remain financially viable in the long run. Cabinet members will receive a separate report in the autumn term on our first proposal to manage surplus mainstream primary places.

Mainstream Secondary Provision

- 4.1 For secondary school places, the forecasts focus on Year 7, starting secondary school as a key indicator of demand over the medium and long term.
- 4.2 For 2023/24, the actual number on roll that year was lower than forecast by 245 pupils. This represented a forecast accuracy of 93.1%.

Year 7	Pupil Numbers
Forecast for 2023/24	3589
Number on roll – Spring 2024 census	3344
GLA Forecast Range for 2024/25	3540 to 3673

- 4.3 For September 2024, on national offer day we were able to offer 3338 school places for families who had applied. The demand for Year 7 places across London remained static where there was a minimal decrease of 0.03%.
- 4.4 For Barking and Dagenham, there was an increase of 212 applications on the previous year. To date, considering further applications received, a total of 3495 offers have been made for September 2024.
- 4.5 The borough was highest in London for being able to offer preference allocations where 81.67% of pupils were allocated their first preference which was higher than the London average of 69.78%. The borough was also above the London average for allocations of preference 1-3 at 93.58% (London average 89.26%) and preferences 1-6 at 96.2% (London average 94.08).
- 4.6 The medium-term forecasts for secondary school places can be seen on the table below.



5. Current demand for Special Educational Needs and Disabilities (SEND) and specialist places

- 5.1 Numbers of Pupils with SEND continue to rise exponentially in terms of the proportion of the pupil population and severity of their disabilities. The spring 2024

count indicated that there were 1,912 pupils with an Education Healthcare Plan (EHCP) who were allocated across the following provisions below.

Make Up of Provision

SEND Establishment type	%
Mainstream Schools	66.5
Special Schools	29.1
Independent Special School	4.2
Other	0.2

- 5.2 Using the Department for Education (DfE) data published in January 2024, we can see the number of pupils with an EHCP in the borough has almost doubled since 2015/16 and now equates to 3.7% of the school population. Based on this data, we could expect the number of additional EHCP's to increase by circa 120 per year. The demand is placing an immense pressure in finding suitable placements together with the right support these pupils need.
- 5.3 We previously reported further provision is required, not just to meet the demand coming through, typically Autism Spectrum Disorder (ASD) and Social Emotional, Mental Health (SEMH) but also the severity of needs being presented. The work of creating further places continues working closely with schools and partners as part of our capital strategy.
- 5.4 As an update, Oxlow Bridge, our new special school being constructed by the DfE has commenced construction on the former council Pondfield depot site. Members may recall that the project had previously been beset by several delays. However, we are pleased to report that it is now moving forward and is scheduled to be open and fully operational from September 2025. The new school will cater for 100 students and will provide a welcomed additional capacity in the sector.
- 6. The Additional Resource Provisions (ARPs).**
- 6.1 The Additional Resource Provisions (ARPs) are small dedicated special educational needs units located within schools. Here, pupils with Educational Health Care Plans (EHCP) are able attend mainstream schools with the additional support that the ARP's bring. The ARPs are run by mainstream schools where places are commissioned by the Council. They are very popular with families as it provides where possible, local provision and where siblings will often attend the same school. The LA continues to work with schools, the consensus of the SEND Sounding Board which is made up of representative Headteachers are that as a highly inclusive borough, we should aim to have ARPs where possible in the majority of schools such is the changing need and demand from our community.
- 6.2 Over the past year we continue to work with schools and their governing bodies to reach agreement in establishing and opening new ARPs. Eastbrook School has agreed to expand their age range into secondary. This will create 8 additional ASD places. Dagenham Park C of E Secondary School has agreed to expand their existing provision providing a further 10 places for pupils with complex needs.
- 6.3 The Executive Headteacher and Chair of the Governing Body of Parsloes Primary School have agreed to establish an ARP provision. Subject to necessary building

works and recruitment, we would aim to have this operational during the new 24-25 academic year.

- 6.4 Gascoigne Primary and William Bellamy Primary Schools have given written notice to the Council that they wish to cease their ARP provisions at each respective school. Both cited different reasonings behind the schools governing body decisions to do so however it is recognised that these closures will be a great loss to the local community they serve. No further students where suitable ARP provision is being sought, will be placed at these schools.

7. **New Grant Allocations and contributions for 2024**

- 7.1 The DfE announced in May 2024 its grant allocations to Councils for Funding for School Condition (repair and maintenance) and High Need Capital Provision.
- 7.2 The Council received £5,297,829 School Condition grant for 2024/25 to invest in the maintenance of school buildings. For the High Needs funding, the Council received an allocation of £2,689,690 in March and further £1,093,808 to support the development of new specialist places.

8. **Proposed New Capital Projects.**

- 8.1 **Barking College** provides opportunities for post- 16 pupils with SEND as a destination and thus pathways for further education or starting employment. The College's offer is very good for Barking and Dagenham students however they are unable to take students with more severe disabilities as they are hindered by their existing accommodation.
- 8.2 The College and senior officers from the Council have been working closely together on a project where an existing building on the college campus could be refurbished and provide specialist facilities for SEND students and to enable the College to accept further specialist places for Barking and Dagenham students. Post 16 students with SEND are often the most difficult to place, the proposal presents an exciting opportunity to help support the demand for this particular cohort.
- 8.3 The High Needs Capital grant the Council receives from the DfE can be used to support post-16 colleges. It is part of the grant conditions attached to the award. The cost of the project would be up to the value of £650k where the College would procure, and project manage the scheme through their Estates Management team.
- 8.4 Both the Council and College require the new provision to be available for students for the new September 2024 term. For the College to progress the project and in the best interest of the Council, the Chief Executive has undertaken urgent action under the provisions of Part 2, Chapter 16, paragraph 4 of the Constitution in order to approve the allocation of £650,000 High Needs grant to fund capital works at Barking and Dagenham College.
- 8.5 **Riverside Bridge Special School.** Following approval by the DfE, Riverside Bridge Special School has been expanding the number of places available for SEND pupils. In total 90 additional places were approved, and the school has gradually increased their cohort by 30 places each year on the City Farm site. Adaptation

works are required to convert the class spaces and auxiliary spaces so that they are suitably equipped for special needs pupils. £300k has been set aside to enable these works to be completed.

9. Proposed changes to existing projects

- 9.1 In Decembers 2017, the School Place Planning and Capital Investment Report (item 69, para 5.5,) members agreed to set aside £7m of capital funding to support the provision of school places if required in the Chadwell Heath area. This in part was to take into consideration, proposals to remove some industrial activities in Selinas land and Freshwater Road for housing development.
- 9.2 To date, these housing projects have not come to fruition and indeed, one of the most significant sites, the former Muller dairy site currently being redeveloped, will retain its industrial use. In view of the most up to date information on both pupil demand and capacity within the area, it is proposed that the funding previously set aside as part of our long-term, albeit prudent capital strategy should now be reduced to £2m. The balance will be returned the main capital funding pot so that it can be utilised elsewhere when needed.
- 9.3 In the School Place Planning and Capital Investment report (January 2024, item 75 para 8.5) Members approved the conversion of the former Rectory Road building to be used by Mayesbrook School Tuition Plus offer. The scheme has been in design development with the end user and the professional design team. Since reporting, intrusive surveys have revealed the building in poorer condition than anticipated requiring more reinstatement/upgrading of the existing building fabric to bring up to current building regulations and improve thermal sustainability. It is proposed to increase the budget by £980K.
- 9.4 In the same January 2024 report, (para 8.2), Members approved the replacement and rebuilding of several buildings on Trinity Special School. This scheme is currently in design development with the end user and Professional design team. The cost plan for the project produced by the Local Education Partnership (LEP) has indicated that it would be prudent at this stage to set aside an additional £1.2m for the scheme. This is because the final proposed scheme has been enlarged to provide 10 more high dependent special places student places. In addition, there are extra costs due the need to develop the project in phases because the school site is constrained by existing buildings which must be kept safely operational.
- 9.5 In January 2020 School Place Planning and Capital Investment report (item 94 para 8.2), Members agreed to set aside £2.0m of capital funding to deal with previously expanded schools that have subsequent issues due to increase numbers of pupils using existing facilities. Examples of additional works have been:
- loss of space for small group tuition
 - need to improve dining facilities.
 - visitor reception and interface
 - improving external spaces
- 9.6 There remains further work to be undertaken in this area. Members are asked to set aside a further £500k to support schools affected.

10. Current and proposed position regarding capital funding

- 10.1 Members will be aware that the Council has been prudent in its use of capital grants when creating mainstream and specialist places. This has been achieved partly through the expansion of existing schools but also identifying suitable and efficient routes to market such as the Local Education Partnership (LEP) on larger projects which has enabled the Council to seek continuous improvement, innovation and value for money. Frameworks such as NHS for modular buildings, traditional tending and the Councils own company BDTP are used so that every pound spent is cost effective.
- 10.2 Below is our current position in terms of available capital funding to invest in projects.

Previous funding balance position (adjusted for reconciliation to actual grant balances and remaining budgets)	£3,380,474
New High Needs Grant funding allocated	£3,783,498
Section 106 Planning agreement funding received.	£55,000
School provision Chadwell Heath area not required and returned. (Para 9.1)	£5,000,000
Sub Total funding available	£12,218,972

- 10.3 Below is our proposed capital position taking into consideration existing scheme adjustments and new proposed projects.

Total Funding available	£12,218,972
Barking College	£650,000
Riverside Bridge City Farm	£300,000
Trinity Special School	£1,200,000
Mayesbrook School -Rectory Road	£980,000
Small works projects to schools	£500,000
Balance of unallocated funding	£8,588,972

11. Options Appraisal

- 11.1 The agreed investment strategy (see Future Planning Programme to meet Basic Need [including SEN places] 2019 to 2027 Cabinet 21 January 2020) is first to expand provision on existing school sites as far as practicable to meet local demand on a forward looking basis (i.e. to seek value for money solutions which have longevity); secondly to seek and build on sites in areas of demand in Council or other public ownership that are suitable for development as a school and which also offer value for money and longevity; then subsequently to support those external providers that have access to further capital funding and are capable and willing to provide high quality inclusive education places that comply with the Council's Admissions Policies.
- 11.2 The variables that influence the delivery of this strategy are: demand fluctuations; the willingness of governing bodies to accede to expansion plans; funding

limitations; cost variances – specific to sites and timescales to achieve cost efficient / competitive prices often in short timescales.

- 11.3 Options exist for any specific scheme and are explored to ensure that the overall strategic outcomes sought are achieved in the most beneficial way being both economic and appropriate for the school. Other overall strategies e.g. to rely on outside providers to meet the prospective short fall of school places would not be effective on their own: timescales and speed of reaction are too short for these providers to react in a meaningful way.

12. Consultation

- 12.1 These proposals are not Ward specific. There has been consultation with a range of officers throughout the Council in order that appropriate matters are considered including financial, legal, procurement and others mentioned in section 12 of this report.

13. Procurement Implications

Implications completed by: Francis Parker – Senior Procurement Manager

- 13.1 The spend detailed in the report will be procured in line with legislation at the time of the procurement and in line with the Council's Contract Rules and governance processes.

14. Financial Implications

Implications completed by: Alison Gebbett – Capital Accountant

- 14.1 This report provides an update on projected pupil numbers and planned place provision for the upcoming year but also longer-term projections, along with the known resources available to support this provision. The report highlights the demand for special educational needs and sets out the options that are being reviewed.
- 14.2 The report sets out the pot of available uncommitted grant funding for funding new schemes for both new pupil places and SEND provision. This has been reconciled against actual grants received and announced and the existing budget allocations as reported to Assets and Capital Board monthly and reported to Cabinet quarterly as part of the capital monitoring finance report.
- 14.3 Proposed new projects to be funded from the Basic Need and High Needs grant pot are set out at 10.3 above totalling £3.630m and Cabinet approval is requested to add this amount to the capital programme.
- 14.4 This report also sets out capital programme funding announced of £5,297,829 Schools Condition Capital for 2024/25. Cabinet approval is requested to also add this to the capital programme.
- 14.5 These allocations are all fully grant (or section 106) funded and will have no additional financial implications for the Council. Any major risks, issues or overspending that becomes apparent will be monitored, managed, and reported on as part of the Council's normal quarterly capital monitoring process.

15. Legal Implications

Implications completed by: Georgina Foster Education Lawyer, Law & Governance

- 15.1 Any procurement carried out must comply with the Council's Contract Rules and the Public Contracts Regulations 2015 (the "Regulations") where the contract has a value in excess of procurement thresholds set out in the Regulations.
- 15.2 In line with the Contract Rules, Cabinet can indicate whether it is content for the Chief Officer or delegated authority to award the contract following the procurement process with the approval of Corporate Finance.
- 15.3 The report author and responsible directorate are advised to keep the Council's Legal team fully informed at every stage of the proposed tender exercises. The team will be on hand and available to assist and answer any questions that may arise.
- 15.4 Local authorities have legal duties to identify and assess the special educational needs of children and young people for whom they are responsible. Local authorities become responsible for a child or young person in their area when they become aware that the child or young person has or may have special educational needs and the local authority must ensure that those children/young people receive support to help them in "achieving the best possible educational and other outcomes".
- 15.5 Each local authority is required to publish a Local Offer detailing relevant information about all the services and support it expects to be available for children/young people with special educational needs and/or a disability for whom they are responsible. The Local Offer must set out what the local authority expects in terms of support provided by schools/colleges, educational health and care provision, training provisions, transport arrangements from home to school/college and support for preparing the young person for adulthood and independent living. The local authority has a duty to secure sufficient school places which applies to all children, including those with SEND.

16. Other Implications

- 16.1 **Risk Management** - The provision of school places is a matter which is directly identified in the Corporate Risk Register and listed at Corporate Risks 31 – Provision of School Places. An assessment of specific risks is set out below:

Risk that funding levels will not be sufficient to meet demand to create new education places needed - This risk is high impact (4) and medium (3) probability = 12 red. This risk is being managed by purchasing the most affordable accommodation which is system build where possible. Post control the risk is high impact (4) and low (2) probability = 8 amber.

Risk that funding levels will not be sufficient to create suitable new school places - This risk is high impact (4) and high (4) probability = 16 red. This risk is being managed by purchasing the most affordable accommodation, which is system

build, and blending it with site specific proposals. Post control the risk is high impact (4) and low (2) probability = 8 amber.

Primary and Secondary schools: risk that site availability would prevent delivery of school places in the areas where demand is highest - This risk is high impact (4) and medium (3) probability = 12 red. This risk is being mitigated, as far as practicable, by expanding all available sites in high demand areas, and reviewing other buildings for potential school use. Post control the risk is still high impact (4) and medium (3) probability = 12 red.

Risk that the cost of the rate of deterioration of the school estate will outrun the funding available to maintain it - This risk is high impact (4) and high (4) probability = 16 red. This risk is being mitigated as far as practicable by lobbying DfE for improvements in funding. Post control the risk is high impact (4) and medium (3) probability = 12 red.

Risk that final costs will be higher than estimate costs - This risk is high impact (4) and high (4) probability = 16 red. This risk is managed through monthly finance meetings and initial planning figures that architects and schools are asked to work within being set below the highest estimate to allow for unforeseen challenges.

- 16.2 **Contractual and Procurement Issues** - It is anticipated that projects will be procured through options related either to the Local Education Partnership or through the Council's Framework of Contractors or other national or local frameworks which are accessible to the Council to secure value for money. It is a requirement of the grant funding to achieve value for money and demonstrate that all procurement options have been evaluated.

Legal, procurement and other professional advice will be sought regarding the appropriate procurement routes and contractual agreements to procure and secure the individual projects. All procurement activity will be conducted in compliance with the Council's Contract Rules and new post Brexit Public Procurement Legislation. The procurement routes will be approved at Procurement Board which will consider a report from Education Commissioning about a procurement strategy based on a project basis. This will ensure that Value for Money is tested.

Projects will be subject to the Capital Appraisal Process and the agreement of the Procurement Board to progress schemes.

- 16.3 **Staffing Issues** - There are no specific staffing issues although the growing demand for school places will create additional opportunities in schools for both teaching and non-teaching staff.

- 16.4 **Corporate Policy and Equality Impact** - The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and support the intention of the Council's Vision and Priorities, including encouraging civic pride, enabling social responsibility, and growing the Borough. It is part of the mitigation of Corporate Risk 31 – Inability to Provide School Places.

The short-term impact of the recommendations for the coming year would be positive for customers on all counts of race, equality, gender, disability, sexuality, faith, age and community cohesion. The longer-term outlook is unlikely to be

positive on the proposed funding levels as it will be difficult to address need on current budget levels.

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

Public Background Papers Used in the Preparation of the Report:

- "Review of School Places and Capital Investment – Update December 2018" report (Cabinet, 12 December 2017 Minute 69 [Agenda for Cabinet on Tuesday, 12 December 2017, 7:00 pm | LBBD](#))
- "Review of School Places and Capital Investment – Update January 2021" report (Cabinet, 21 January 2020 Minute 94 [Agenda for Cabinet on Tuesday, 21 January 2020, 7:00 pm | LBBD](#))
- School Place Planning and Capital Investment report (Cabinet, 23 January 2024 Minute 75 [Agenda for Cabinet on Tuesday, 23 January 2024, 7:00 pm | LBBD](#))
- London Councils publication "Managing falling school rolls in London" [london_councils_-_managing_falling_schools_rolls_2024_0.pdf](#) ([londoncouncils.gov.uk](#))

List of Appendices: None

CABINET**23 July 2024**

Title: Council Tax Support Scheme 2025/26 – 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 Author: James Johnston, Welfare Service Manager Donna Radley, Head of Welfare	Contact Details: james.johnston@lbbd.gov.uk donna.radley@lbbd.gov.uk
Accountable Executive Team Director: Jo Moore, Interim Strategic Director, Resources	
<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>At its meeting on the 31 January 2024 (Minute 57 refers) the Assembly agreed to support the implementation of the recommended ‘income banded discount’ CTS scheme as the Council’s proposed replacement CTS scheme for 2024/25.</p> <p>The Council previously made a significant investment into the 2023/24 CTS scheme increasing the maximum level of support from 75% to 85% resulting in a reduced minimum payment from 25% to 15% of the Council Tax bill as a way of supporting low-income residents specifically during the cost-of-living crisis and following on from the Covid-19 pandemic.</p> <p>This uplift was maintained into the 2024/25 CTS scheme, as part of the new replacement scheme, extending this increased core support provided by the scheme during a continued period of high inflation and cost-of-living. This uplift in support was intended to be a temporary measure and subject to ongoing review, taking account of changes to cost-of-living pressures and the wider challenging financial position of the Council.</p> <p>The budgetary challenges faced by the Council into 2025/26 requires a review of all expenditure, including the option to reduce the amount of support provided through the CTS scheme for working age households, to ensure it remains affordable to the Council, while continuing to provide sufficient levels of support to residents. Any reduction in support from the CTS scheme will support cost avoidance and is unlikely to be realised as a fiscal saving on current expenditure.</p> <p>This report sets out proposals to consider maintaining or reducing the current level of support provided through the CTS scheme for working age households only. Pension age households remain protected under the nationally prescribed scheme.</p>	

The Assembly has a legal duty to approve the CTS scheme by 11 March prior to the tax year in which the scheme is due to take effect.

The report seeks endorsement of the recommended CTS scheme and approval to consult on the proposals, the outcome of which will be included in a report to the Cabinet later in the year.

Recommendation(s)

The Cabinet is recommended to:

- (i) Endorse Model 2, as detailed in section 4 of the report, as the Council's draft proposed CTS scheme for 2025/26;
- (ii) Agree the commencement of public consultation on the proposed amendments to the CTS scheme for 2025/26; and
- (iii) Note that following the public consultation, the final proposed CTS scheme for 2025/26 shall be determined by the Assembly in early 2025.

Reason(s)

To support the Council in how it delivers and supports 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 balancing the need to support residents with a sustainable and balanced financial budget for the Council.

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 Council Tax Benefit (CTB) 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 is based on an 'income banded discount scheme', replacing the previous means tested default scheme for 2024/25 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 for 2024/25 replaced the previous means tested approach under the default scheme with an 'income banded discount scheme'.
- 1.7 The 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.
- 1.8 Economic Context**
- 1.9 The Council has faced significant financial and operational challenges during 2023/24. The financial sustainability of the Local Government sector continues to be extremely challenging. There have been significant cuts over several years to the Revenue Support Grant from the Department for Levelling Up, Homes and Communities (DLUHC) and whilst headline core spending power has increased, in real terms, funding is still far below what it was over a decade ago.
- 1.10 Councils like Barking and Dagenham with high levels of deprivation have faced rising demand for services because of growing poverty. At the same time as this they have had to find significant savings as part of a wider squeeze on public finances.
- 1.11 The combination of these factors has led to significant challenges for the Council in setting a balanced budget for 2024/25 and planning for the future to ensure that it remains financially sustainable.
- 1.12 The Medium Term Financial Plan (MTFP) sets out a forecast budget gap of £8.8m for 2024/25 with a drawdown from reserves with a forecast gap of £11.69m into 2025/26.
- 1.13 At current service and cost levels the Council's budget will be unsustainable and new robust savings will need to be identified with urgency to deliver a longer-term sustainable budget.
- 1.14 To help residents with the cost-of-living crisis the Council agreed to temporarily increase the level of support through the CTS scheme in 2023/24, subject to continued review based on demand and affordability, by reducing the minimum

payment required from 25% to 15% to help its residents cope with this crisis. This level of support was retained in 2024/25 but consideration will need to be given to a reduction in support and cost for the remainder of the MTFs to ensure the Council has a sustainable budget.

- 1.15 The Council recognises the impact of Covid-19 and the cost-of-living crisis and this means any changes impacting residents may contribute further to this situation. Although inflation has reduced it is recognised that costs remain high and are affecting residents on a day to day basis. Any changes proposed to the CTS scheme will seek to balance cost avoidance proposals whilst protecting the most vulnerable, mitigating negative impacts as far as possible.
- 1.16 Any disadvantage from the proposed changes is justified by the legitimate aim for the Council to ensure it has a sustainable and balanced budget so that the Council can continue to deliver both statutory and non-statutory services.
- 1.17 It should be acknowledged that any reduction to the CTS scheme will require the collection of monies no longer granted as a discount through the scheme. This will increase the pressure on collection and is unlikely to see the full value of any cost avoidance realised. This may contribute to a reduced collection rate and an increase in recovery action and costs.
- 1.18 The CTS scheme is currently seeing growth in the 1st quarter of 2024/25 that has seen scheme costs increase by c£140k in year. Increased growth in the scheme is likely to result in scheme costs increasing into 2025/26 despite proposed reductions in support. Any reduction in support should be seen as a measure of cost avoidance.
- 1.19 This paper sets out an overview of the current CTS scheme, the impact of maintaining the current level of support, and the impact of proposals to reduce the current level of support provided through the scheme by reducing its expected cost as a matter of cost avoidance.

2. Proposal and Issues

- 2.1 **An overview of the current CTS scheme 2024/25 (Income Banded discount scheme)**
- 2.2 The current CTS scheme is based on an income banded discount scheme and was first introduced for the 2024/25 financial year. This scheme applies to working age applicants only. The scheme for working age households can be modified and varied by the Council, ensuring key principles and legislative requirements are met.
- 2.3 The Pension age scheme remains nationally prescribed by the Government. This scheme must be retained by all Councils in respect of Pensioner households (prescribed scheme) and cannot be varied and replicates the previous Council Tax Benefit (CTB) scheme.
- 2.4 The key characteristics of the current CTS 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% 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 for all other adults in the household (maintaining no deduction for those in receipt of disability benefits) are applied.
- Household size allowance is restricted to 2 children (to mirror UC and welfare reform).
- The capital limit for eligibility to the scheme is £6,000

2.5 The scheme currently has 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

2.6 The current CTS case load (2024/25)

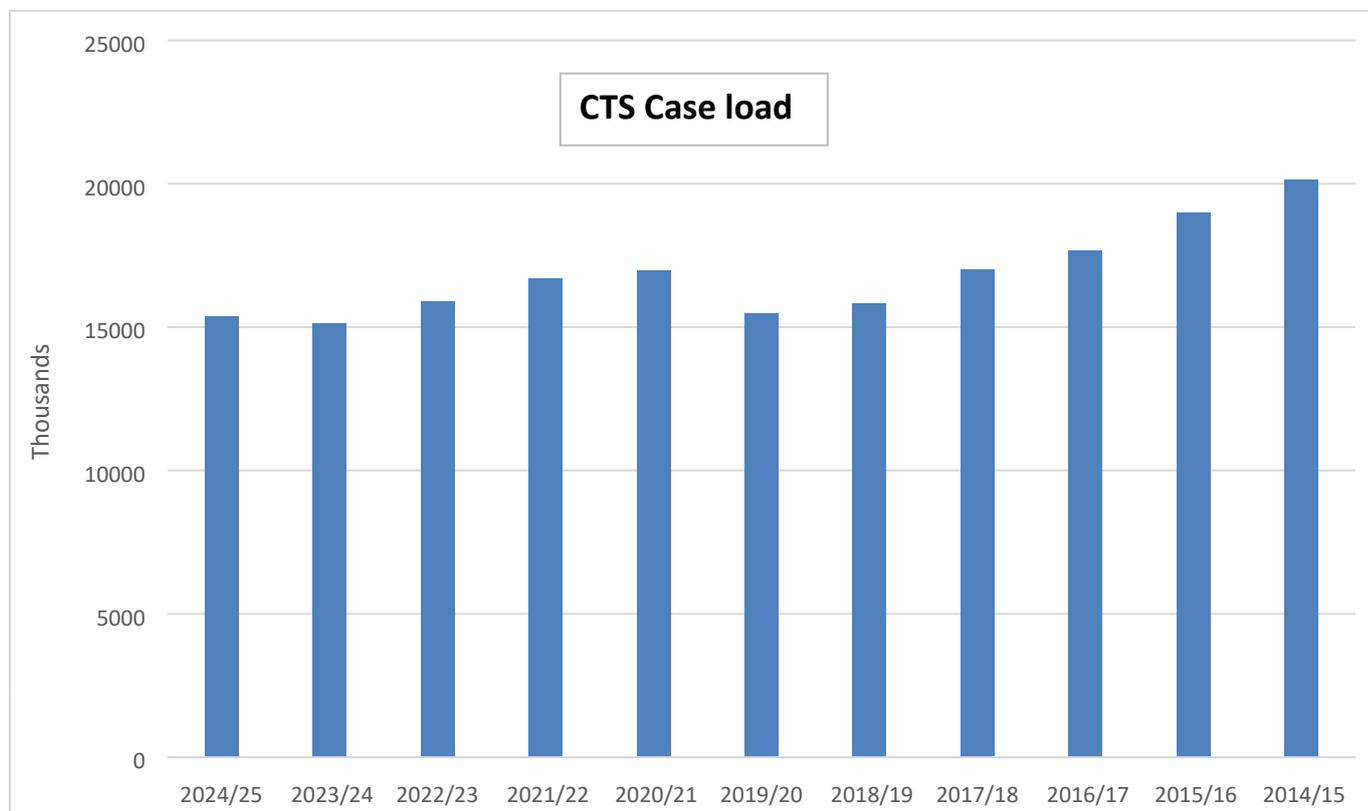
2.7 The current CTS scheme¹ caseload is as follows:

Case load count Combined	Working age	Pension age
15,367	10,865	4500

2.8 Case load extract is taken at a point in time (May 2024) and does not account for continued growth in the scheme.

¹ 03.05.2024 CTS case load

- 2.9 The CTS caseload has historically declined year on year with the exception of 2020/21 due to the impact of Covid-19.
- 2.10 Increases in caseload between 2023/24 and 2024/25 are an indicator of continued pressure on household finances within the borough.
- 2.11 Demand on the scheme has largely remained stable despite cost pressures around cost of living and previously the impact of Covid-19.



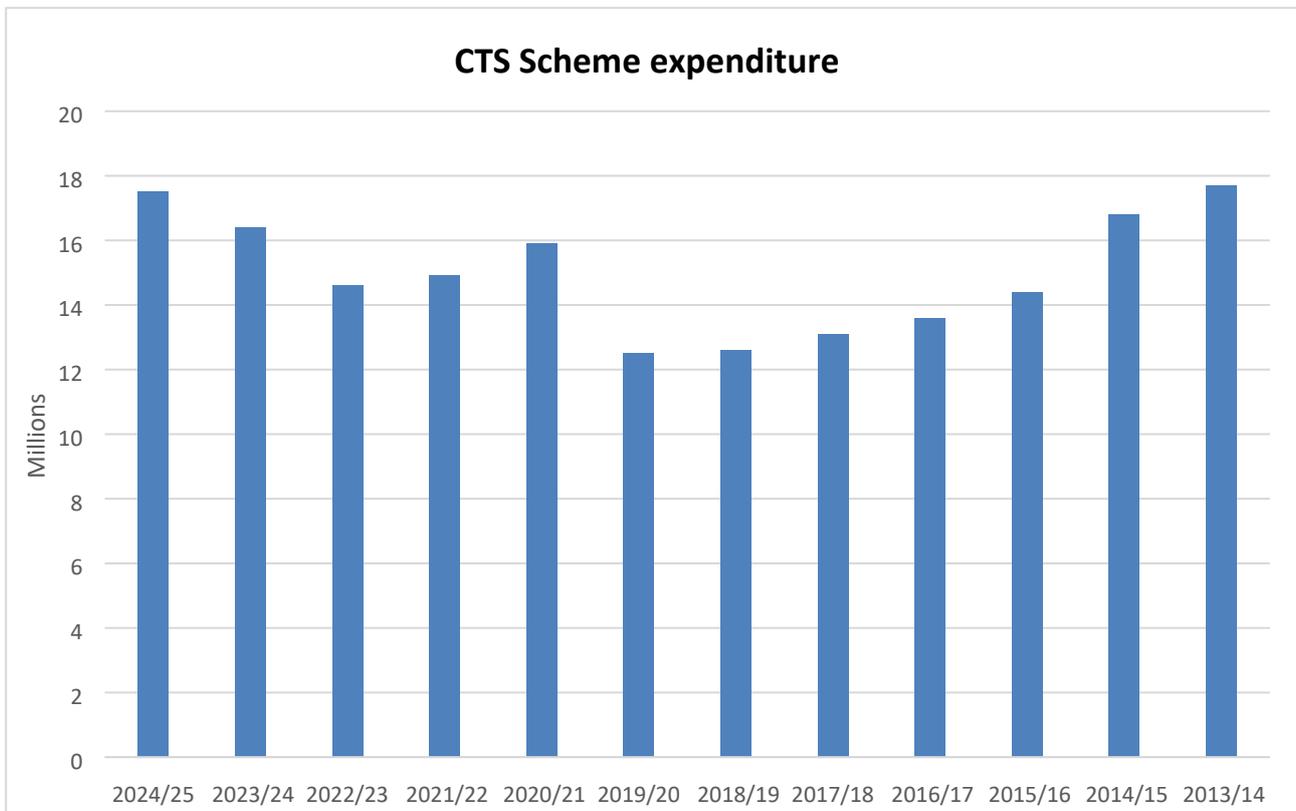
2.12 Current CTS expenditure (2024/25)

2.13 The current scheme expenditure² is as follows:

Total CTS expenditure Combined	Working age	Pension age
£17,508,007.52	£11,781,917.89	£5,726,089.63

- 2.14 CTS expenditure is taken at a point in time (May 2024) and does not account for continued growth in the scheme.
- 2.15 CTS expenditure reduced year on year from the commencement of a localised CTS scheme in 2012/13 up until 2020/21 (impact of Covid-19) and will vary based on demand throughout the financial year.

² 03.05.2024 CTS expenditure



- 2.16 The impact of Covid-19 within the 2020/21 financial year saw significantly increased demand for access to the scheme resulting in an increase in expenditure reversing the pressure trend of a reduction in expenditure.
- 2.17 The Council made a significant investment into the CTS scheme for 2023/24 by increasing the maximum award from 75% to 85% reducing the minimum payment from 25% to 15%.
- 2.18 This increased the scheme costs from 14.6m (2022/23) to 16.6m (2023/24) and ended year on year decreases in expenditure (excluding 2020/21).
- 2.19 Increased expenditure into 2024/25 is in part attributed to an increase in Council Tax of 4.99%. This increased scheme costs by c£900k and is not a reflection of demand on the scheme. Continued increases in Council Tax of 4.99% year on year will continue to drive up the cost of the scheme.
- 2.20 **The Current CTS scheme (2024/25)**
- 2.21 The current CTS scheme has a very high proportion of claims and expenditure in Band 1 (maximum award). This highlights the low income demographic of residents currently in receipt of CTS. The table below relates to the working age part of the scheme only.

Bands	Expenditure annual	Expenditure weekly	Number of claimants	Claimant %	Average Award
	Working age only				
1	£9,955,608.66	£190,929.47	8478	78.03%	£22.52
2	£756,261.59	£14,503.65	742	6.83%	£19.55
3	£622,548.53	£11,939.29	753	6.93%	£15.86
4	£333,194.55	£6,390.03	535	4.92%	£11.94
5	£77,676.69	£1,489.69	199	1.83%	£7.49
6	£36,627.88	£702.45	158	1.45%	£4.45
Total	£11,781,917.89	£225,954.58	10865	100%	£20.80

2.22 Universal Credit migration

2.23 Managed migration of the remaining old style legacy Benefits to UC has now commenced. The scheduling of the first wave of migration is due to complete by December 2024 with the remaining case scheduled to complete by December 2025.

2.24 UC migration will affect the CTS caseload and will have a variable effect on the level of CTS awards depending on the type of Benefits being replaced by the migration.

2.25 There are currently estimated to be 3638 (33%) current CTS cases that will migrate to UC. 2887 of the cases are currently in Band 1 and are expected to be retained in this band therefore having no impact on expenditure from the change in Benefit type.

2.26 The impact on the remaining cases cannot be accurately forecasted due to limitations in modelling but may increase expenditure with awards being higher under the scheme which is as an average more generous to those applicants on UC.

2.27 Unclaimed CTS (income maximisation) and growth

2.28 There is currently a significant amount of unclaimed CTS for residents on UC that can be identified on the existing caseload.

2.29 Approximately 2800 claims have been identified as being entitled to CTS without a current live claim with an annual sum value of c£1.8m annually.

2.30 Unclaimed CTS puts pressure on collection by requiring collection from those residents unable to pay. It also highlights the potential for significant growth in the expenditure of the CTS scheme.

2.31 A targeted CTS take up campaign run by the Homes & Money Hub this financial year is likely to result in further increased growth and the overall expenditure of the scheme into 2025/26.

- 2.32 Successful welfare take up campaigns have on average a maximum of 25-35% success rates. It is not possible to forecast the success rate of any take up initiative at this stage.
- 2.33 For the in-year period to date (April-June) the CTS scheme has seen continued natural growth that has resulted in an additional £140k in expenditure. This has been caused by a high volume of applications to the scheme.
- 2.34 If this level of growth were to be maintained throughout the financial year, the cost of the scheme would continue to increase.
- 2.35 Projections and forecasts for expenditure into 2025/26 cannot account for natural growth or take up work and therefore may not accurately forecast the cost of the scheme.

3 Model 1 CTS scheme for 2025/26

- 3.1 In order for the CTS scheme to provide the same level of support in 2025/26 as it does currently the income band thresholds must be increased and uprated. This is because both income related Benefits and earnings (National Minimum wage) are automatically uprated in April. As a consequence, applicant incomes will increase year on year. Failing to uprate the income bands would result in a cut to the scheme.
- 3.2 Projections for income uprating are currently predicted at 3.5% for Benefit uprating (based on projected CPI inflation figures) and an increase of 3.9% in the National Minimum wage (NMW).³
- 3.3 Model 1 proposes retaining all aspects of the scheme the same as set out in paragraph 2.4 above, with uprating of the income banding table only.
- 3.4 Model 1 proposes the following 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 - £105	£0 - £175	£0 - £193	£0 - £313	£0 - £270	£0 - £388
2	70%	£100 - £156	£175 - £228	£193 - £249	£313 - £374	£270 - £326	£388 - £453
3	55%	£156 - £189	£228 - £256	£249 - £288	£374 - £420	£326 - £367	£453 - £503
4	40%	£189 - £203	£256 - £288	£288 - £326	£420 - £462	£367 - £411	£503 - £552
5	25%	£203 - £226	£288 - £304	£326 - £349	£462 - £488	£411 - £422	£552 - £589
6	15%	£226 - £266	£304 - £325	£349 - £402	£488 - £553	£422 - £442	£589 - £641

- 3.5 All band discounts are retained at the current level with the maximum 85% award maintained.
- 3.6 The income band thresholds proposed in Model 1 ensure that the impact of Benefit and NMW uprating is accounted for. This will ensure that applicants will remain in

³ The National Minimum Wage in 2024 and forecast National Living Wage in 2025 (March 2024) – Low Pay Commission

the same income band as currently, ensuring consistency in their award and avoiding drops between bands causing large reductions in support.

3.7 Model 1 replicates closely the level of support currently provided in the 2024/25 scheme in so far as possible.

3.8 **Retaining the current CTS scheme into 2025/26 (Model 1) and projected costs**

3.9 The Council has undertaken both internal and external modelling on the impact of retaining the current level of support provided by the current CTS scheme into 2025/26.

3.10 The Council have worked with a specialist provider ‘EntitleTo’ to model the impact of retaining the current CTS scheme into 2025/26.

3.11 The analysis on this paper is based on internal Council modelling and has been verified for accuracy by external modelling. Results from external modelling will be provided in future papers to verify the proposed scheme and expenditure.

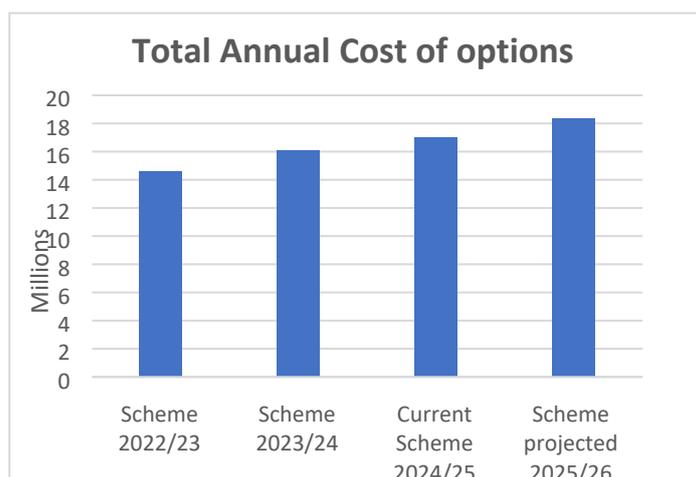
3.12 Fluctuations in the caseload and demand on the scheme (growth & take up initiatives) mean any modelling undertaken is subject to change once the scheme is implemented. **Costs are likely to be underestimated in this projection.**

3.13 Projections are assumed that Council Tax will increase by the maximum 4.99% into 2025/26.

3.14 Maintaining the current scheme into 2025/26 would increase scheme costs from £17.5m (2024/25) to an estimated £18.37m (2025/26). Circa a £870K increase in expenditure.

Group	£/annum (2025/26)
All working age	£12.36m
Pension age	£6.01M
Total	£18.37m

3.15 This assumes the CTS caseload remains the same as currently with no forecasted increase. Any growth or take up work for unclaimed CTS will add further expenditure to this forecast.



3.16 The impact analysis of retaining the CTS scheme 2025/26 (Model 1)

3.17 Model 1 has been designed to maintain the same overall level of support as the current scheme projected into 2025/26 with income uprating applied. Income band thresholds have been updated to take account of increases in applicant incomes.

3.18 The current caseload can be broken down into the income bands. This demonstrates the high level of poverty and deprivation that is evident in the demographic of the CTS scheme. Currently 77.78% of the caseload has income which results in applicants being placed into band 1 with a maximum award.

3.19 Model 1 maintains the majority of applicants in the same income band ensuring that the level of support is maintained compared to the current scheme.

Group	Number of claimants	Percentage of band droppers	Down 1 band	Down 2 bands	Up 1 band	Up 2 bands	% of band changes
Single	2577	1.40%	36	0	10	0	0.39%
Single 1 child	1364	3.01%	41	0	18	0	1.32%
Single 2+ children	2367	2.28%	54	0	33	0	1.39%
Couple	447	10.74%	48	0	8	0	1.79%
Couple 1 child	312	10.58%	32	1	3	0	0.96%
Couple 2+ children	1089	2.94%	32	0	57	0	5.23%
Passport Benefit	2709	-	-	-	-	-	-
Totals	10868	2.99%	243	1	129	0	1.58%

3.20 The average CTS award in Model 1 is projected as follows:

Group	Caseload count	2024/25 average CTS award	Model 1 average CTS award
All working age	10865	£20.80	£21.83
UC	7246	£20.55	£21.50
Legacy benefit	3619	£21.28	£22.51

3.21 The average CTS award by income band is projected as follows:

Income Band	2024/25 average CTS award	Model 1 average CTS award
Band 1	£22.52	£23.69
Band 2	£19.55	£20.54
Band 3	£15.86	£16.71

Band 4	£11.94	£12.58
Band 5	£7.49	£7.82
Band 6	£4.45	£4.66

3.22 Average awards can also be broken down by the type of Benefit received taking account of those applicants with Disability Benefits and barriers to work. This demonstrates that the scheme provides greater levels of support to those with barriers to work or disability protecting the most vulnerable.

Group	Caseload count	2024/25 average CTS award	Model 1 average CTS award
Disability Living Allowance (DLA) & Personal Independence payment (PIP)	3845	£23.11	£24.25
Employment Support Allowance (ESA)	541	£20.64	£21.80
UC Limited capacity for work (UC-LCW)	743	£20.53	£21.60
Totals	5129		

3.23 Although Model 1 retains the same levels of support some claimants will be better/worse off. This is because the scheme cannot be replicated exactly to the current scheme.

3.24 97.76% would see an increase in their award which is expected due to a projected increase in Council Tax costs. The average increase in the award is £1.03 Per week.

3.25 2.24% would see a reduction on their current CTS award under Model 1. The breakdown of claimants who lose support under Model 1 is as follows:

Household Type	Number of claimants	Percentage who lose out	Average weekly loss
Passported Benefit	0	0	0
Single	48	10.74%	£2.14
Single 1 child	33	10.58%	£2.35
Single 2+ children	32	2.94%	£2.35
Couple	36	1.40%	£1.39
Couple 1 child	41	3.01%	£1.67
Couple 2+ children	54	2.28%	£1.57

Income Band	Number of claimants	Percentage who lose out	Average weekly loss
Band 1	0	0	0
Band 2	41	5.31%	£1.52
Band 3	39	5.19%	£1.47
Band 4	39	7.69%	£1.56
Band 5	52	28.73%	£1.57
Band 6	49	27.53%	£1.54
Band 7	24		£5.05

Barriers to work	Number of claimants	Percentage who lose out	Average weekly loss
DLA/PIP claimant	3845	1.01%	-£4.69
ESA claimant	541	1.08%	£0
UC-LCW claimant	743	0.95%	-£4.47

3.26 This demonstrates a small percentage who lose out from retaining the level of support in Model 1.

3.27 Overall impact analysis Model 1

3.28 The overall impact of Model 1 will provide largely the same level of support as the current scheme projected into 2025/26.

3.29 This model will provide the highest level of support for residents but will not deliver any cost avoidance and will not support the Council in delivering a sustainable budget.

3.30 As model 1 maintains the same level of expected expenditure as the current scheme projected into 2025/26 (excluding growth and take up initiatives) there is no expected impact to Council Tax collection as there is no reduction in support contributing to delayed/unpaid Council Tax beyond any current issues.

4. Model 2 CTS scheme for 2025/26 (Recommended)

4.1 In order for the Council to retain a balanced and sustainable budget a reduction in support provided through the CTS scheme is recommended that takes account of the temporary increase in the maximum level of support implemented for 2023/24 while acknowledging continued cost of living pressures for residents in the borough.

4.2 Model 2 proposes a 5% cut to support for all the income bands (working age). This will result in a maximum award of 80%, a reduction of 5% on the current maximum of 85% and will apply to all bands 1-6.

4.3 A minimum payment of 20% would be required in all cases.

4.4 An increase in the flat rate non-dependant deduction amount from £7.50 to £10.00 is proposed for all adults in the property while maintaining the current exemptions for receipt of disability benefits. This will reflect increases in non-dependant income.

4.5 This represents a cost saving in expenditure on the scheme of £203,684 per annum. All other aspects of the scheme will remain the same as set out in paragraph 2.4 above. No further changes to the household income disregards or capital limit are proposed.

4.6 The income band thresholds will remain uprated in line with Model 1 to ensure that the impact of Benefit and income uprating is accounted for. This will ensure that applicants will remain in the same income band ensuring consistency in their award and avoiding drops between bands causing large reductions in support. This is especially important when considering a reduction in the level of the award.

4.7 Model 2 recommends the following 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	80%	£0 - £105	£0 - £175	£0 - £193	£0 - £313	£0 - £270	£0 - £388
2	65%	£100 - £156	£175 - £228	£193 - £249	£313 - £374	£270 - £326	£388 - £453
3	50%	£156 - £189	£228 - £256	£249 - £288	£374 - £420	£326 - £367	£453 - £503
4	35%	£189 - £203	£256 - £288	£288 - £326	£420 - £462	£367 - £411	£503 - £552
5	20%	£203 - £226	£288 - £304	£326 - £349	£462 - £488	£411 - £422	£552 - £589
6	10%	£226 - £266	£304 - £325	£349 - £402	£488 - £553	£422 - £442	£589 - £641

4.8 A maximum award of 80% or a minimum payment of 20% (Band 1) is held to continue to provide a sufficient level of support for low income households in the borough.

4.9 A maximum award of 80% remains comparable to other Greater London Authority CTS schemes based on a comparison in 2024/25.

4.10 Local London Borough CTS scheme comparison 2024/25 (Maximum CTS awards):

- Redbridge – 78%
- Havering – 75%
- Newham – 90%
- Greenwich – 100%
- Hackney – 85%
- Bexley – 80%
- Waltham Forest – 85%
- Haringey – 100%
- Enfield – 50% unless protected

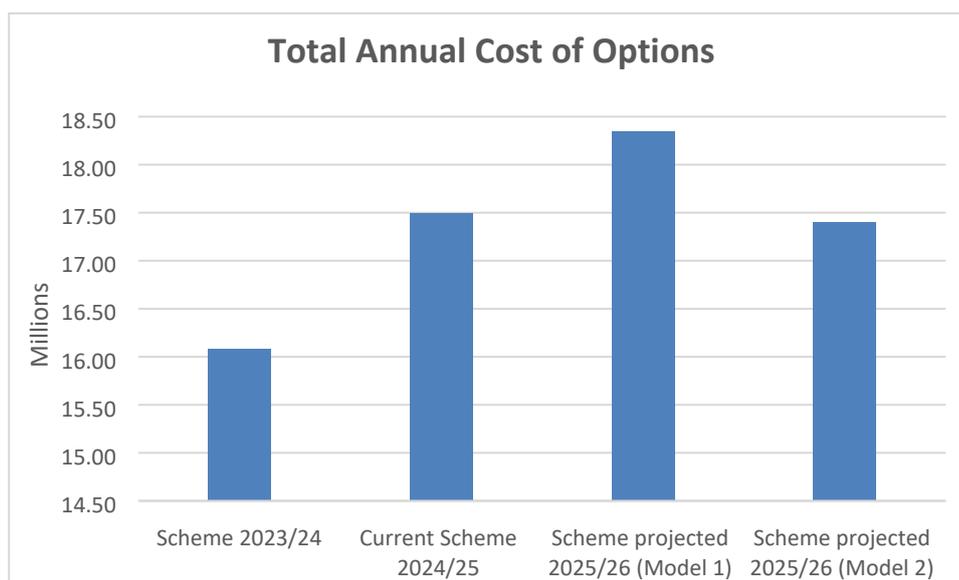
4.11 **Projected CTS scheme costs 2025/26 (Model 2)**

4.12 Maintaining the current scheme into 2025/26 while retaining the current level of support is projected to cost £18.35m (Model 1).

4.13 Model 2 is projected to cost £17.4m (exclusive of any growth or take up initiatives).

Group	£/annum (2025/26) Model 1	£/annum (2025/26) Model 2	Saving %
All working age	£12.36m	£11.41m	7.68%
Pension age	£6.01m	£6.01m	-
Total	£18.35m	£17.40m	5.18%

- 4.14 This is projected to provide cost avoidance of c£950k on the cost of retaining the current scheme into 2025/26. This is a 7.68% saving on the working age scheme.
- 4.15 This assumes the CTS caseload remains the same as current with no forecasted increase. Any growth or take up work for unclaimed CTS will add further expenditure to this forecast.



- 4.16 The expenditure on the Pension age scheme cannot be varied as the scheme is nationally prescribed and provides a maximum award of up to 100%.
- 4.17 Increased Council Tax costs of 4.99% will drive an increase in expenditure on both the Pension and working age components of the scheme. Further costs are likely to be added due to natural growth and take up initiatives.
- 4.18 **The impact analysis of the proposed CTS scheme 2025/26 (Model 2)**
- 4.19 Model 2 has been designed to reduce the overall level of support from the scheme by reducing the income band % (the CTS award) by 5% for all income bands.
- 4.20 Income band thresholds are replicated to Model 1 and maintain the majority of applicants in the same income band as shown in paragraph 3.19 above.
- 4.21 The average CTS award compared to Model 1 is projected as follows:

Group	Caseload count	Model 1 average CTS award	Model 2 average CTS award
All working age	10865	£21.83	£20.15
UC	7246	£21.50	£19.83
Legacy benefit	3619	£22.51	£20.80

4.22 The average CTS award by income band is projected as follows:

Income Band	Model 1 average CTS award	Model 2 average CTS award
Band 1	£22.52	£22.00
Band 2	£19.55	£18.80
Band 3	£15.86	£15.04
Band 4	£11.94	£10.91
Band 5	£7.49	£6.18
Band 6	£4.45	£3.07

4.23 Average awards can also be broken down by the type of Benefit received taking account of those applicants with Disability Benefits and barriers to work. This demonstrates that Model 2 will cut support to those with barriers to work or disability.

Group	Caseload count	Model 1 average CTS award	Model 2 average CTS award
Disability Living Allowance (DLA) or Personal Independence payment (PIP)	3845	£21.83	£20.15
Employment Support Allowance (ESA)	541	£21.50	£19.83
UC Limited capacity for work (UC-LCW)	743	£22.51	£20.80
Totals	5129		

4.24 Model 2 reduces support for all applicants by reducing the % award for bands 1-6.

4.25 Of the 10,850 current claimants 100% would see a reduction in support. The average decrease in the award is £1.68 per week.

- 250 claimants would experience a decrease in their award of up to £1.
- 8895 claimants would experience a decrease in their award of between £1 and £2.
- 1471 claimants would experience a decrease in their award of between £2 and £5.
- 189 claimants would lose more than £5 per week.

4.26 The breakdown of claimants who lose support under Model 2 compared to Model 1 is as follows:

Household Type	Number of claimants	Percentage who lose out	Average weekly loss
Passported Benefit	2709	100%	-£1.68
Single	447	100%	-£2.00
Single 1 child	312	100%	-£1.86
Single 2+ children	1089	100%	-£1.64
Couple	2577	100%	-£1.63
Couple 1 child	1364	100%	-£1.57
Couple 2+ children	2367	100%	-£1.86

Income Band	Number of claimants	Percentage who lose out	Average weekly loss
Band 1	8451	100%	-£1.68
Band 2	772	100%	-£1.74
Band 3	752	100%	-£1.68
Band 4	507	100%	-£1.68
Band 5	181	100%	-£1.64
Band 6	178	100%	-£1.59

Barriers to work	Number of claimants	Percentage who lose out	Average weekly loss
DLA/PIP claimant	3845	100%	-£1.51
ESA claimant	541	100%	-£1.91
UC-LCW claimant	743	100%	-£1.90

4.27 Although all cases with Disability Benefits will lose support, the loss of support can be modelled to be less than the average loss across the whole caseload.

4.28 The illustrated cash value impact of Model 2 on a Band D property (2024/25 charge) in receipt of the maximum CTS award (Band 1) compared to Model 1 is as follows:

Model 1:

- Band D Council Tax charge 2024/25 - £2002.75
- CTS cash value £1702.33 (Band 1 at 85% maximum award)
- Left to pay £300.42
- 10 x Monthly instalment £30.04

Model 2:

- Band D Council Tax charge 2024/25 - £2002.75
- CTS cash value £1602.20 (Band 1 at 80% maximum award)
- Left to pay £400.55
- Annual loss £100.13
- 10 x Monthly instalment £40.05

4.29 **Non-dependent adult deductions**

4.30 Model 2 recommends an increase in non-dependent deductions from £7.50 per week to £10 per week. This will account for increases in income and is considered to be a fair contribution from other adults in the household.

4.31 There are currently 1566 non-dependent adults in the working age caseload. Cases with Disability Benefits are exempt from a deduction. 1566 cases currently have a non-dependent deduction applied across 1267 households. 1006 deductions are for 1 adult in the household and is the most common deduction.

Total number of non-dependant deductions	Total number of claims with non-dependant deductions	Total number of claims with an increased NDD	NDD charge total under Model 1 (weekly)	NDD charge total under Model 2 (weekly)
1566	1267	1267	£11,748	£15,665

4.32 The total saving on expenditure is approximately £203,684.

4.33 **Overall impact analysis Model 2**

4.34 The overall impact of the reduction in support proposed by Model 2 is considered to balance the need to deliver financial savings as part of the MTFS and wider economic context while continuing to provide sufficient levels of support to applicants.

4.35 The design of the scheme will result in a consistent reduction in support for all working age applicants. By ensuring that 77.68% of the caseload remains in the same income band the Council can mitigate against both a reduction in support through a change in the income band and the % of the award contained in the band. However, as a consequence of this approach 100% of the working age caseload will lose support. This approach is recommended as the most effective way to reduce expenditure while mitigating this impact.

4.36 **The impact on Council Tax collection 2025/26 (Model 2)**

4.37 It is difficult to forecast the impact of reducing support from the CTS scheme on Council Tax collection.

4.38 Citizens Advice Bureau (CAB) research has found that areas with a minimum payment in their CTS scheme are 57% more likely to see Council Tax arrears. As minimum payments increase so does the proportion of clients with Council Tax debt.

4.39 Universal Credit migration will also affect the type of income related benefits received and the level of the CTS award and may also affect collection rates. In 2023/24 13.9% of the total Council Tax base charged was paid by CTS. This is forecasted to drop to 13.6% for 2024/25.

4.40 In 2023/24 collection rates against taxpayers in receipt of CTS was 87.6%. For taxpayers in receipt of UC this figure drops to 82.9%. This resulted in a total of

£1,117,245 in delayed/unpaid Council Tax for 2023/24. Based on the same collection rates it is estimated that for 2024/25 a total of £1,195,222 will be in delayed/unpaid Council Tax for those taxpayers in receipt of CTS.

- 4.41 Model 2 forecasts a cost avoidance of approx. c£950k by reducing the level of support which will reduce the percentage of the charge paid by CTS by 0.7%.
- 4.42 The projected delayed/unpaid amount forecasted into 2025/26 is estimated at between a range of £140k - £280k based on previous collection rates for taxpayers in receipt of CTS.
- 4.43 A forecasted increase in delayed/unpaid Council Tax of c£ into 2025/26 would reduce the projected cost avoidance from a reduction in CTS scheme expenditure as the balance would remain uncollected in-year.
- 4.44 UC migration may also contribute to further delayed/unpaid collection as is evidenced by reduced collection rates for UC claims against CTS.

5. Model 3 CTS scheme 2025/26

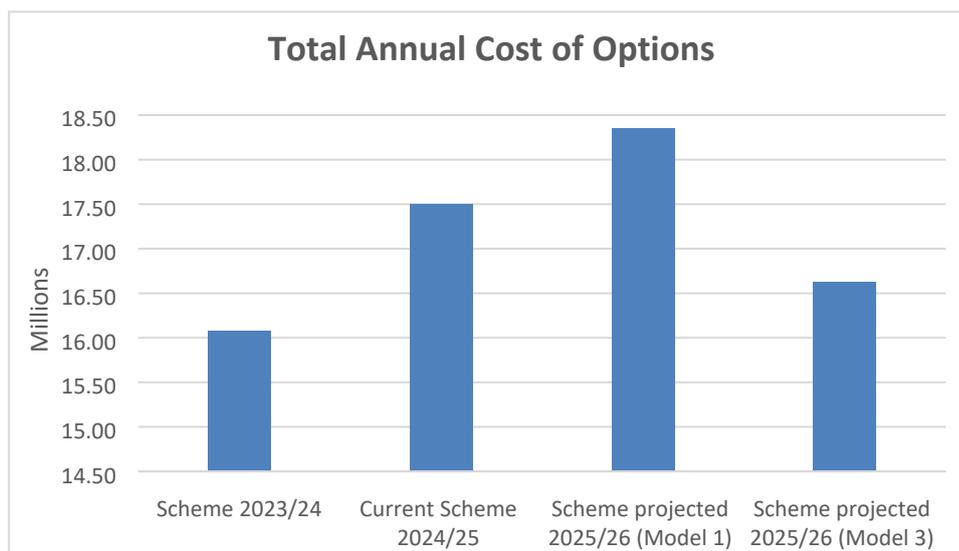
- 5.1 Model 3 proposes a 10% cut to support for income band 1 and a 5% reduction to all remaining bands 2-6. This will result in a maximum award of 75%, a reduction of 10% on the current maximum of 85%. A minimum payment of 25% would be required in all cases.
- 5.2 This will return the level of support to the 2022/23 scheme prior to the investment into the scheme in 2023/24 as part of a cost-of-living support package.
- 5.3 An increase in the flat rate non-dependant deduction amount from £7.50 to £10.00 for all adults in the property is proposed as set out in Model 2. All other aspects of the scheme will remain the same as set out in paragraph 2.4 above. No further changes to the household income disregards or capital limit are proposed.
- 5.4 The income band thresholds will remain uprated in line with Model 1 to ensure that the impact of Benefit and income uprating is accounted for as set out in Model 2.
- 5.5 Model 3 recommends the following income banding table (in-line with Models 1 & 2):

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	75%	£0 - £105	£0 - £175	£0 - £193	£0 - £313	£0 - £270	£0 - £388
2	65%	£100 - £156	£175 - £228	£193 - £249	£313 - £374	£270 - £326	£388 - £453
3	50%	£156 - £189	£228 - £256	£249 - £288	£374 - £420	£326 - £367	£453 - £503
4	35%	£189 - £203	£256 - £288	£288 - £326	£420 - £462	£367 - £411	£503 - £552
5	20%	£203 - £226	£288 - £304	£326 - £349	£462 - £488	£411 - £422	£552 - £589
6	10%	£226 - £266	£304 - £325	£349 - £402	£488 - £553	£422 - £442	£589 - £641

- 5.6 A maximum award of 75% or a minimum payment of 25% (Band 1) is not held to provide a sufficient level of support for low income households in the borough and is therefore not recommended.
- 5.7 A maximum award of 75% is low as a comparable to other Greater London Authority CTS schemes based on a comparison into 2024/25.
- 5.8 **Projected CTS scheme costs 2025/26 (Model 3)**
- 5.9 Maintaining the current scheme into 2025/26 while retaining the current level of support is projected to cost £18.35m (Model 1).
- 5.10 Model 3 is projected to cost £16.82m (exclusive of any growth or take up initiatives).

Group	£/annum (2025/26) Model 1	£/annum (2025/26) Model 3	Saving %
All working age	£12.36m	£10.81m	12.59%
Pension age	£6.01m	£6.01m	-
Total	£18.38m	£16.82m	8.47%

- 5.11 This is projected to provide cost avoidance of c£1.55m on the projected cost of retaining the current scheme into 2025/26. This is an 8.47% saving on the working age scheme.
- 5.12 This assumes the CTS caseload remains the same as current with no forecasted increase. Any growth or take up work for unclaimed CTS will add further expenditure to this forecast.



- 5.13 The expenditure on the Pension age scheme cannot be varied as the scheme is nationally prescribed and provides a maximum award of up to 100%.
- 5.14 Increased Council Tax costs of 4.99% will drive an increase in expenditure on both the Pension and working age components of the scheme.
- 5.15 Further costs are likely to be added due to natural growth and take up initiatives.

5.16 **The impact analysis of the proposed CTS scheme 2025/26 (Model 3)**

5.17 Model 3 has been designed to reduce the overall level of support from the scheme by reducing the income band 1 by 10 % and by 5% for all remaining income bands (2-6).

5.18 Income band thresholds are replicated to Model 1 and maintain the majority of applicants in the same income band as shown in paragraph 3.19 above.

5.19 The average CTS award compared to Model 1 & 2 is projected as follows:

Group	Caseload count	Model 1 average CTS award	Model 2 average CTS award	Model 3 Average CTS award
All working age	10865	£21.83	£20.15	£19.08
UC	7246	£21.50	£19.83	£18.79
Legacy benefit	3619	£22.51	£20.80	£19.68

Income Band	Model 1 average CTS award	Model 2 average CTS award	Model 3 average CTS award
Band 1	£23.69	£22.00	£20.63
Band 2	£20.54	£18.80	£18.80
Band 3	£16.71	£15.04	£15.04
Band 4	£12.58	£10.91	£10.91
Band 5	£7.82	£6.18	£6.18
Band 6	£4.66	£3.07	£3.07

5.20 Average awards can also be broken down by the type of Benefit received taking account of those applicants with Disability Benefits and barriers to work. This demonstrates that Model 3 will cut support to those with barriers to work or disability.

Group	Caseload count	Model 1 average CTS award	Model 2 average CTS award	Model 3 average CTS award
Disability Living Allowance (DLA) or Personal Independence Payment (PIP)	3845	£21.83	£20.15	£21.42
Employment Support Allowance (ESA)	541	£21.50	£19.83	£18.68
UC Limited capacity for work (UC-LCW)	743	£22.51	£20.80	£18.56
Totals	5129			

5.21 Model 3 reduces support for all applicants by reducing the % award for bands 1-6. Of the 10,850 current claimants 100% would see a reduction in support.

5.22 The breakdown of claimants who lose support under Model 3 is as follows:

Household Type	Number of claimants	Percentage who lose out	Average weekly loss
Passported Benefit	2709	100%	-£3.09
Single	2577	100%	-£2.68
Single 1 child	1364	100%	-£2.58
Single 2+ children	2367	100%	-£2.59
Couple	447	100%	-£2.95
Couple 1 child	312	100%	-£3.02
Couple 2+ children	1089	100%	-£2.47

Income Band	Number of claimants	Percentage who lose out	Average weekly loss
Band 1	8451	100%	-£3.04
Band 2	772	100%	-£1.65
Band 3	752	100%	-£1.79
Band 4	507	100%	-£1.55
Band 5	181	100%	-£1.86
Band 6	178	100%	-£1.91
Totals	10865		-£2.75

Barriers to work	Number of claimants	Percentage who lose out	Average weekly loss
DLA/PIP claimant	3845	100%	-£2.86
ESA claimant	541	100%	-£3.10
UC-LCW claimant	743	100%	-£3.11

5.23 Although all cases with Disability Benefits will lose support the loss of support can be modelled to be less than the average loss across the whole caseload.

5.24 The Cash value impact of Model 3 on a Band D property in receipt of the maximum CTS award (Band 1) if implemented in 2024/25 compared to Model 1 & 2 is as follows:

Model 1:

- Band D Council Tax charge 2024/25 - £2002.75
- CTS cash value £1702.33
- Left to pay £300.42
- 10 x Monthly instalment £30.04

Model 2:

- Band D Council Tax charge 2024/25 - £2002.75
- CTS cash value £1602.20 (Band 1 at 80% maximum award)
- Left to pay £400.55
- Annual loss £100.13
- 10 x Monthly instalment £40.05

Model 3:

- Band D Council Tax charge 2024/25 - £2002.75
- CTS cash value £1502.06
- Left to pay £500.69
- Annual loss £200.14
- 10 x Monthly instalment £50.06

5.25 **Non-dependent adult deductions** - As set out in point 4.19.

5.26 **Overall impact analysis Model 3**

5.27 The overall impact of the reduction in support proposed by Model 3 is not considered to balance the need to deliver financial savings as part of the MTFS and wider economic context while continuing to provide sufficient levels of support to applicants.

5.28 A further reduction in support for applicants in Band 1 to a 75% maximum award is the only way to achieve significant further cost avoidance in the scheme due to the number of cases that are placed into Band 1 in the scheme.

5.29 A 10% reduction in support for Band 1 claimants, combined with projected increases in Council Tax costs, alongside continued cost-of-living pressures is unlikely to provide sufficient support to low income residents of the borough and is therefore not recommended.

5.30 **The impact on Council Tax collection 2025/26 (Model 3)**

5.31 A further reduction in support is likely to increase delayed/unpaid Council Tax as set out in point 4.25.

5.32 The projected delayed/unpaid amount forecasted into 2025/26 for Model 3 is estimated at between a range of £280k - £420k based on previous collection rates for taxpayers in receipt of CTS.

6. **Options appraisal**

6.1 The options appraisal considered the following options for the CTS scheme for 2025/26.

- Maintain the current scheme with the same level of support (Model 1)
- Reduce the level of support across all income bands by 5% (Model 2) (Recommended)
- Reduce the level of support for income band 1 by 10% and all remaining bands by 5% (Model 3)

6.2 The implementation of a replacement 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.

- 6.3 A replacement scheme can either increase the level of support (expenditure increase), retain the current level of support (cost neutral) or can reduce the level of support (expenditure decrease).
- 6.4 Due to the economic context, this options appraisal does not recommend an increase in the level of support as it is not currently financially sustainable for the Council.
- 6.5 Retaining the current scheme with the same level of support (Model 1) will build on the investments made into the scheme over the last two financial years and will provide the greatest level of support to residents of the borough. It will however not provide any financial saving to the Council and is not currently financially sustainable to the Council due to the current economic context as outlined. On this basis Model 1 is not recommended.
- 6.6 Model 2 is held to sufficiently balance the need to continue to support residents at a time of high cost of living maintaining the support provided by the CTS scheme for the lowest income residents by protecting them against increases in income from Benefit uprating and NMW changes, while implementing a reduced overall award by reducing each band by a maximum of 5%, alongside an increase in non-dependant adult deduction charges reflecting increases in their incomes.
- 6.7 Model 2 will provide a maximum award of 80% which is comparable to many Greater London Authorities and is held to be sufficient support for residents considering a projected improvement in the overall costs of living and reduction in inflation, whilst balanced against the financial costs to the Council.
- 6.8 Consideration should however be given despite this context to the ability of residents to pay any additional costs associated to a reduction in support from the scheme, with increased pressure on the Council Tax collection and recovery process as a consequence.
- 6.9 Model 3 is not held to sufficiently support residents with their Council Tax costs considering the socio-economic demographics and poverty indicators of the borough.
- 6.10 A maximum award of 75% with 10% reductions in the level of support for all bands, with the removal of band 6 completely will not provide a sufficient level of support and risks an increase in bad debt provision, increasing Council Tax recovery and collection actions and an inability to pay the increase for many low income residents in the borough.
- 6.11 A maximum 75% scheme would not be widely comparable with many Greater London Authorities and would leave the Council with a scheme that is considered to be providing inadequate support as a comparison.
- 6.12 For the reasons outlined above Model 2 is the recommended proposal.

7. Consultation

- 7.1 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.
- 7.2 There is also a duty to consult with the major precept authorities who are statutory consultees.
- 7.3 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.
- 7.4 The Council will be required to consult extensively on the proposals to change the CTS scheme due to the reduction in support proposed (Model 2).
- 7.5 It is recommended that as a reduction in support through the scheme will form part of the consultation that a 6-week consultation timeframe is undertaken to ensure that sufficient time for respondents to share their views is held.
- 7.6 A retention of the scheme unchanged will not require public consultation however as all the proposed models will change the scheme a consultation will be required.
- 7.7 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:
- Retaining the current level of support (Model 1)
 - Reducing the level of support (Model 2)
 - Reducing the level of support (Model 3)
 - Any other comments and views on the proposed changes
- 7.8 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.
- 7.9 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.

- 7.10 Public workshops will be held at various sites throughout the borough 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.
- 7.11 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.
- 7.12 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.
- 7.13 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.

8. Financial Implications

Implications completed by: Yinka Ehinfun, Interim Chief Accountant

- 8.1 The Council Tax Support Scheme ultimately reduces Council tax Income available to fund Council's expenditure. Not changing the scheme for the 2025-26 financial year is bound to increase the scheme by another £1m when the scheme has already increased in the current year by about £1m.
- 8.2 The proposed Model 2 scheme for 2025-26 financial year addresses this concern and reduces the amount of support that will be awarded to residents. It will provide a maximum award of 80% to recipients of the award. However, the total savings is not all attributable to the council as Greater London Authority, the precepting authority bears a share of these costs. The council would only get 76.5% (based on the 2024-25 split) of the benefits of the savings.
- 8.3 The headline cut to the council tax support scheme expenditure is likely to raise the risk of bad debt provision which may cause the amounts saved in the proposed scheme to be lost to bad debt provision if the relevant council tax bills are not paid.

9. Legal Implications

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

- 9.1 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.
- 9.2 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.

- 9.3 As the CTS scheme is being proposed to be replaced with a revised 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.
- 9.4 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.
- 9.5 This paper sets out the proposals to change the CTS scheme the three options and reason for preference and the required need for consultation.
- 9.6 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. Consultation needs to be with sufficient information and data to support the consultee's ability to understand what the changes are likely to be and how that might affect them.
- 9.7 While the Council may have a preferred option, it must not determine its choice until it has considered the representation made during the consultation process which will need to be presented to the Cabinet in due course.
- 9.8 The proposed schemes subject to consultation may be subject to further change through the ongoing modelling process.

10. Other Implications

- 10.1 **Risk Management** - This paper recommends a reduction in support provided by the CTS scheme to ensure the scheme remains affordable to the Council in light of the economic context.
- 10.2 The modelling of projected costs is based on a point in time that is projected into 2025/26. Modelled costs may not be realised due to the impact of natural growth in the scheme and targeted take up work which are likely to increase expenditure on the scheme in-year. Modelling cannot account for ongoing changes to scheme expenditure. Costs may exceed the projected expenditure of maintaining the scheme unchanged despite a reduction in support and is raised as a financial risk to the Council.
- 10.3 The costs to the CTS scheme are determined by demand. There remains a risk that future fluctuations in demand could place an additional financial burden on the Council.

- 10.4 The current collection rates for residents in receipt of CTS for 2023/24 was 87.6%. This drops to 82.4% for UC claimants. Any reduction in support will require the collection of monies previously awarded as a discount. Projected delayed/unpaid Council Tax in 2025/26 suggests an increase in uncollected Council Tax. This will result in lower than projected cost avoidance and is raised as a significant risk. A further risk is raised due to the migration to UC with a lower collection rate for these claimants.
- 10.5 Increased collection against low-income residents may also result in an increase in recovery actions due to delayed/unpaid Council Tax.
- 10.6 Any reduction in support will affect the most financially vulnerable residents in the borough. 77% of the caseload currently sits in band 1. This demonstrates that a significant majority of the caseload is very low income and the most financially disadvantaged within the borough. There is a risk that reducing core support through the CTS scheme contributes to further financial hardship for these residents.
- 10.7 Take up of CTS in the borough is significantly underclaimed. Currently the Welfare Service has identified 2794 cases that hold UC as their income that are likely to be entitled to a CTS award. The sum value of this unclaimed CTS for this cohort is c£1.8m annually. This estimation likely underestimates the total value of unclaimed CTS in the borough.
- 10.8 Underclaimed CTS undermines Council Tax collection by requiring collection from those with low incomes who cannot pay and should be in receipt of CTS.
- 10.9 A targeted approach to support a CTS take up campaign would result in increased scheme costs and is raised as a risk to increased expenditure.
- 10.10 UC migration will change the income type for approximately 33% of the current caseload. This may impact the level of some awards and is predicted to increase the value of some awards. This cannot be accurately forecast but is raised as a possible risk to increased expenditure.
- 10.11 As the link between claiming Housing Benefit and Council Tax Support is broken by income and housing related elements now being awarded through UC a fully migrated working age caseload to UC will continue to present challenges on CTS take up.
- 10.12 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 financial means to mitigate the losses experienced by some applicants as we transition between schemes.
- 10.13 As the recommended scheme is proposed to reduce support a public consultation will be required. The outcome of the consultation may not be supportive of the proposed scheme change and must be taken into account before a final decision is made.

11 Corporate Policy and Equality Impact

- 11.1 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.
- 11.2 An Equality Impact Assessment (EIA) of the proposal to revise the CTS scheme for 2025/26 has been undertaken and reviewed by the Strategy team and is attached in Appendix 3
- 11.3 The report has identified there is potential for adverse impact on some protected characteristics from Model 2. This is because a reduction in support will affect all recipients of CTS regardless of their income or demographic. No specific mitigation for claimants with protected characteristics are proposed. 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.
- 11.4 The proposals are considered to be proportionate in light of the budgetary pressures given the steps taken to ensure reductions to the support provided in the scheme are kept to a minimum to mitigate their impact on residents.
- 11.5 The Council has given due regard to equality needs contained within the Equality Act 2010. Reasonable adjustments to the proposed scheme have been made considering disadvantages suffered by residents with protected characteristics that are balanced against the requirement to make savings and support a balanced budget.
- 11.6 If no CTDR scheme is available, or the amount available is significantly reduced, the Council will have no available financial means to mitigate against any potential issues that arise from the EIA from the proposed scheme change on applicants who will lose part of their award, who hold protected characteristics.

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

List of appendices:

- **Appendix 1: Equality Impact Assessment**

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Community and Equality Impact Assessment

As an authority, we have made a commitment to apply a systematic 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 2025/26
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 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>The current CTS scheme for 2024/25 replaced the previous means tested approach under the default scheme with an ‘income banded discount scheme’.</p> <p>The income banded discount scheme provides support based on bands of income and provides a percentage discount off the Council Tax bill (the CTS award) and helps residents on low incomes to pay their Council Tax. Under the current scheme, a working-age household (working age is anyone under pension 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 applicants, dependent upon their circumstances.</p> <p>The scheme that exists for Pension age recipients is a national scheme and this cannot be varied at a local level. The national Pension age scheme very much mirrors the former means tested national Council Tax Benefit (CTB) scheme.</p> <p>This EIA is required for the proposals to implement a replacement CTS scheme for the financial year 2025/26 for working age households.</p> <p>A scheme that provides a reduced level of support is being proposed.</p> <p>The Council has faced significant financial and operational challenges during 2023/24. The financial sustainability of the Local Government sector continues to be extremely challenging. There have been significant cuts over several years to the Revenue Support Grant from the Department for Levelling Up, Homes and Communities (DLUHC) and whilst headline core spending power has increased, in real terms, funding is still far below what it was over a decade ago.</p> <p>The Medium Term Financial Plan (MTFP) sets out a forecast budget gap of £8.8m for 2024/25 with a drawdown from reserves with a forecast gap of £11.69m into 2025/26.</p>

Why is this service or policy development/review needed?

To help residents with the cost-of-living crisis the Council agreed to temporarily increase the level of support through the CTS scheme in 2023/24, subject to continued review based on demand and affordability, by reducing the minimum payment required from 25% to 15% to help its residents cope with this crisis. This level of support was retained in 2024/25 but consideration will need to be given to a reduction in support and cost for the remainder of the MTFS to ensure the Council has a sustainable budget.

The Council recognises the impact of Covid-19 and the cost of living crisis and this means any changes impacting residents may contribute further to this situation. Although inflation has reduced it is recognised that costs remain high and are affecting residents on a day to day basis. Any changes proposed to the CTS scheme will seek to balance savings proposals whilst protecting the most vulnerable, mitigating negative impacts as far as possible.

This paper sets out the equality impact assessment (EIA) of the proposed changes to the CTS scheme for 2025/26.

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 5,037 people of working age (16-64) claiming Disability Living Allowance & 11,115 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 – 04/06/2024)

(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 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 15,367 live CTS cases:

- 10,893 working age (16-64) (70.88%)
- 4474 pension age (65+) (29.11%)

The CTS working age caseload is currently 7.63% of the working age population of the borough.

The CTS pension age caseload is currently 23.48% of the pension age population of the borough.

Case load breakdown by demographic types¹:

The CTS case load can also be broken down by age and household type.

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	
10-19	33,328	15.24%	3	0.01%
20-29	28,435	13.00%	724	4.71%
30-39	36,691	16.77%	2656	17.28%
40-49	31,986	14.62%	3027	19.69%
50-59	25,140	11.49%	2802	18.23%
60 -69	14,536	6.65%	2589	16.84%
70-79	8,027	3.67%	2238	14.56%
80+	5,071	2.32%	1472	9.57%

Household type	No. of live CTS claims
Working Age - Non-Passported - Couple	447
Working Age - Non-Passported - Couple & 1 Child	312
Working Age - Non-Passported - Couple & 2 Child +	1089
Working Age - Non-Passported - Single	2577
Working Age - Non-Passported - Single & 1 Child	1364
Working Age - Non-Passported - Single & 2 Child +	2367
Working Age - Passported benefit	
All household types	2709

¹ Policy & Practice localised CTS Final Report

CTS expenditure (cost):

CTS expenditure for the financial year 2024/25 is currently £17,520,174

CTS expenditure by age:

Of this expenditure £11,790,449 (67.29%) is against working age claimants and £5,729,725 (32.71%) is against pension age claimants.

Working age claimants currently make up 65.10% of the population and account for 70.88% of the CTS caseload and 67.29% of the total CTS expenditure.

Pension age claimants currently make up 8.70% of the population and account for 29.11% of the CTS caseload and 32.71% of the total CTS expenditure.

CTS case load by gender:

The current case load is split as follows:

Male – 5,126 (33%)

Female – 10,387 (77%)

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.

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			X	<p>All working age claimants will be affected by the proposed replacement scheme.</p> <p>All working age claimants will see a reduction in their award and level of support as the proposed scheme reduces the % of the award across all the income bands 1-6.</p>	<p>It is not feasible to mitigate 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>

		<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. As long as an applicant is of working age they will be affected.</p> <p>Differences in entitlement will be as a result of either the reduction in the % level of support in each band, or the increasing of the flat rate non-dependant charge from £7.50 to £10.</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>	<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>Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary 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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				<p>This is dependant upon HSF being extended beyond its current end date in September 2024 and therefore may not be an available mitigation in April 2025.</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>
<p>Disability</p>			<p>X All working age claimants with disabilities will be affected by the proposed replacement scheme.</p> <p>All working age claimants with disabilities will see a reduction in their award and level of support as the proposed scheme reduces the % of the award across all the income bands 1-6.</p> <p>Differences in entitlement will be as a result of the reduction in the % level of support.</p>	<p>It is not feasible to mitigate 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>The proposed scheme will continue to disregard income received from qualifying disability benefits (DLA or PIP). This will continue to help protect disabled claimants.</p> <p>The proposed scheme will continue to disregard non-dependant deductions where a claimant or partner are in receipt of a qualifying benefit (DLA or PIP at the middle of higher rates) ensuring an increase in the non-dependant rate will not affect those claimants.</p> <p>There will therefore be no negative impact from the change to the flat rate non-dependant charge for claimants in receipt of qualifying disability benefits.</p> <p>Claimants not in receipt of qualifying disability benefits will be negatively affected by this change.</p> <p>No scheme changes are proposed for the pension age scheme which remains centrally prescribed.</p> <p>Pension age claimants in receipt of disability benefits, or without, are protected and will continue to receive full support, inclusive of outreach services.</p>	<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>Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary 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> <p>This is dependant upon HSF being extended</p>
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COMMUNITY AND EQUALITY IMPACT ASSESSMENT

				<p>beyond its current end date in September 2024 and therefore may not be an available mitigation in April 2025.</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 analysis²:				
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>

² Appendix 1 – Policy & Practice localised CTS Final Report

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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 are pregnant or recently had a baby.</p>	<p>No impact.</p> <p>No mitigations are required.</p>
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>No impact.</p> <p>No mitigations are required.</p>

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				<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>	
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	<p>All working age claimants will be affected by the proposed replacement scheme.</p> <p>All working age claimants will see a reduction in their award and level of support as the proposed scheme reduces the % of the award across all the income bands 1-6.</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>Differences in entitlement will be as a result of either the reduction in the % level of support in each band, or the increasing of the flat rate non-dependant charge from £7.50 to £10.</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>This information is recorded within a claimant's personal details.</p> <p>The case load is % male and % female for the lead claimant. Reductions in awards will disproportionately affect female claimants.</p> <p>Changes in the proposed scheme are not gender specific. The same proposed 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. By disregarding the childcare element of UC the proposed scheme will continue to support claimants and this may proportionately benefit female claimants.</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>	<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>Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary 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> <p>This is dependant upon HSF being extended beyond its current end date in September 2024 and therefore may not be an available mitigation in April 2025.</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</p>
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COMMUNITY AND EQUALITY IMPACT ASSESSMENT	
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					<p>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>
Socio-economic Disadvantage			X	<p>All working age claimants will be affected by the proposed replacement scheme.</p> <p>All working age claimants will see a reduction in their award and level of support as the proposed scheme reduces the % of the award across all the income bands 1-6.</p> <p>Differences in entitlement will be as a result of either the reduction in the % level of support in each band, or the increasing of the flat rate non-dependant charge from £7.50 to £10.</p> <p>100% of households (working age) will see a negative impact.</p> <p>A total of 10,893 households will lose support.</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</p>

			<p>There are households with a non-dependant deduction.</p> <p>..... households remain exempt from the charge due to receipt of disability benefits retaining the current protections..</p> <p>..... households will have higher deductions from an increase to the flat rate deduction.</p> <p>An increase in flat rate non-dependant deductions will affect all household types and economic status.</p> <p>The overall impact of the scheme change is negative as all claimants that are working age will lose support.</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>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>Maintaining an open application process for all residents for the Household Support Fund (HSF) and any other government funded discretionary 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> <p>This is dependant upon HSF being extended beyond its current end date in September 2024 and therefore may not be an available mitigation in April 2025.</p>
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- The Homes & Money HUB & Welfare Service

Services supporting vulnerable residents to maximise their income including welfare benefit take up, advice and support on debts and budgeting

- Applying the Council's debt management policy

Ensuring the fair and ethical collection of Council Tax and assisting residents who are experiencing financial difficulty.

The Council has undertaken both internal and external modelling on the impact of implementing the proposed replacement CTS scheme (Model 2) in 2025/26.

The Council have worked with a specialist provider 'EntitleTo' to model this impact. This modelling is based on a CTS scheme extract from May 2024.

The analysis provided in this EIA is based on internal modelling.

The CTS scheme varies based on demand. Any equality impact is based on modelling from a point in time which may vary at that point of implementation.

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 that proposes to reduce support will impact these households with all households losing support under the proposed Model 2.

Model 2 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.

Model 2 proposes retaining all aspects of the current scheme³ with uprating of the income banding table only. Income uprating accounts for increases in claimant income such as Benefit uprating.

Model 2 proposes the following income banding table:

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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 - £105	£0 - £175	£0 - £193	£0 - £313	£0 - £270	£0 - £388
2	70%	£100 - £156	£175 - £228	£193 - £249	£313- £374	£270 - £326	£388 - £453
3	55%	£156 - £189	£228 - £256	£249 - £288	£374 – £420	£326 - £367	£453 - £503
4	40%	£189 - £203	£256 - £288	£288 - £326	£420 - £462	£367 - £411	£503 - £552
5	25%	£203 - £226	£288 - £304	£326 - £349	£462 - £488	£411 - £422	£552 - £589
6	15%	£226 - £266	£304 - £325	£349 - £402	£488 - £553	£422 - £442	£589 - £641

Model 2 proposes a 5% cut to support for all the income bands (working age). This will result in a maximum award of 80%, a reduction of 5% on the current maximum of 85% and will apply to all bands 1-6.

A minimum payment of 20% would be required in all cases.

An increase in the flat rate non-dependant deduction amount from £7.50 to £10.00 is proposed for all adults in the property while maintaining the current exemptions for receipt of disability benefits. This will reflect increases in non-dependant income.

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.

All other aspects of the scheme will remain the same as set out in point 2.4.⁴ No further changes to the household income disregards or capital limit are proposed.

The level of the CTS award: Model 2

Model 2 has been designed to reduce the overall level of support from the scheme by reducing the income band % (the CTS award) by 5% for all income bands.

Income band thresholds are designed to maintain the majority of applicants in the same income Band in comparison to the current scheme. This will ensure that applicants will remain in the same income band as currently, ensuring consistency in their award and avoiding drops between bands causing large reductions in support.

The following table(s) is Model 2 compared to Model 1 (retaining the current level of support compared to the current scheme).

³³ Cabinet paper July 2024 (point 2.4)

⁴ Cabinet paper July 2024 (point 2.4)

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Group	Number of claimants	Percentage of band droppers	Down 1 band	Down 2 bands	Up 1 band	Up 2 bands	% of band changes
Single	2577	1.40%	36	0	10	0	0.39%
Single 1 child	1364	3.01%	41	0	18	0	1.32%
Single 2+ children	2367	2.28%	54	0	33	0	1.39%
Couple	447	10.74%	48	0	8	0	1.79%
Couple 1 child	312	10.58%	32	1	3	0	0.96%
Couple 2+ children	1089	2.94%	32	0	57	0	5.23%
Passport Benefit	2709	-	-	-	-	-	-
Totals	10868	2.99%	243	1	129	0	1.58%

This demonstrates that Model 2 retains a majority of claimants in the same income band. This helps to protect claimants from a larger drop in support.

Some claimants with protected characteristics will experience a drop in their income band due to changes applied within the scheme which will result in a reduced award and is noted as a negative outcome.

The average CTS award compared to the current scheme is projected as follows:

Group	Caseload count	Current scheme average CTS award	Model 2 average CTS award
All working age	10865	£20.80	£20.15
UC	7246	£20.55	£19.83
Legacy benefit	3619	£21.28	£20.80

The average CTS award by income band is projected as follows:

Income Band	Current scheme average CTS award	Model 2 average CTS award
Band 1	£22.52	£22.00
Band 2	£19.55	£18.80
Band 3	£15.86	£15.04
Band 4	£11.94	£10.91
Band 5	£7.49	£6.18
Band 6	£4.45	£3.07

Average awards can also be broken down by the type of Benefit received taking account of those applicants with Disability Benefits and barriers to work. This demonstrates that Model 2 will cut support to those with barriers to work or disability.

Group	Caseload count	Current scheme average CTS award	Model 2 average CTS award
Disability Living Allowance (DLA) & Personal Independence payment (PIP)	3845	£23.11	£22.74
Employment Support Allowance (ESA)	541	£20.64	£19.90
UC Limited capacity for work (UC-LCW)	743	£20.53	£19.70

The average decrease in the award is £1.68 per week.

- 250 claimants would experience a decrease in their award of up to £1.
- 8895 claimants would experience a decrease in their award of between £1 and £2.
- 1471 claimants would experience a decrease in their award of between £2 and £5.
- 189 claimants would lose more than £5 per week.

Model 2 reduces support for all applicants by reducing the % award for bands 1-6 and by moving some claimants into a lower band. As a consequence, Model 2 provides a lower value CTS award for all applicants, including those with protected characteristics.

Households losing out

Of the 10,850 current claimants 100% would see a reduction in support. This is because the % award in each band (1-6) is being reduced by 5% affecting all claimants. Some claimants also drop between bands.

The breakdown of claimants who lose support under Model 2 compared to Model 1 is as follows:

Household Type	Number of claimants	Percentage of losers	Average weekly loss
Passported Benefit	2709	100%	-£1.68
Single	447	100%	-£2.00
Single 1 child	312	100%	-£1.86
Single 2+ children	1089	100%	-£1.64
Couple	2577	100%	-£1.63
Couple 1 child	1364	100%	-£1.57
Couple 2+ children	2367	100%	-£1.86

Income Band	Number of claimants	Percentage of losers	Average weekly loss
Band 1	8451	100%	-£1.68
Band 2	772	100%	-£1.74
Band 3	752	100%	-£1.68
Band 4	507	100%	-£1.68
Band 5	181	100%	-£1.64
Band 6	178	100%	-£1.59

Barriers to work	Number of claimants	Percentage of losers	Average weekly loss
DLA/PIP claimant	3845	100%	-£1.51
ESA claimant	541	100%	-£1.91
UC-LCW claimant	743	100%	-£1.90

Although all cases with Disability Benefits will lose support the loss of support can be modelled to be less than the average loss across the whole caseload. However claimants with protected characteristics will lose support and is noted in this EIA.

Increasing flat rate non-dependant deductions

Model 2 proposes an increase in non-dependant deductions from £7.50 per week to £10 per week.

There are currently 1566 non-dependant adults in the working age caseload. Cases with Disability Benefits are exempt from a deduction. 1566 cases currently have a non-dependent deduction applied across 1267 households. 1006 deductions are for 1 adult in the household and is the most common deduction.

The impact of increasing the non-dependant charge is as follows:

Total number of non-dependant deductions	Total number of claims with non-dependant deductions	Total number of claims with an increased NDD	NDD charge total under Model 1 (weekly)	NDD charge total under Model 2 (weekly)
1566	1267	1267	£11,748	£15,665

A majority of deductions are for households with one adult in the property. This leads to a £2.50 loss due to the increased charge.

Deductions are applied at a flat rate irrespective of any income held by the non-dependant. A majority of non-dependants will have some form of income and an increase in deduction is balanced against increases in their income and is considered balanced and reasonable.

Claimants in receipt of disability benefits are unaffected by the charge as they are exempt from deductions.

Overall impact analysis Model 2

The overall impact of the reduction in support proposed by Model 2 is considered to balance the need to deliver financial savings as part of the MTFS and wider economic context while continuing to provide sufficient levels of support to applicants.

100% of the working age caseload will lose support. This treats all claimants the same and reduces support consistently. Protections against a change in income band have been applied by uprating the income band threshold to account for projected increases to claimant incomes. This mitigates against loss of support by ensuring claimants are not moved into lower bands, with a further reduction in support.

However as a consequence of this approach claimants with protected characteristics will see a reduction in support and will not be treated any differently. It is not currently possible within the design of the current scheme to specifically mitigate or exclude this cohort from a reduction in support.

The scheme continues to disregard Disability Benefits as income and also disregards elements of UC such as Carer Element of Limited Capacity for Work and therefore already has protections in place for vulnerable claimants.

The socio-economic demographic of the current CTS case load is very low income. 86% are placed into Band 1 with a maximum award.

Any reduction in support in the scheme will disproportionately affect the lowest income residents in the borough and is noted in the EIA.

<p>Any community issues identified for this location?</p>		<p>X</p>	<p>No issues recognised</p>	<p>No impact</p>
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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 a reduction in support for the scheme proposed that will negatively affect all working age applicants, including those with protected characteristics.

The consultation will be primarily web based through an online survey form and is proposed to run for a full 6 weeks to ensure sufficient time for residents to engage with the proposals.

The survey will inform residents of the proposals to change the scheme and ask residents and stakeholders their opinions and views on:

- Retaining the current level of support (Model 1)
- Reducing the level of support (Model 2) (recommended)
- Reducing the level of support (Model 3)
- Any other comments and views on the proposed changes

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 due to the changed scheme for 2025/26, to invite consultation and feedback on the proposed changes.

The consultation run for the CTS scheme change in 2024/25 found this to be a successful way to encourage engagement with the consultation.

Public workshops will be held at various sites throughout the borough to enable residents and stakeholders to engage with the proposals in person and these sessions will 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 and help to inform a final decision.

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

CTS is in the main targeted at households that are financially disadvantaged to support the payment of Council Tax and therefore any proposed reduction in this core support provided will have a negative affect on households that are socio-economically disadvantaged.

Disabled residents are also more likely to be living in poverty with Joseph Rowntree Foundation demonstrating a poverty rate of 29% for those with disability, 9 percentage points higher than those without disability. This difference is even greater for those of working age with 35% in poverty against 18% respectively.

The proposed changes will have a negative impact on all working age adults as they will receive reduced CTS and be required to contribute more towards their Council Tax.

This is potentially exacerbated by any increase in Council Tax, which was increased by the maximum 4.99% in 2024/25 and is anticipated to be increased by the same amount into 2025/26 based on the current economic context.

The draft proposed replacement income banded discount CTS scheme for 2025/26 can be summarised to have the following overall equality impacts on residents of the borough.

- **Age** - Scheme changes will affect all working age claimants negatively but are not related to a person’s age beyond the criteria to be of working age.
- **Disability** – All working age claimants in receipt of Disability Benefits, or with other disabilities will be negatively impacted by the proposed change. 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 (with female claimants disproportionately affected due to more claimants being female) but the calculation of CTS is not related to a person’s gender.
- **Sexual orientation** – No impact
- **Socio-economic Disadvantage** – Scheme changes will affect all working age claimants negatively, including those of the lowest incomes. Reductions in support are applied to all income bands (1-6) and will therefore affect all income types and applicants within the scheme however those of the lowest incomes will see a greater impact from a loss of support. The EIA highlights negative impacts on these groups, especially those who fall to support within Band 1 (the lowest income band).

Any disadvantage as set out above from the proposed changes is justified by the legitimate aim for the Council to ensure it has a sustainable and balanced budget so that the Council can continue to deliver both statutory and non-statutory services at a time of uncertain Government funding, challenging economic conditions with financial reserves no longer able to bridge the gap.

Due to the clear funding gap the Council has no choice but to consider a range of options to bridge this gap. Given this position the proposals are considered to be proportionate in light of the budgetary pressures, given the steps taken to ensure reductions to the support provided in the scheme are kept to a minimum to mitigate their impact on residents.

Mitigation actions have been considered with the Council recognising that households will be adversely affected by the proposed change however these are limited in scope. Alternatives to the proposals have been considered but will not deliver the cost avoidance required to help the Council ensure it has a balanced budget. On this basis transitional protections to limit the affect of the changes have not been considered.

The Discretionary Council Tax Relief (DCTR) fund was effectively used to mitigate the transition between schemes from 2023/24 to 2024/25 when some residents lost out due to the change in scheme. The scope of this mitigation will be dependant upon the level of Council funding available for the scheme. A statutory level of funding of £50,000 will significantly limit this as a mitigation. Current funding is £250,000.

This EIA demonstrates an overall negative impact of the proposed draft CTS scheme change for 2025/26 against equalities, diversity and the protected characteristics from the Equalities Act.

The Council has given due regard to equality needs contained within the Equality Act 2010. Reasonable adjustments to the proposed scheme have been made considering disadvantages suffered by residents with protected characteristics that are balanced against the requirement to make savings and support a balanced budget.

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	01/07/2024

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CABINET

23 July 2024

Title: Productivity Plan	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report	For Decision
Wards Affected: None	Key Decision: Yes
Report Author: Richard Caton, Head of Strategy and Performance	Contact Details: Richard.Caton@lbbd.gov.uk
Accountable Executive Team Director: Sal Asghar, Director of Strategy	
<p>Summary</p> <p>As part of the <u>Local Government Finance Settlement</u> announcement on 24 January 2024, local authorities were asked to produce Productivity Plans setting out how they will improve service performance and reduce wasteful expenditure to ensure every area is making best use of taxpayers' money. A letter from the Minister for Local Government on 16 April 2024 formally began that process.</p> <p>Attached at Appendix 1 is the Council's draft Productivity Plan, which outlines strategies to enhance efficiency and resource utilisation. Structured under key headings, the plan addresses service transformation, technology utilisation, expenditure reduction, and removal of barriers to achieve productivity improvements.</p> <p>The Government's deadline for returning Productivity Plans was set as 19 July 2024 (brought forward from the original "summer recess" date of 23 July). The letter from the Minister for Local Government confirmed Productivity Plans must have member oversight and endorsement of the plan before it is submitted, and the plan must also be uploaded to the Council's website so residents can see it, ensuring accessibility, accountability, and transparency.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to approve the Council's Productivity Plan as set out at Appendix 1 to the report.</p>	
<p>Reason(s)</p> <p>To assist the Council in demonstrating that it is a "well run organisation" and to meet the requirements of the Department for Levelling Up, Housing and Communities</p>	

1. Introduction and Background

- 1.1 On 24 January 2024, Michael Gove, Secretary of State for Levelling Up, Housing and Communities, and Minister for Intergovernmental Relations, announced in a [written statement](#) on Local Government Finance, that councils would be required to publish Productivity Plans by the summer recess.
- 1.2 The process formally began with a letter from Simon Hoare MP, Minister for Local Government to Chief Executives on the 16 April 2024 detailing the specific requirements relating to the Productivity Plan with a submission deadline of 19 July 2024.
- 1.3 The purpose of this report is to present London Borough of Barking and Dagenham's Productivity Plan in response to the Department for Levelling Up, Housing and Communities' (DLUHC) requirement.
- 1.4 The Productivity Plan aims to demonstrate how Barking and Dagenham enhances service performance while effectively managing expenditure. It is informed by the Medium-Term Financial Strategy which demonstrates productivity gains in processes and services.
- 1.5 The final Local Government Finance Settlement outlined expectations for Productivity Plans. These include transforming services to optimise resource utilisation, leveraging technology and data for informed decision-making, and addressing barriers hindering productivity. It was advised that plans should be concise and published publicly.
- 1.6 The Council's Productivity Plan will be submitted to DLUHC as required and published on the Council's website, ensuring accessibility, accountability, and transparency.

2. Proposal and Issues

- 2.1 The Government's deadline for returning Productivity Plans is 19 July 2024. The Council's Productivity Plan will be published on its website on 15 July, via the agenda for this meeting.
- 2.2 The Productivity Plan is structured under areas defined by the Minister for Local Government which they identify as key areas critical to enhancing efficiency and resource utilisation within the Council. These headings are:
 - transformation of services to make better use of resources;
 - opportunities to take advantage of advances in technology and make better use of data to inform decision making and service design;
 - ways to reduce spend;
 - barriers preventing progress that Government can help to reduce or remove.
- 2.3 Local authorities are required to ensure that the productivity plan has Member oversight before publication. In line with other local authorities, this requirement is met by recommending the Productivity Plan to Cabinet.

- 2.4 DLUHC will establish an expert panel to advise the Government on financial sustainability in the sector which will include the Office for Local Government and the Local Government Association. The panel will review local authority productivity plans and advise the Government on best practice in this area. The Government will monitor these plans and use them to inform funding Settlements in future years.
- 2.5 While individual productivity plans will not be rated or scored, DHLUC will identify common themes and good practice for shared learning across the sector.
- 2.6 There is an expectation that plans are updated and progress is reported on. The Council will therefore need to interpret what relevant metrics and key performance indicators would evidence productivity and efficiency. These may need to be drawn from existing performance frameworks or we might need to consider developing metrics for this purpose. The expectation is metrics/KPIs included in the Productivity Plan would need to be made available for public scrutiny. It is noted that Oflog measures relating to elements of corporate health are already accessible to the public via the [Local Authority Data Explorer](#) tool.

3. Consultation

- 3.1 Local authorities are required to ensure that the productivity plan has member oversight before publication. This oversight is provided via this Cabinet meeting.
- 3.2 The Productivity Plan was considered and endorsed by the Executive Management Team at its meeting on 20 June 2024.
- 3.3 The requirement for the Productivity Plan and its contents have been discussed with the Deputy Leader and Cabinet Member for Finance, Growth and Core Services in the process of bringing the report to Cabinet.
- 3.4 The Council's Medium Term Financial Strategy (MTFS), which forms a central source for the Productivity Plan, has undergone consultation.
- 3.5 The Productivity Plan does not necessitate public consultation because it primarily serves as a concise summary and compilation of existing strategies, policies, programmes, and projects and to collate these through the lens of questions posed by DHULC. Significant information is drawn from reports that have previously been approved by Cabinet. A requirement from DHULC is that the plan is published to the Council's website in order that residents can see it and this will provide accessibility and transparency to and of the Plan. Therefore, there is no formal requirement for prior public input or feedback in the Plan's development.
- 3.6 Discussions have also occurred with the LGA and London Councils, related council networks and via direct conversations with some councils. Through this, we know our approach is in line with the rest of the sector.

4. Financial Implications

Implications completed by: Jo Moore, Interim Strategic Director, Resources

- 4.1 There are no direct financial implications associated with this report.

5. Legal Implications

Implications completed by: Dr Paul Feild, Principal Standards and Governance Lawyer

- 5.1 As a report on productivity, while the Productivity Plan is tied in with central Government funding, there are no specific legal implications. There is no legal definition, so it is going to be about planning to hit and exceeding the Secretary of State's metrics, although as local government is predominately about services it is inevitably a challenge to measure the qualitative aspect of the actual service delivery. Potentially one outcome would be a return to the era of Best Value Performance Indicators. That regime would paradoxically run contrary to the thinking behind 'localism' and letting each local authority determine what its priorities are. Nevertheless, there is a legal basis for improvement or greater efficiency in that the Local Government Act 1999 as amended by the Local Audit and Accountability Act 2014 together with supporting legislation, requires the council to work to achieve continuous improvement and best value. The intention to improve productivity reflects good practice in terms of corporate governance as it articulates progress to outcomes and assists in highlighting areas where improvements are needed. A productivity plan, its objectives and, in time, how the delivery measures up in terms of outcomes, can therefore be one of the signifiers of a well-run local authority.
- 5.2 Furthermore, the Accounts and Audit (England) Regulations 2015 Regulations oblige the council to produce an Annual Governance Statement for each accounting year evidencing how the council has performed. This is to be done in accordance with proper public sector accounting practices. The CIPFA / Solace Delivering Good Governance in Local Government Framework 2016 guidance sets out the required practice and that includes a clear statement of the Councils purpose and intended outcomes. The productivity plan thus plays a vital role in the legal duty to ensure sound governance of the Council.

6. Other Implications

- 6.1 **Risk Management** – There are no direct risks to services or residents associated with the Productivity Plan. The Government has indicated that it will monitor councils' productivity plans and use them to inform future years' funding settlements, so failing to meet DLUHC's requirement may negatively impact the Council in future years.
- 6.2 **Staffing Issues** – There are no specific implications relating to workforce matters that arising from agreeing the recommendation set out in the report. The productivity plan sets out service improvement and resource optimisation measures.
- 6.3 **Corporate Policy and Equality Impact** - The Council acknowledges the significant demographic changes within Barking and Dagenham, including a rapidly growing and increasingly diverse population. The Council is aware it has the highest proportion (26.1%) of residents under 16 years old, the highest proportion of households in London with a disabled resident (29.8%), and the highest increase in residents born outside the UK (10.4%) leading to greater ethnic diversity.

In line with the Equality Act 2010, the Council gives due consideration to the potential impacts of its decisions and proposals on these protected characteristics. The Council is committed to ensuring that its services are accessible and beneficial to all residents, irrespective of their age, disability status, gender, or ethnicity.

The Productivity Plan considers the demographic profile and aligns with the Budget Framework 2024/25 and Medium-Term Financial Strategy 2024/25 to 2026/27 and Corporate Plan, both of which already have Equality Impact Assessment's. Therefore, a separate assessment is not necessary.

- 6.4 **Safeguarding Adults and Children** – This Productivity Plan is based on the Budget Framework 2024/25 and Medium-Term Financial Strategy 2024/25 to 2026/27 and Corporate Plan, both of which already consider the safeguarding of Adults and Children.
- 6.5 **Health Issues** – ‘Residents lead healthier, happier lives’ is a core priority; and ‘Health in all Policies’ is a key principle of the Corporate Plan. The Budget Framework 2024/25 and Medium-Term Financial Strategy 2024/25 to 2026/27 align with the STAR chamber process, assuring value for money in the use of the Public Health Grant aligned to strategic objectives. Joint working to address local challenges with health and wider partners is realised through the Barking and Dagenham Place Partnership and the Committees in Common, which is the collective governance vehicle established by the Integrated Care System partner organisations including the Health and Wellbeing Board to collaborate on strategic policy matters and oversee joint programmes of work relevant to Place. This enables the strategic management of finite resource across both organisations aided by insight. Additional work on Health in all Policies will strengthen this process.

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

List of appendices:

- Appendix 1 – LBBD Productivity Plan

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Barking & Dagenham

Productivity Plan

July 2024

Introduction

In accordance with the Local Government Act 1999, councils have a duty of Best Value, aiming to “secure continuous improvement in the way in which [it] exercises [its] functions, having regard to a combination of economy, efficiency and effectiveness”.

In response to the Local Government Finance Settlement in December 2023, the London Borough of Barking and Dagenham Council has developed a Productivity Plan. This plan outlines initiatives aimed at enhancing service delivery, leveraging technology and data, reducing costs, and overcoming barriers to progress.

It is important to consider the significant [demographic](#) changes within Barking and Dagenham. The population has grown rapidly, becoming more diverse and younger. Since 2010, **Barking and Dagenham’s population has grown by 39,000 (21%)**, with significant associated increases in demand for services. Over the same period, it is estimated that the London Borough of Barking and Dagenham’s Core Spending Power reduced by £39.5m (16%) in real terms from £245.5m to £206m in 2024-25. This means **Core Spending Power per capita is now 31% lower than it was in 2010-11**. Due to budget cuts during the 14-year period of austerity, the Council now employs approximately 17% fewer FTE staff than in 2010.

In addition, the Council has taken on new duties and responsibilities without sufficient or sustained funding. These new duties and responsibilities include:

- the localisation of council tax support in 2013;
- the transfer of public health duties in 2013;
- duties resulting from the Homeless Reduction Act 2017;
- duties resulting from the 2014 Children and Families Act;
- changes to Youth Justice and Health policy that impact children’s social care.

In total, it is estimated that **new duties and responsibilities and other new or underfunded burdens have added over £1bn of additional funding pressures to London boroughs**. Furthermore, emerging pressures, such as the accelerated migration to Universal Credit, could adversely affect both community wellbeing and the Council’s finances.

The increasing demand for services presents financial challenges. These challenges are exacerbated by reductions in central government funding. Despite this, the Council remains committed to efficient and effective services for residents while optimising resources and maintaining service quality. This plan, aligned with the [Budget Framework 2024/25 and Medium Term Financial Strategy 2024/25 to 2026/27](#) and the [Annual Governance Statement](#) (within the Statement of Accounts), details the Council’s commitment to delivering value-for-money.

Strategic Planning

Strategic planning is driven by the Borough Manifesto, [Corporate Plan and Performance Frameworks](#), and Service Plans. The Borough Manifesto articulates a long-term vision for Barking and Dagenham – **a place people are proud of and where they want to live, work, study and stay**. The Corporate Plan outlines the approach to realising this vision over the next few years, aligning priorities and actions with targets through a series of outcome measures to monitor progress. Service Plans further ensure the Council’s vision, priorities and strategic objectives are translated from policy to delivery in a cohesive and structured way. The Corporate Plan 2023-26 outlines the approach, supported by guiding principles. The workforce, led by our DRIVE values, focuses on accountability, collaboration, and performance. Transparency and accountability are supported through the Corporate Plan Outcomes Framework and regular reports to Cabinet.

Cabinet, in accordance with Part 2, Chapter 6 of the [Council Constitution](#), is responsible for regular

performance monitoring. Commitment to good governance and rigorous performance management is evident through ongoing evaluation within the existing performance framework. This approach reflects the Council's dedication to achieving best value and continuous improvement.

Transforming Service Design and Delivery

The Council has made continuous improvements to the way it delivers services using opportunities to learn from its practice including changes to its front door and the way residents access services. In the last few years, the Council has developed neighbourhood localities after securing government funding to develop a network of family hubs via the Department for Education.

Recognising the importance of fostering social capital and resilience through enabling people's access to networks and connections is crucial. A significant aspect of this effort involves collaborating with the Voluntary, Community, Faith, and Social Enterprise (VCFSE) sector. This collaboration is evident in the partnerships that played a pivotal role in supporting residents during both the Covid-19 pandemic and the current cost-of-living challenges, highlighting the strength of community resilience.

Key to this is recognising that facilitating and supporting these groups can significantly improve the efficiency of service delivery to communities in Barking and Dagenham, ultimately enhancing residents' overall wellbeing. The community triage approach facilitates early identification and intervention, thereby preventing more acute needs. Looking ahead, leveraging these partnerships and community connections remains essential to effectively meeting the needs of residents.

The context in which the council has been operating has seen increased demand for services and a fall in funding relative to Barking and Dagenham's fast-changing and significantly larger population, with 40,000 more residents in the last 20 years. This is combined with being fast-changing – with significant internal migration and external immigration – as well as becoming one of the youngest communities in the country. This is set out elsewhere in this report.

The latest ONS data together with more recent updates to the 2021 Census – which have been captured by the council's in-house innovation and data insight team – reveal key demographic data that is more reminiscent of metropolitan towns in the north of England together with evidence of widening inequalities since the pandemic and the cost-of-living crisis since then.

A vital part of the Council's work has been the Financial Resilience Programme which was another key initiative aimed at addressing financial challenges. Through this programme, rigorous reviews of operations were conducted, to identify efficiencies and implement measures to provide resilience to the financial position and continued assurance for delivering balanced budgets. A Star Chamber process, a new feature of financial planning, played a crucial role in scrutinising budgets and identifying efficiencies and saving opportunities. These cyclical reviews have become a cornerstone of the financial strategy, helping to navigate financial constraints while maintaining service quality and delivering strategic priorities. The Council will continue to look for different ways to do things including identifying savings, and measure performance through the Financial Scrutiny Board.

By way of embedding improvements and securing sustainable savings which ensure services fit the financial envelope, the Council is currently developing "Our B&D, Our Future" – a blueprint for delivery plans across key strategic areas of focus. Alongside this sits two major initiatives – the My Place Improvement Programme and the People and Resilience Transformation Programme. The focus of these is on preventative activities in high-demand areas such as adult and children's social care.

By embracing digital transformation, including the use of artificial intelligence (AI), streamlining processes, and fostering cross-departmental collaboration, the Council will achieve further efficiencies and enhance service delivery.

Leveraging Technology and Data for Decision Making

In today's data-driven world, leveraging technology and data is essential for making good quality decisions and improving service delivery. This commitment is evident in the current and planned initiatives. A range of tools have been developed, including the [Borough Data Explorer](#) and [Social Progress Index](#) providing insights into community's needs to enable tailored services. In collaboration with health colleagues, the Resident's Matrix, a mini-census providing a really accurate picture of residents, has been created.

The OneView programme brings service data together to create a single view of the resident. This understanding helps better assess 'demand' and identify groups heading towards acute need, enabling preventative work. For example, debt outreach is now business as usual and will run a pilot on homelessness prevention using predictive analytics later in 2024 with the Centre for Homelessness Impact.

Data sharing is an essential part of delivering services. By automating this, using the OneView platform, the Council has 'earned autonomy' status from Department for Levelling Up, Housing and Communities.

To enhance data capabilities, the Council is working on improving data collection processes and integrating new technologies. Predictive analytics and artificial intelligence (AI) are among the tools planned for streamlining workflows and systems. These technological advancements facilitate better decision making, resource optimisation, and ultimately improved services to residents.

In 2021, the Customer Experience team introduced an AI Chatbot aimed at enhancing customer service and alleviating the workload on frontline staff. Since its launch, it has managed over 2000 customer interactions each month, covering a range of services. This innovative application of chatbot technology has yielded tangible financial savings and improved call answering performance.

Despite these successes, legacy systems pose challenges that may hinder the Council's ability to fully leverage new technologies. Addressing these barriers and increasing data sharing with other organisations, in a GDPR compliant way, will be critical to success. The Council is committed to overcoming these obstacles to ensure that services are efficient, effective, and responsive to the needs of the community.

AI offers significant opportunities to improve customer experience, reduce cost, improve staff productivity and derive data insights that have previously required too much manual effort to be cost effective. This will have a significant financial cost, and work is underway to ensure that the business cases for implementing the technology are valid.

Optimising Resources

Efficient resource management is at the core of efforts to reduce spending while maintaining services provision. Several strategies to optimise resources have been implemented across the Council.

The Star Chambers process plays a vital role in identifying areas of reduced spend and potential savings, ensuring that financial planning is both rigorous and aligned with strategic objectives. A comprehensive Asset Management Strategy has also been developed to maximise the value of Council assets and rationalise the asset base, ensuring best use of resources. The [Council's Capital Strategy and Capital programme](#) was approved by the Assembly on 19 February 2024.

Invest-to-save initiatives, either implemented or planned, yield significant benefits. These initiatives involve upfront investments in projects that deliver long-term savings and operational efficiencies.

In addition to these measures, robust governance structures have been established to ensure

accountability and transparency in spending. The Finance Scrutiny Board oversees financial management processes, ensuring that delivery of value-for-money and that working within the Council's budget envelope is key areas of focus. Performance management processes are in place to monitor progress and address any issues promptly and effectively. During 2023/24 management actions were taken to reduce the forecast overspend for the year. These interim measures included a recruitment freeze on non-statutory roles, chief officer control of non-essential spend, a review of vacant posts and a thorough review of Fees and Charges, including benchmarking with other boroughs.

To further reduce costs, the General Fund charges to the Housing Revenue Account (HRA) have been reviewed, leading to more efficient financial management. Measures to reduce agency and consultancy spend by assessing value for money and converting contracts to fixed term or permanent positions where possible have also been implemented. Review of agency continues to have management oversight.

Overcoming Barriers

Despite dedicated efforts, the Council faces significant barriers that impede progress in improving productivity and service delivery. These barriers primarily stem from funding constraints and regulatory limitations.

Funding constraints pose a substantial challenge to operations, hindering capacity to meet the increasing demands for services. Despite marginal increases in core spending power, funding levels remain below those of a decade ago, largely due to cuts in the Revenue Support Grant and the adverse effects of macroeconomic factors such as inflation and interest rate rises. This shortfall places considerable strain on financial resources, making it increasingly difficult to meet the evolving needs of the community.

In addition to funding constraints, regulatory limitations also present significant hurdles, often restricting the ability to implement innovative service delivery methods and respond flexibly to changing circumstances. These constraints can stifle capacity to adapt and innovate, impacting the ability to provide efficient and effective services to residents.

To address these barriers effectively, government support is required in the form of increased funding with a multi-year settlement to enable better informed financial planning, policy reforms, and regulatory flexibility. This support is essential to empower the Council to overcome these challenges and continue enhancing services to meet the evolving needs of the community.

In response to these challenges, strategic initiatives have been developed to manage debt effectively and address the growing demand for housing support and temporary accommodation. Additionally, the performance of the subsidiaries is being optimised to ensure that they contribute effectively to overall financial health.

Conclusion

The London Borough of Barking and Dagenham is committed to enhancing productivity and efficiency through innovative service delivery, leveraging technology and data, and optimising resources. By addressing barriers with the support of the government, the Council can ensure sustainable service provision for residents.

To maintain and enhance these efforts, further investments in modernisation and a fair funding approach are essential. The Council remains dedicated to meeting the community's evolving needs through continuous improvement and strategic planning. By transforming operations and embracing new opportunities, the Council is confident in the ability to deliver value for money to the people of Barking and Dagenham.

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CABINET**23 July 2024**

Title: Corporate Plan 2023-2026 - Outcomes Framework Performance Report Q3 and Q4 2023/24	
Report of the Cabinet Member for Finance, Growth & Core Services and the Deputy Cabinet Member for Performance & Data Insight	
Open Report	For Information
Wards Affected: None	Key Decision: No
Report Author: Richard Caton, Head of Strategy and Performance	E-mail: richard.caton@lbbd.gov.uk
Accountable Executive Team Director: Sal Asghar, Director of Strategy	
<p>Summary</p> <p>Assembly agreed the current Corporate Plan in May 2023. The purpose of this report is to provide an overview of performance and delivery of that plan.</p> <p>This is the second report reflecting on the performance of the Corporate Plan. It summarises performance in quarters three and four of the 2023/2024 financial year. Although centred on quarters three and four of 2023/24, this report draws on the latest available data at the time of composition, aiming to offer Cabinet a current perspective on performance.</p> <p>The performance framework which underpins the Corporate Plan comprises of 54 outcome measures employing a comprehensive approach that combines graphics, thematic analysis, and narrative elements. This approach aims to provide a holistic and strategic perspective on progress towards the seven priorities within the Corporate Plan, highlighting significant performance improvements and challenges during this timeframe.</p> <p>Cabinet receives reports of this kind at six-monthly intervals. The next report will be delivered in January 2025 and will cover performance and delivery progress in quarters one and two of 2024/25.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Note the performance relating to quarters three and four of the 2023/24 financial year, as set out in Appendix 1 to the report; and (ii) Agree any actions to address areas of concern. 	

Reason(s)

Regular monitoring of performance is a responsibility of Cabinet as set out in Part 2, Chapter 6 of the Council Constitution. This report demonstrates the Council's commitment to good governance and rigorous performance management and shows how we strive for best value and continuous improvement.

The report provides a holistic perspective on progress towards the seven priorities within the Corporate Plan:

- 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.

1. Introduction and Background

- 1.1 In May 2023, Assembly approved the current Corporate Plan which aligns council priorities with the shared long-term vision established in 2017 through the Borough Manifesto. The 2017 Borough Manifesto continues to be a guiding force, shaping the Council's commitment to making the borough a place that people are proud to live, work, study, and stay. The Corporate Plan serves as a crucial element of the council's "Golden Thread." It translates long-term ambitions outlined in the Borough Manifesto into clear objectives, guiding council activities through to 2026.
- 1.2 A comprehensive performance framework underpins the Corporate Plan. The framework is a tool to drive continuous improvement and appraise performance. The Corporate Plan's Outcomes Framework incorporates 54 outcome measures, and utilises a comprehensive approach that integrates graphics, thematic analysis, and narrative elements. This methodology aims to provide a holistic view of progress toward the Corporate Plan's priorities, spotlighting notable performance and challenges during this reporting period.
- 1.3 Bi-annual reporting to Cabinet ensures ongoing transparency, accountability, and a strategic focus on achieving the council's priorities. The next report in January 2025 will cover performance and delivery progress in quarters one and two of 2024/25, reinforcing the commitment to regular reporting.

2. Proposal and Issues

- 2.1 This report serves as the second performance overview under the Corporate Plan Outcomes Framework performance regime, capturing the performance status in the last two quarters of the 2023/2024 financial year, as detailed in **Appendix 1**. Focused on Q3 and Q4 of 2023/24, the report offers a contemporary snapshot to Cabinet, ensuring transparency and accountability.

- 2.2 Although the Corporate Plan performance framework is very comprehensive it does not cover all performance. Several other important performance frameworks exist to review performance in specific areas and across partnership agendas. For example, health and wellbeing outcomes are monitored through the Committees in Common, crime and disorder through the Community Safety Partnership, and safeguarding through the Safeguarding Boards for Adults and Children. There are also service specific performance frameworks which are used for performance management at an operational level between commissioners and operational leads, or in some cases external contractors. Importantly the Corporate Plan Outcomes Framework gives a summary of performance and delivery across priority areas and is therefore the primary performance framework the organisation uses for performance management purposes.
- 2.3 A rigorous performance management process underpins the Performance Framework and ensures good governance and accountability. Performance information is scrutinised at all levels of the organisation with clear escalation paths to ensure performance and delivery issues are responded to effectively and efficiently. Target-setting and benchmarking is used (where appropriate) to set clear expectations about levels of performance. The Executive Team reviews the Corporate Plan Outcomes Framework on a six-monthly basis discussing areas of underperformance and actions that may be required to improve. Cabinet portfolio holders and Strategic Directors discuss performance in portfolio meetings, of which this report would be one of the components. These reporting processes and governance structures ensure that the Council is focussed on the right elements at the right time, has an overview of areas of performance and delivery, is driving continuous improvement, and is managing risks and issues effectively.

3. Options Appraisal

- 3.1 Not applicable.

4. Consultation

- 4.1 The Cabinet collectively, and as individual portfolio holders, receive regular performance information in support of their executive remits; the purpose of this report is to bring transparency to the Council's performance and highlight areas where performance needs to improve based on latest data. The report is therefore of interest to the local community for whom we must provide effective and efficient local services, and to the council's Overview and Scrutiny Committee, which has a remit to scrutinise performance, as delegated by the Assembly.
- 4.2 In accordance with the Officer Scheme of Delegation, the Chief Executive has responsibility for the overall management of the authority, including performance monitoring. As part of the performance management framework and the robust governance which surrounds it, this report and the performance narratives therein have been consulted on with relevant officers in the council with day-to-day operational and commissioning responsibilities to deliver the outcomes within the Corporate Plan.

5. Financial Implications

Implications completed by: Jo Moore, Interim Strategic Director, Resources

- 5.1 There are no direct financial implications associated with this report.

6. Legal Implications

Implications completed by: Dr Paul Feild, Principal Standards and Governance Lawyer

- 6.1 As a report on performance updating the Cabinet on performance in quarters three and four of the 2023 / 2024, there are no specific legal implications. Nevertheless there is a legal basis for monitoring performance in that the Local Government Act 1999 as amended by the Local Audit and Accountability Act 2014 together with supporting legislation, requires the Council to work to achieve continuous improvement and best value. This report reflects good practice in terms of corporate governance as it articulates progress to outcomes and assists in highlighting areas where improvements are needed. A corporate plan, its objectives and in time how the delivery measures up in terms of outcomes, are therefore one of the signifiers of a well-run local authority.
- 6.2 Furthermore, the Accounts and Audit (England) Regulations 2015 Regulations obliges the Council to produce an Annual Governance Statement for each accounting year evidencing how the Council has performed. This is to be done in accordance with proper practices. The CIPFA / Solace Delivering Good Governance in Local Government Framework 2016 guidance sets out the required practice and that includes a clear statement of the Councils purpose and intended outcomes. The Corporate Plan thus plays a vital role in the legal duty to ensure sound governance of the Council.

7. Other Implications

- 7.1 **Risk Management** - The council maintains a Corporate Risk Register that highlights the key strategic risks that may prevent the council from achieving its stated objectives. These risks and mitigating actions are reviewed periodically by the Executive and the Audit & Standards Committee. Risks relating to the delivery of projects and programmes within the Corporate Plan are monitored and managed through internal governance arrangements using recognised project/programme management practices and methodologies. There is proportionate reporting and escalation of issues and risks to the Executive, and to relevant Cabinet Members where appropriate. Project/programme governance and reporting is designed to identify risk at the earliest opportunity and to put in place effective risk management strategies.
- 7.2 **Staffing Issues** - The Corporate Plan is the keystone of the Council's strategic framework. As such it guides all of what we do and sets the direction and goals for all services and staff. It is a key resource which drives strategic and business planning at all levels of the Organisation. The objectives and priorities of the Corporate Plan inform individual employee performance development conversations (PFDs), ensuring day-to-day operations are working towards the long-term vision and goals for the Borough. We call this the 'golden thread' as it

brings alignment and connects strategic planning with operational delivery. Having a robust 'golden thread' is an important requirement as an accredited Investor in People (IIP) organisation.

7.3 Corporate Policy and Equality Impact - The Corporate Plan is the Council's medium-term plan to realise the vision of the Borough Manifesto. It sits at the heart of the organisation's strategic framework. This report seeks to give Cabinet an appraisal of delivery of that plan by bringing together recent performance information (up to end of Quarter 4, 2023/24) from the outcome measures in the Corporate Plan Outcomes Framework. An Equalities Impact Assessment (EIA) was completed as part of the development of the Corporate Plan. That EIA was submitted as part of the documentation when it was agreed by Assembly in May 2023. The EIA identifies examples of priorities and objectives within the Corporate Plan which improve outcomes for residents with protected characteristics and ways in which the Council aims to tackle structural inequalities. The Corporate Plan Outcomes Framework does not directly provide performance information in relation to equalities, but other strategic resources such as the Joint Strategic Needs Assessment, Social Progress Index, and Borough Data Explorer contain important and up-to-date data sets relating to the profile and characteristics of the local population.

7.4 Safeguarding Adults and Children - The Corporate Plan contains priorities related to the safeguarding of Adults and Children. These include ensuring that 'Residents are safe, protected, and supported at their most vulnerable'.

The Safeguarding Adults Board receives in-depth performance reporting, including data held by safeguarding partners, each quarter. The next Safeguarding Adults Board Annual Report for 2023/24 will be completed by August 2024 and presented to Assembly in November 2024. The report includes key performance headlines showing LBBD's safeguarding procedures and risk management are robust. A similar performance framework is in place for the Safeguarding Children Partnership which receives quarterly performance reports to its Performance and Intelligence Sub-group. The most recent Safeguarding Children Partnership Annual report was published in September 2023. A subsequent report will be produced later in 2024 following the reorganisations brought about by the new Working Together statutory guidance that has been produced. In lieu of this, the full Children's Annual Self-Evaluation was presented to the Council's Assembly in April 2024.

7.5 Health Issues - The Corporate Plan is aligned to the Joint Health and Wellbeing Strategy 2023/28. The priority 'Residents live healthier, happier, independent lives for longer' in the Corporate Plan focuses on enhancing health and well-being outcomes and addressing health inequalities. Additionally, other priorities in the Corporate Plan, such as 'Residents are safe, protected, and supported at their most vulnerable' and 'Residents prosper from good education, skills development, and secure employment,' contribute to progress in improving health and wellbeing outcomes and addressing health inequalities.

The 2023 Annual Director of Public Health report is due to be published in early 2024. The report will focus on what we can do in the short term (during the next 5 years) to improve the health of the population, to increase the number of years our residents spend in good health and able to live independently for longer. It outlines

the importance of early intervention and prevention and will inform future commissioning intentions across the place partnership. Development of a 'Health in all Policies' approach will also be key to achieving this ambition going forward.

- 7.6 **Crime and Disorder Issues** - Crime, and community safety are key concerns for residents, and these are reflected in the 'Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods' priority of the Corporate Plan which aims to stop domestic abuse, challenge hate crime, enforce against and deter enviro-crimes, and to keep young people safe from knife crime and serious youth violence.

Strategic planning and performance monitoring of crime and community safety is managed through a multi-agency partnership, in this case the Community Safety Partnership. The Community Safety Partnership Plan 2023/2026 was agreed in December 2021, it is underpinned by the Crime and Disorder Strategic Assessment which provides a framework through which intelligence and performance data and information is monitored.

The Community Safety Partnership is currently analysing serious violence affecting the residents of Barking and Dagenham, with the aim of identifying and quantifying the extent of serious violence that takes place, looking at potential causes and drivers of violence, identifying the types of individuals most at risk of violence either as victims or perpetrators, uncovering hotspot locations and helping to improve understanding of trends.

This Serious Violence Needs Assessment is in response to the Serious Violence Duty (SVD) which was introduced by government through the Police, Crime, Sentencing and Courts Act 2022. It commenced on 31 January 2023.

- 7.7 **Property / Asset Issues** - The priority 'Residents live in good housing and avoid becoming homeless' within the Corporate Plan centres around the effective management of LBBB assets and the services, functions, and responsibilities offered by My Place. It places a specific emphasis on ensuring the quality and stewardship of LBBB's housing stock.

Public Background Papers Used in the Preparation of the Report:

- Corporate Plan 2023-2026
<https://modgov.lbbd.gov.uk/Internet/ieListDocuments.aspx?CId=179&MId=12602&Ver=4>

List of appendices:

- **Appendix 1:** 2023/2024 Quarter 3 and 4 – Outcome Framework Performance Report.



**Barking &
Dagenham**

Outcomes Framework Performance Report

Reporting on the Corporate Plan 2023-2026

Q3 Q4 2023/24 Period

Cabinet – 23 July 2024

Purpose

- To provide a strategic overview of corporate performance and progress on delivery of the Corporate Plan 2023-26 and associated strategic priorities
- Assess if the Council is on track in critical performance areas and achieving agreed targets using a RAG approach and assess strategies and plans of actions where performance is not on target
- Facilitate discussions and enable clear visibility of priority elements at bi-annual Member Groups and facilitate discussion in other senior forums
- Support the identification of areas of further focus for Portfolio Meetings and Executive Team outside of the bi-annual meetings

Who gets what and when?

To ensure efficiency and consistency, the reporting product presented to both the Executive Team and Member Groups/Cabinet will be the same, with minor editing for public consumption.

Page 487 Additionally, these reports will serve as source material for Cllr Dulwich's portfolio meetings, and any matters arising from them will shape the agenda for his portfolio.

Reporting will occur every six months, and performance will be reviewed in the interim by the Executive Team and during portfolio meetings.

Cabinet

Two times a year, in **January** (Q1 + Q2) and **July** (Q3 + Q4).

Member Groups

Two times a year, in **December** (Q1 + Q2) and **June** (Q3 + Q4) en route to Cabinet.

Executive Team

Two times a year, in **December** (Q1 + Q2) and **June** (Q3 + Q4)

Exception reporting (Red RAG rated measures), deep dives, or reviewing of service plan delivery will take place between formal monitoring reports

Reporting Cycle

with 6 monthly reports to the Executive Team, Member Group and Cabinet.



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★ Mid-point reporting

Exception reporting, deep dives, or reviewing of service plan delivery will take place between formal monitoring reports. The Executive Team are asked to review the formal bi-annual reports and decide exception reports, deep dives, and service plan reviews that may be required to come back to **Executive Team meeting** and/or **Performance and Data Insight Portfolio** meetings in the intervening periods between formal reports which Performance and PMO will then co-ordinate.

Priorities

Residents are supported during the current cost-of-living crisis

[Slide 8](#)

Residents are safe, protected and supported at their most vulnerable

[Slide 13](#)

Residents live healthier, happier, independent lives for longer

[Slide 19](#)

Residents prosper from good education, skills development, and secure employment

[Slide 22](#)

Residents benefit from inclusive growth and regeneration

[Slide 27](#)

Residents live in, and play their part in creating, safer, cleaner and greener neighbourhoods

[Slide 31](#)

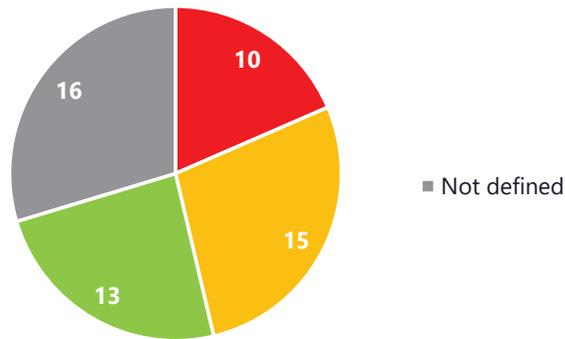
Residents live in good housing and avoid becoming homeless

[Slide 40](#)

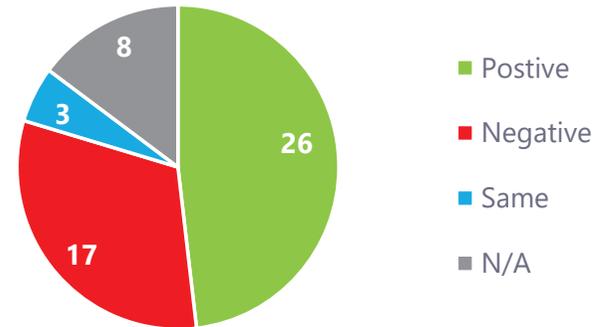
Summary

There are a total of 54 outcome measures in the Framework. Here is a breakdown of RAG rating and direction of travel:

RAG breakdown:



Direction of travel breakdown:



4 outcome measures are Red RAG rated and have a negative direction of travel which may be strong contenders for further focus between now and the July formal Cabinet cycle.

Outcomes Framework Dashboard and Report

- The data is represented using column graphs, with targets and comparators shown as lines for clarity.
- Most graphs begin from a baseline of 0 to accurately portray the data. However, in select cases where readability is improved without distorting the information, graphs may begin from a higher value. These instances have been clearly indicated through labelled axis to maintain transparency.
- A green arrow represents a positive direction of travel and a red arrow for the negative direction. It's crucial to note that an upward arrow may not necessarily indicate a positive outcome; its interpretation depends on whether high or low values are considered favourable.

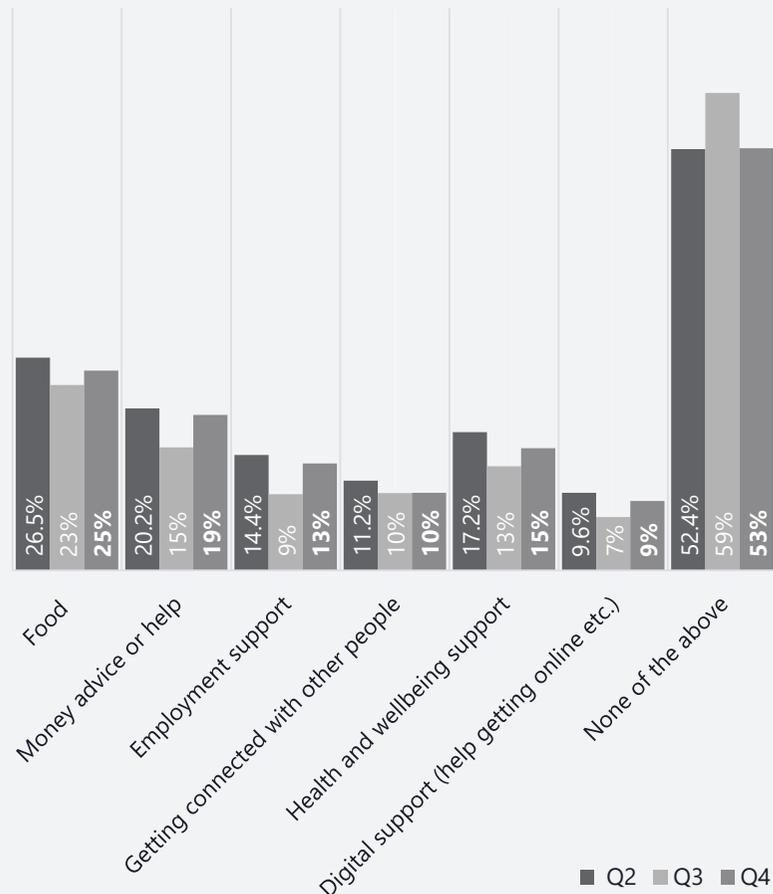
Priority 1
Residents are supported during the current cost-of-living crisis

- **Percentage of residents indicate they know where and how to access help about cost of living***
Proxy measures - Percentage of residents have access to cost-of-living support in walking distance
- **Percentage of residents that feel they are more financially resilient because of the support they receive***
Proxy measures - Residents' reported level of concern about cost-of-living
- **Situation of food poverty locally***
Proxy measures - Residents' reported food security
- **Percentage of households in fuel poverty**
- **HAM HUB income maximisation**
- **Percentage of rent collected**
- **Percentage of Council tax collected**

** Temporary placeholders are being used as a proxy measure while the cost-of-living survey is being reviewed.*

Priority 1: Residents are supported during the current cost-of-living crisis

Is there somewhere within walking distance of your home where you feel you could get support with the following:



Percentage of residents indicate they know where and how to access help about cost-of-living

Source: Cost-of-living survey via One Borough Voice

Over 1,200 responses to the cost-of-living (COL) survey were gathered in quarters 3 and 4 of 2023/24.

In line with the ambitions of Barking and Dagenham to bring support into communities, the focus of this question has been on whether residents know of support within walking distance of their home, across multiple areas of support. Another question has also been added (as of quarter 4) – referencing support available online.

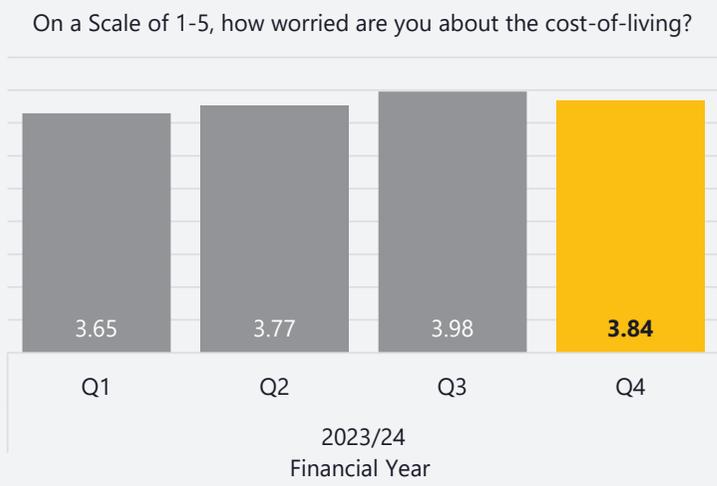
An average of 44% of residents knew of some form of support within walking distance of quarters 3 and 4 – which means the majority do not. While there are other factors that may contribute to this – including varying perceptions of what walking distance is – this still provides a strong indication of how information is communicated about support available. The area that residents had the most knowledge of was Food Support – with 25% saying there was some form of support available within walking distance of their home. This has reduced since quarter 2.

Priority 1: Residents are supported during the current cost-of-living crisis

Residents' reported level of concern about cost-of-living

Source: Cost-of-living survey via One Borough Voice

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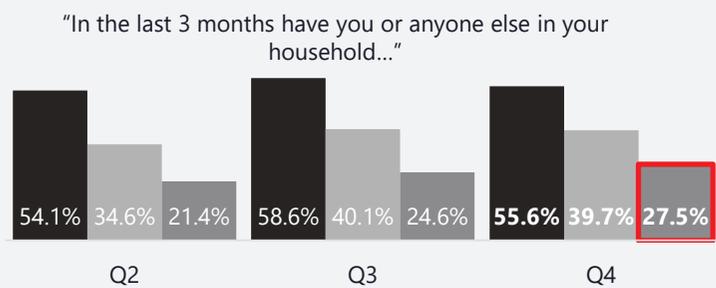
Residents reported significant levels of anxiety around the cost-of-living. The most common response given on a scale of 1-5 was 5 – “My Living Costs have increased, and I am unable to cope”. The average score has however decreased in quarter 4 – likely due to coming out of the winter period, and reduced utility costs. Despite this – the level of anxiety was higher in the latter half of the year than the first.

A wide array of support has continued to be offered to residents over the past 6 months – including working with the VCSE to support residents in their community settings, strengthening referral routes between specialist advice providers, providing employment support and outreach events and a continued expansion of affordable credit provision in the borough.

The residual impact of the last 18 months of high inflation – including increases in the price of food and drink, utilities and accommodation is continuing to put immense pressure on residents. While the continuation of the household support fund is positive – the uncertainty around its future past September 2024 means there are substantial risks of our residents' circumstances becoming worse.

Residents' reported food security

Source: Cost-of-living survey via One Borough Voice



- ... had smaller meals than usual or skip meals because you couldn't afford or get access to food?
- ... ever been hungry but not eaten because you couldn't afford or get access to food?
- ... not eaten for a whole day because you couldn't afford or get access to food?

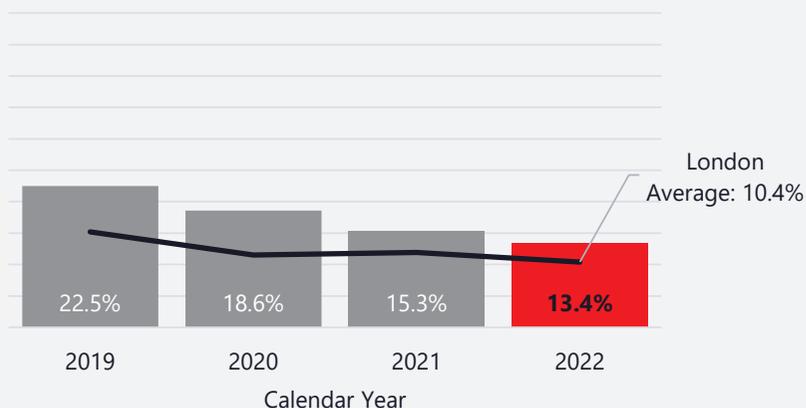
Food insecurity remains a critical issue in Barking and Dagenham – and the survey responses indicate that this has worsened over the last 6 months. In particular, 27.5% of residents in quarter 4 said that they had not eaten for at least one whole day because they couldn't afford or access food. This is far higher than the national average – with the January 2024 Food Foundation tracker showing a comparative figure of 5.8%. While general work to improve income deprivation and instability – including by improving income maximisation and employment – will have a positive influence on this, additional work is needed to explore how food provision, including knowledge of and obstacles to accessing it, can be improved.

Priority 1: Residents are supported during the current cost-of-living crisis

Percentage of households in fuel poverty



Source: LG Inform



The definition of fuel poverty that we use is that a household is in fuel poverty if: it is living in a property with an energy efficiency rating of band D, E, F or G and its disposable income (income after housing costs (AHC) and energy needs) would be below the poverty line. As such – fuel poverty can either be reduced by increasing income, improving energy efficiency or reducing the cost of energy. The Council has little direct influence over fuel poverty figures because these are estimated by the Government based on assumed income criteria and average annual fuel bills.

The current statistics show a time lag and due to the Cost-of-Living crisis, 2023 figures are expected to be much higher.

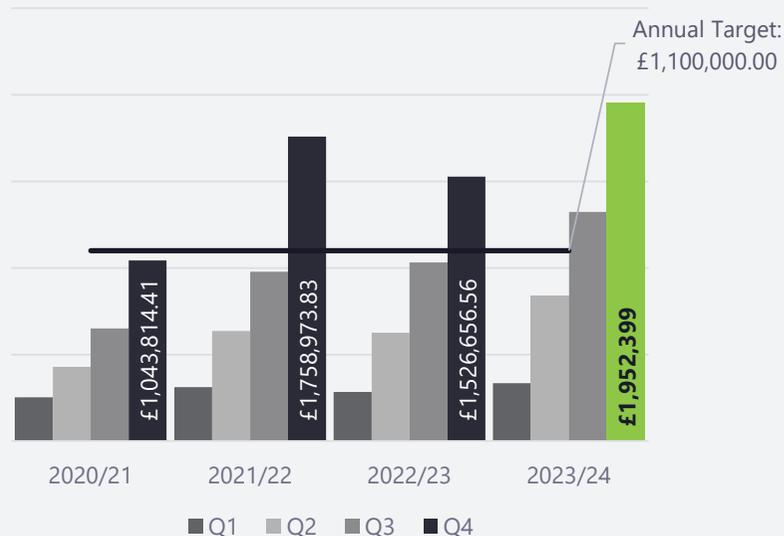
The Council utilises its existing programmes to aid families facing fuel hardship through its Cosy Homes scheme, which has completed 1,500 installs in two years, and the Homes and Money Hub, which assists with income maximisation, signing up to Warm Homes Discount and negotiating fuel debt payment plans.

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Income Maximisation (Home and Money (HAM) HUB)



Source: Homes and Money Hub



The Homes and Money Hub (HAM Hub) has increased the financial resilience of households in the borough by generating £1.95m in income maximisation through claim of unclaimed benefits across key benefit cohorts (includes monthly benefit/salary increase, awards and backdates) in 2023/24, above the annual target of £1.1 million and the strongest annual performance ever recorded by the HAM Hub (previous highest £1.76m in 2021/22).

Income maximisation increased in 2023/24 quarter 2 (£506k) compared to quarter 1 (£334k). This was linked to an increase in demand into the team from the middle of July 2023, with many cases benefiting from discretionary funding which has contributed to positive impacts on Council Tax and Rent Collection Rates. Income Maximisation dropped slightly in quarter 3 (£483k) but increased to a year high in quarter 4 (£629k), largely due to a month high of £303.5k in March 2024. The HAM Hub caseload remains high against the backdrop of cost-of-living increases.

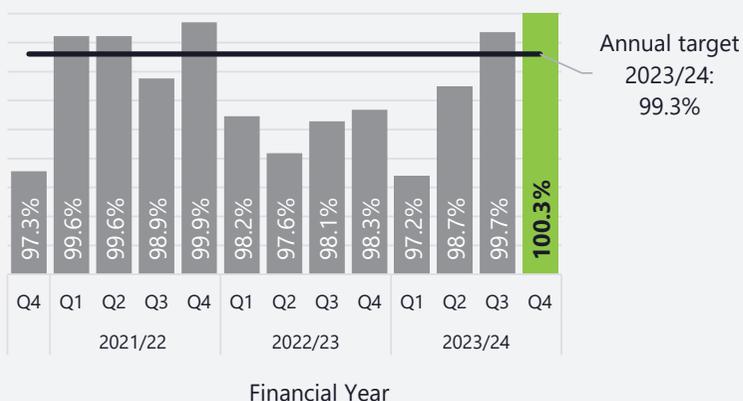
Separate exercises were undertaken by the Welfare Team for Pension Credit take up (delivering additional income of £298,180 across 2022/23 and 2023/24) and to support customer impacted by the Benefit Cap (delivering additional benefit of £129,657 per year based on no change of circumstance).

Priority 1: Residents are supported during the current cost-of-living crisis

Percentage of rent collected



Source: Capita



The year-end target for collection in 2023/24 was 99.34% and ended on 100.3%. The increase in collection in the later months of 2023/24 related to the implementation of a new system to help target those customers most in need of intervention and further work to imbed these new ways of working will continue into 2024/25.

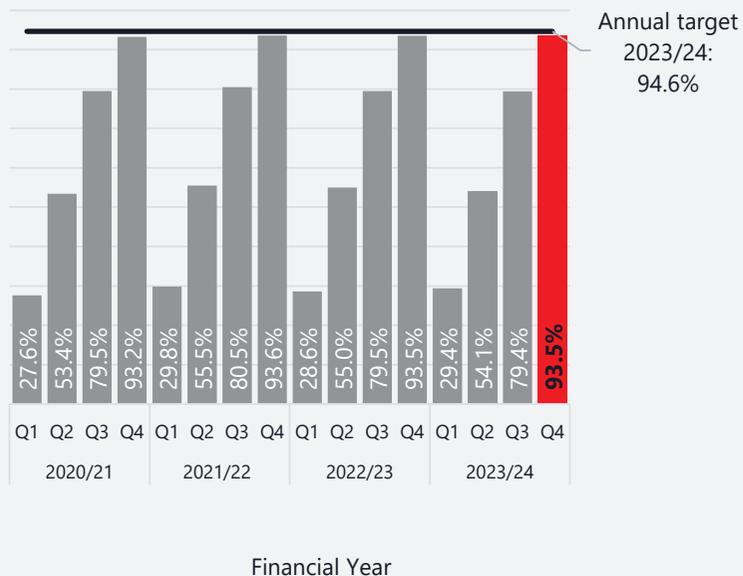
The continued migration of tenants from legacy Housing Benefits (HB) create risks to improving performance. Nearly 1000 Council tenants who currently claim HB will be migrated to Universal Credit (UC) in 2024/25, the value of which is around £8.2M annually. Delays in UC payments and the likelihood that direct payments made to tenants will not be paid towards rent means that without significant additional intervention, collection rates will decrease next year. The Welfare Service and the Rents Team have a joint plan to mitigate these risks but there is still expected to be an impact on collection due to the scale of migration which may off-set recent improvements in collection performance.

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Percentage of Council tax collected



Source: Capita



Council Tax collection continues to be significantly affected by the cost-of-living crisis. At the end of 2023/24, the Council Tax collection rate reached 93.54%, below the performance achieved over the last two years (2021/22 – 93.64%, 2022/23 – 93.56%) and the target for 2023/24 (94.6%). Performance was on target between April – August 2023 but fell below target for the remainder of the year.

The collection rate in 2022/23 was artificially inflated due to £750k being added to Council Tax accounts as a part of the Government's £150 rebate scheme. This increased the rate last year by 0.8%. Whilst the collection rate in 2023/24 was 0.02% points below 2022/23, in reality collection performance increased as there was no Government Scheme in place during 2023/24.

Early, unofficial reports suggest that as many as 65% of London boroughs saw their Council Tax collection decrease in 2023/24.

The overall amount of Council Tax charged in 2023/24 was £103.7m, an increase of £6.5m. The pandemic in 2020 and subsequent suspension of recovery action resulted in a reduction in the collection rate by 2.5% and an increase in arrears of £2m. Prior to the impact of Covid, collection rates ranged from 95.5% - 95.8% (2016/17 – 2019/20).

The percentage of collection has increased marginally since the pandemic, however the arrears caused by the pandemic, the cost-of-living crisis and annual increases in Council Tax have made a return to pre-pandemic levels of collection difficult.

Priority 2
Residents are
safe,
protected,
and
supported at
their most
vulnerable

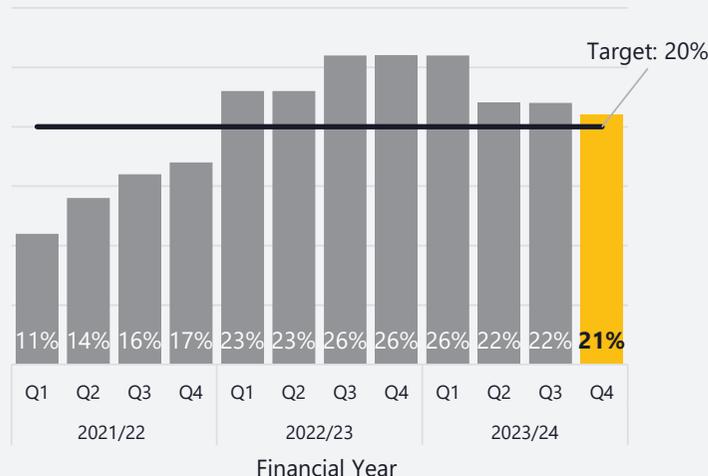
- Referrals to children's social care within 12 months of earlier referral (%)
- The percentage of children becoming the subject of a Child Protection Plan for a second or subsequent time in the year to date
- Percentage of children living in foster care
- The proportion of children in care experiencing long term placement stability
- Percentage of care leavers (aged 17-24) who are in Employment, Education and Training (EET)
- Juvenile first time entrants to the criminal justice system
- Overall satisfaction of people who use services with their care and support
- Proportion of concluded Section 42 safeguarding enquiries where action was taken, and risk was reduced or removed
- Reduced admissions into care homes (people aged 65+, per 100,000 people)

Priority 2: Residents are safe, protected, and supported at their most vulnerable

Referrals to children's social care within 12 months of earlier referral (%)



Source: Liquid Logic



The percentage of re-referrals is on a downward trajectory declining to 21% at end of quarter 4 2023/24, 1% lower than quarter 3 and 5% lower than end of year 2022/23. Performance is RAG rated Amber against the local target of 20%. Performance is now in line with the national average but slightly higher than statistical neighbours average of 20% and the London average of 18%.

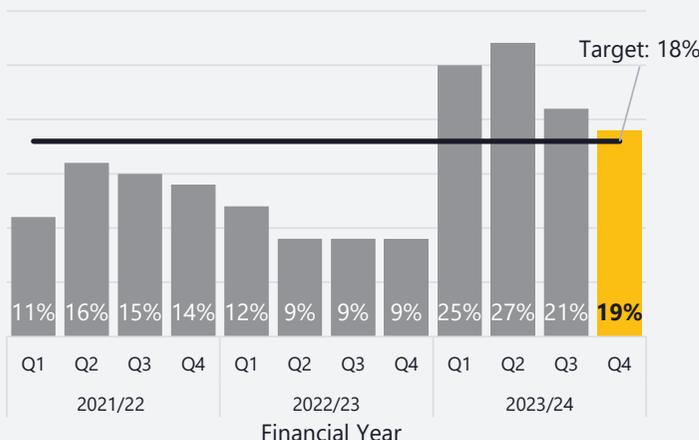
The deep dive analysis report has been presented to the Multi Agency Safeguarding Hub (MASH) Partnership Board and Children's Improvement Board. Continued dip sampling and auditing in re-referrals is resulting in a reduction with scrutiny on decision-making and threshold application. It is important to note that the OFSTED ILACS inspection reported positively about the MASH overall and the timely transfer of most children's contacts and referrals to services, ensuring most children get the right help at the right time.

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The percentage of children becoming the subject of a Child Protection Plan for a second or subsequent time in the year to date



Source: Liquid Logic



The percentage of children becoming the subject of a Child Protection Plan (CPP) for a second or subsequent time has decreased over the last two quarters from 27% in quarter 2 to 19% in quarter 4. This equates to 51 children in 2023/24, who had previously been on a plan (compared to 41 children for all of 2022/23).

Performance has been impacted this year by some large sibling groups – including three sibling groups of 4 and one sibling group of 5. Performance is now slightly above the target of 18% and the London average (18%), but below the national average (23%) and similar areas (21%).

Neglect and Domestic Abuse feature in the rise of children on repeat plans and the need for increased management oversight of complex neglect and domestic abuse social work. This is a key improvement area, and the neglect improvement work will be supporting practitioners in this area with a focus on increased Head of Service oversight. Embedding the learning from auditing and dip sampling for children due to come off a plan and had already had a previous plan, as well as oversight of those coming onto a plan for subsequent time is a top priority.

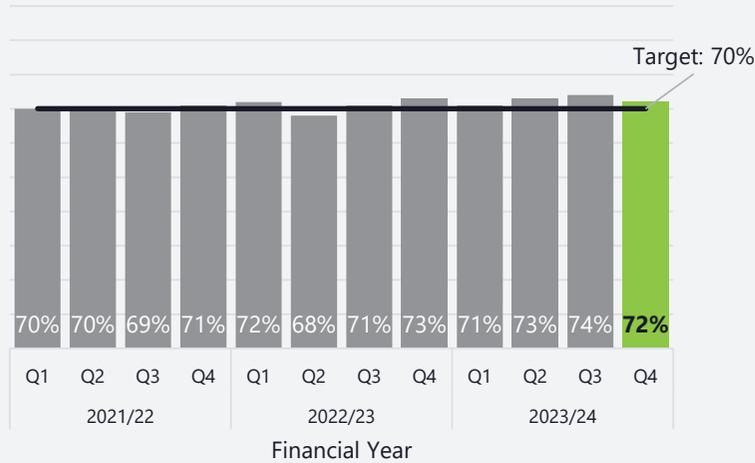
Priority 2: Residents are safe, protected, and supported at their most vulnerable

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Percentage of children living in foster care (including kinship)



Source: Liquid Logic



Most children in care are placed in foster care (including kinship care), 72% at quarter 4 2023/24 - down 2% from quarter 3 and down 1% with the year end 2022/23 position. We remain above target (70%) and benchmarks however (National 70%, London 69%, statistical neighbours 70%).

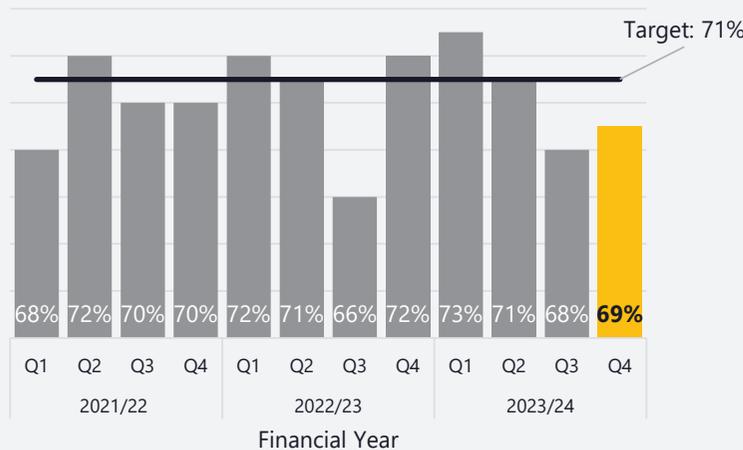
This represents a positive picture with the majority of children living in family settings and a lower number of children placed in residential homes which holds a much higher cost.

This can be attributed to the consistency of service delivery from the Corporate Parenting Service.

The proportion of children in care experiencing long term placement stability



Source: Liquid Logic



Long-term placement stability in Barking and Dagenham is just below target with just under 7 out of 10 children that have been in care for 2.5 years as a minimum remaining in the same placement for the last 2 years. Performance has increased slightly from 68% to 69% in quarter 4 but remains below the local target (71%).

Performance is also just below comparators – with the national and similar areas average being 71% and the London average being 70%.

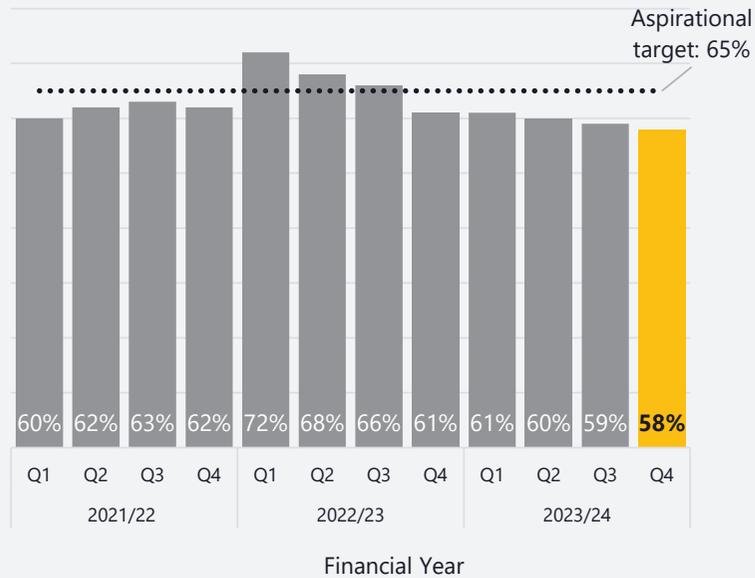
A strong and well-regarded in-house fostering service exists that uses the Mockingbird programme to help keep children in their placements. Ofsted (July 2023) also reported that the Council's Specialist Intervention Service is also positively impacting on placement stability enabling children to remain with consistent carers and have stability.

Priority 2: Residents are safe, protected, and supported at their most vulnerable

Percentage of care leavers (aged 17-24) who are in Employment, Education and Training (EET)



Source: Liquid Logic



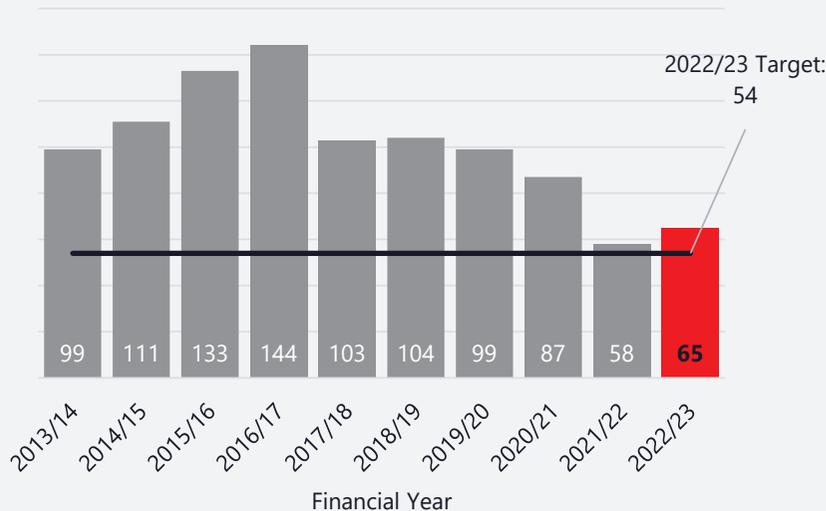
In Barking and Dagenham, the percentage of care leavers in Employment, Education and Training (EET) is above average when compared to the national (55%) and statistical neighbours average (55%). Barking and Dagenham, are just below the London average of 59%.

Current performance as of the end of quarter 4 is 58% - slightly below the quarter 3 performance of 59%. RAG rated Amber against the aspirational target of 65% for this year. However, overall, this represents a good news story and can be attributed to the continued success of the Corporate Parenting and Permanence service and partnership working led by the Corporate Parenting Board.

The EET rate for care leavers has been dropping over the last year and this is reflective of similar trends with statistical neighbours and nationally. There are a mixture of factors at play (more young people waiting longer for asylum decisions, fewer care leavers applying for university, increased numbers in custody for example). However, we have secured Public Health funding for an EET coordinator post within the service and so we aim to try and improve the EET outcomes for our care leavers by providing more bespoke, joined up and targeted support over the next financial year. We also have a comprehensive plan of work with the virtual school which is supporting our 16+ young people, including 2x conferences in May and a trip to Trewern in Wales in October for those who are EET. This comes alongside the extended emotional-wellbeing offer which we hope will make an impact on the emotional and mental health barriers some care leavers experience when it comes to employment.

Priority 2: Residents are safe, protected, and supported at their most vulnerable

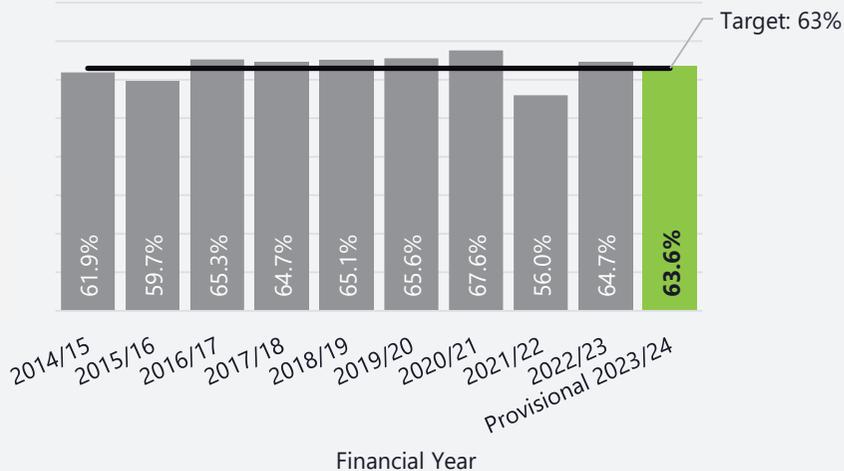
Juvenile first-time entrants to the criminal justice system



Source: Youth Justice Board

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Overall satisfaction of people who use services with their care and support



Source: Adult Social Care Outcomes Framework, NHS England

First Time Entrants (FTE) data has historically been gathered from Police National Computer data released by the Ministry of Justice (MoJ). The MoJ are no longer publishing this data quarterly, and positions from 2022/23 onwards are compiled by the Youth Justice Board based on quarterly case level submissions from the Youth Justice Service (YJS). This change in methodology may in some part account for the increase in volume of reported FTE.

The YJS continues its partnership work with the Youth At Risk Matrix (YARM) Service and is delivering national early intervention schemes such as the MoJ led Turnaround programme to help reduce FTE in Barking and Dagenham. There is also the FTE sub-group with members comprising of the YJS and partners including Health, Early Help, YARM and the Voluntary and Community Sector. The proportion of FTE who are Looked After Children is also being monitored to analyse the potential over-representation within that cohort.

Despite the 12% increase in FTE compared to the 2021/22 outturn, the long-term reduction in FTE is encouraging. Comparator data is not available for the 2022/23 reporting period. However, the decrease in FTE rates per 100,000 children aged 10-17 between 2016/17 and 2021/22 was 67.8%. This is greater than both the decrease seen nationally (55.5%) and in London (57.1%).

Overall satisfaction with social care services decreased slightly to 63.6%, from 64.7% in 2022/23. However, current performance remains above the target of 63%.

Barking and Dagenham's current performance is better than the available benchmarks for 2022/23 - an average of 60% for London and the borough's statistical neighbours and 64% nationally.

2023/24 data is provisional and final data will not be made available until December 2024.

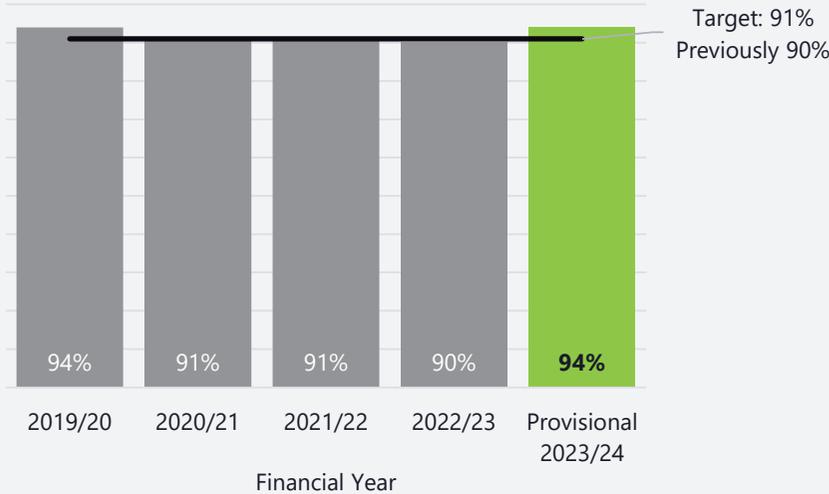
Priority 2: Residents are safe, protected, and supported at their most vulnerable

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Proportion of concluded Section 42 safeguarding enquiries where risk was reduced or removed



Source: Adult Social Care Outcomes Framework, NHS England



Most Section 42 enquiries are concluded with risk removed or reduced. In-year monitoring of this indicator for quarter 4 2023/24 indicates that in 94% of enquiries, risk was reduced or removed. This is 3% above the current target of 91%.

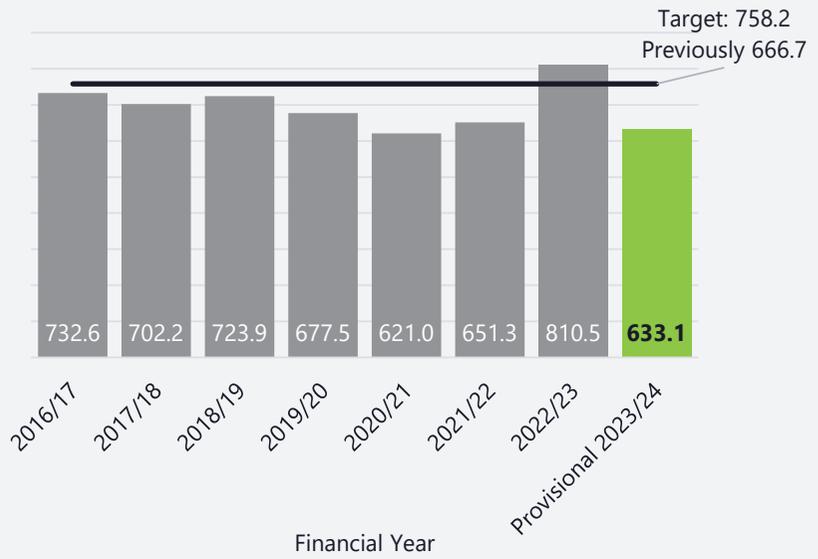
The borough's latest performance is higher than benchmarks, based on the latest available published data. In 2022/23, the average for London was 89% and for the borough's peer group, 86%.

In Barking and Dagenham, risk remained in approximately 6% of enquiries during 2023/24. During the safeguarding process, risk assessment mitigates or removes potential risks. However, in some cases risk may not be removed due to the self-determination of individuals with capacity.

Reduced admissions into care homes (people aged 65+, per 100,000 people)



Source: Adult Social Care Outcomes Framework, NHS England



In-year monitoring data for 2023/24 indicates that the rate of admissions has fallen, and our position has improved significantly. During the year, there was a total of 633.1 admissions per 100,000 people, against a profiled target of 758.2.

Overall, this is positive and reflects the impact of measures that have remained in place since the end of the last financial year – including progressing placements from hospital following approval by senior managers and considering longer-term placements only when community alternatives cannot meet the person's identified needs. The local authority and health partners continue to work in partnership to ensure older people move to the right setting upon hospital discharge.

The figure for 2023/24 is provisional as final data is due to be released in December 2024.

Priority 3

Residents live
healthier,
happier,
independent
lives for
longer

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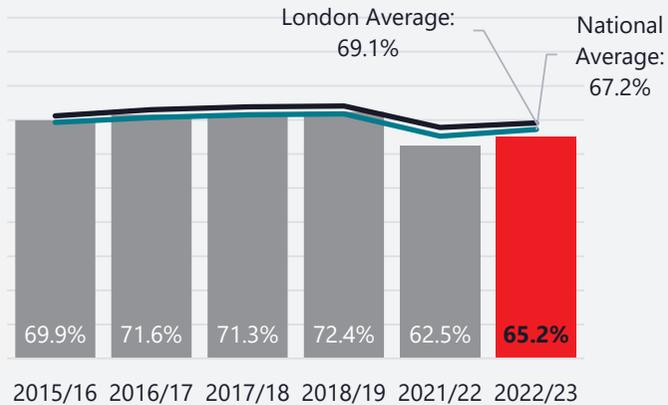
- School readiness - percentage of children achieving a good level of development at the end of Reception
- Year 6 - Prevalence of overweight (including obesity)
- Percentage of adults (aged 18+) classified as overweight or obese
- Percentage of residents with a positive social prescribing outcome

Priority 3: Residents live healthier, happier, independent lives for longer

School readiness - percentage of children achieving a good level of development at the end of Reception



Source: Department for Education



The long-term aspiration for this measure is to work towards meeting and then exceeding national and then London averages. Although the borough's performance has improved to 65.2% in 2023, it still falls below these benchmarks, posing a significant challenge.

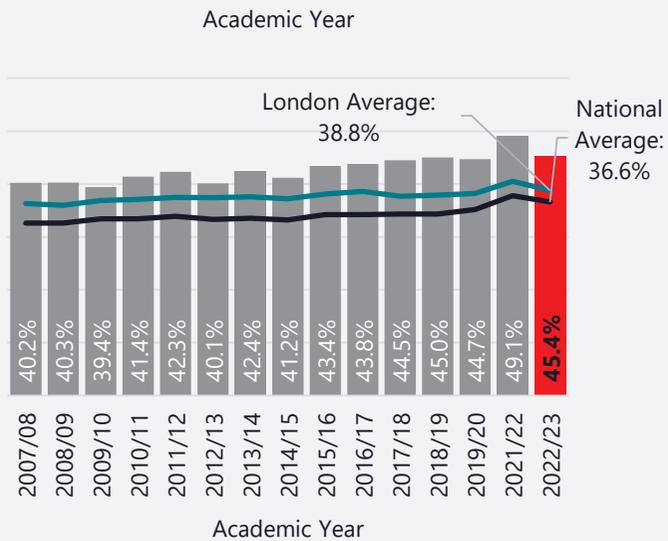
This is a baseline taken during the Reception year when children start school. Some children have low starting points when they begin at Reception or nursery. Some children who begin Reception have not attended a nursery before for different reasons. Some children are new to the country. Levels of deprivation also impact families and their children in the borough. Locally, the impact of these factors on school readiness can be seen in these results, including on areas such as speech, language, and communication.

Promotion of early education uptake for 2, 3, and 4-year-olds will continue. This has increased participation to pre-pandemic levels, aided by Family and Community Hubs. Schools and settings are prioritising developing communication and personal, social and emotional development to support children to be better prepared for Key Stage 1. BDSIP is providing support in the Early Years. There is a wide variation between outcomes at the end of Reception across schools, with some schools performing well above London and England averages. Further analysis needs to be done on why this is so, so that learning can be shared. At school, many children go on to progress well at Key stages 1, 2 and beyond.

Year 6 - Prevalence of overweight (including obesity)



Source: Office for Health Improvement and Disparities



Healthy weight (overweight or obese) at Year 6 (age: 10-11 years) is the second highest in London and third highest in England in 2022/23. Figures for 2022/23 show a slight reduction in overweight prevalence after being the highest in the country in 2021/22. Overall analysis of trend between 2017/18 and this year suggests that there has been no significant change in year 6 overweight prevalence rates.

Excess weight is primarily a consequence of unhealthy diet and/or lack of physical activity over an extended period driven by associated behaviours and their determinants (e.g. environment, deprivation, mental health, commercial determinants etc.), therefore, long term action is required to see change. Work is underway across a range of areas:

- Action on healthier diet – e.g. B&D Food Advisory Board, development of Food Action Plan and associated actions
- Increasing physical activity – e.g. workshop for community sports organisation on securing grants in December, discussions with London Sport about securing further resources
- Infant feeding – strategy in development; breast feeding peer support service mobilising, additional introduction to solids workshops in development
- Redesign and procurement of community Tier 2 weight management services
- Pilot healthy weight service initiatives for obese children (identified through the National Child Measurement Programme and health services)

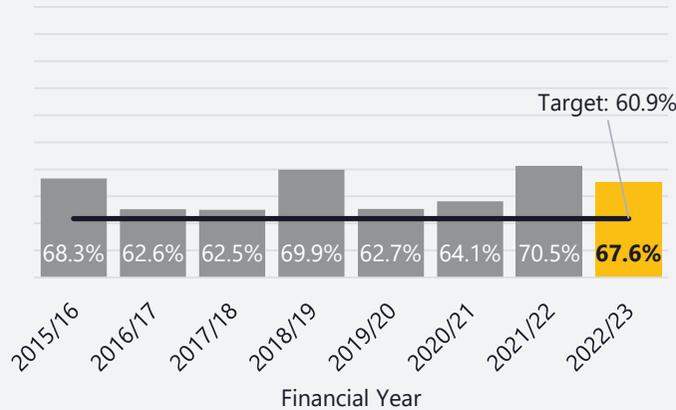
Note: The pandemic hindered The National Child Measurement Programme school visits, leading to inadequate measurements. As a result, the 2020/21 data was not published.

Priority 3: Residents live healthier, happier, independent lives for longer

Percentage of adults (aged 18+) classified as overweight or obese



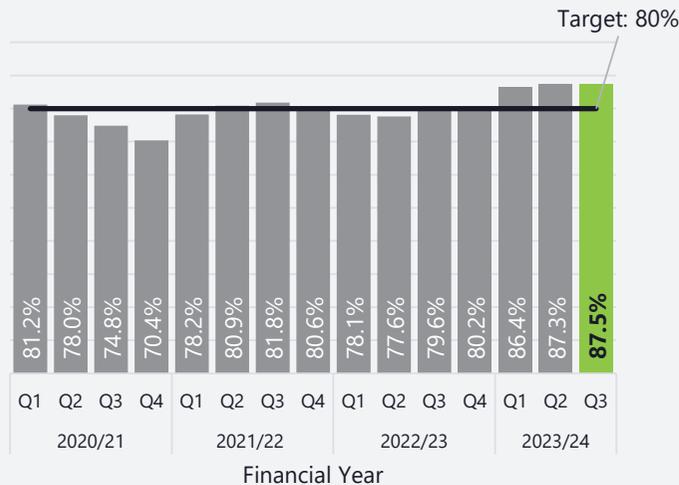
Source: Public Health Outcomes Framework



Percentage of residents with a positive social prescribing outcome



Source: Joy/Community Solutions PMF



Data is inconclusive on the trajectory of adult excess weight (overweight or obese) but levels in child excess weight are increasing in Barking and Dagenham. In 2022/23 over 2 in 3 Barking and Dagenham adults were overweight or obese, the highest in London.

Excess weight is primarily a consequence of unhealthy diet and/or lack of physical activity over an extended period of time driven by associated behaviours and their determinants (e.g. environment, deprivation, commercial determinants etc.), therefore, long term action is required to see change. Work is underway across a range of areas:

- Weight management services – e.g. scoping development of a new community-based approach to healthy weight
- Action on healthier diet – e.g. development of the Barking and Dagenham Food Action Plan and associated actions
- Increasing physical activity – e.g. Barking and Dagenham has been selected to be a Sport England-funded place partnership to address physical inactivity and is developing our local partnership to roll out a programme in 2025-28

In the first 3 quarters of 2023/24, 1,374 patients were discharged from the Social Prescribing service, with 87.5% of these achieving a positive outcome. Performance for positive outcomes is reported a quarter in arrears due to the delay in the recording and reporting of positive outcomes (often 3-4 months). Current provisional data shows the 2023/24 year-end performance as 88%. The number of Social Prescribing Referrals received in 2023/24 (full year) was 2,512, a 12% increase compared to last year.

The social prescribing offer is currently working with 33 GPs across the borough. Primary Care Networks (PCN) fund social prescribing from Additional Roles and Responsibilities funding (ARRS) and we are making the case with both PCNs, and Primary care leads to consider funding additional social prescribers to meet the needs of the patient population to ensure the link workers have time with patients and are using a strengths-based approach and goal setting. The implementation of the new Joy system has improved reporting back on patient outcomes directly into the patient record on the clinical system.

The service worked with over 30 VCSE organisations to build on community capacity through a participatory budgeting process to draw down funding from the Community Chest which has been funded out of the health inequalities fund. This process has started again with more organisations being funded to provide activity for social prescribing.

Priority 4

Residents
prosper from
good
education,
skills
development,
and secure
employment

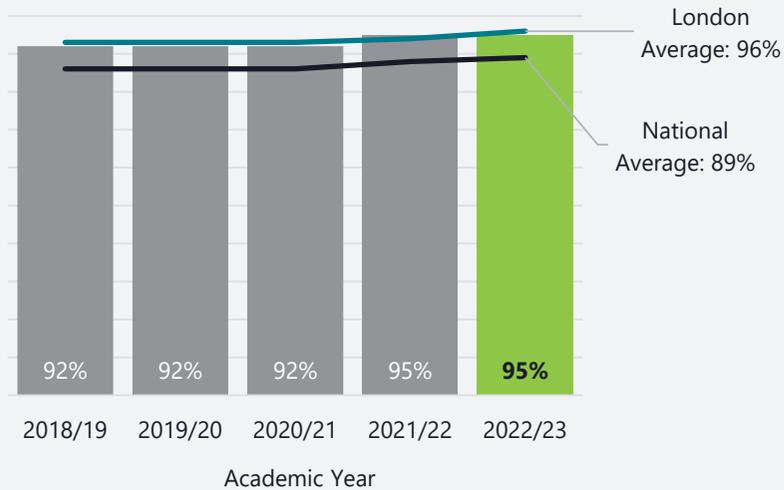
- Percentage of schools rated as Good or Outstanding - All Schools
- Percentage of pupils meeting the expected standard at KS2 in reading, writing and maths
- Average Attainment 8 score
- A-Levels: % B or above
- Progression rates to Higher Education
- The number of last year's Year 11's in our schools who are in an apprenticeship
- Proportion of 16 and 17 year olds who were not in education, employment or training (NEET), or their activity was not known
- Employment Rate

Priority 4: Residents prosper from good education, skills development, and secure employment

Percentage of schools rated as Good or Outstanding - All Schools



Source: Department for Education



The long-term aspiration is for 100% of schools to be judged 'Good' or better by Ofsted.

On 1 May 2024, the proportion of schools rated 'Good' or 'Outstanding' by Ofsted stood at 95% (57 out of 60 schools), based on reports currently published by Ofsted. Pathways School had its first inspection ('Good') hence 60 rather than 59 schools. This performance is equal to the latest published London benchmark (95% at December 2023), and well above the national benchmark (90% at December 2023).

Of the four secondary schools who, during the 2022/23 academic year, had ungraded inspections that indicated that these schools could be rated 'Outstanding' if they had a full Section 5 inspection, one so far has converted to 'Outstanding'. 3 primary schools are now also awaiting graded inspections after successful ungraded inspections identified that they could be outstanding.

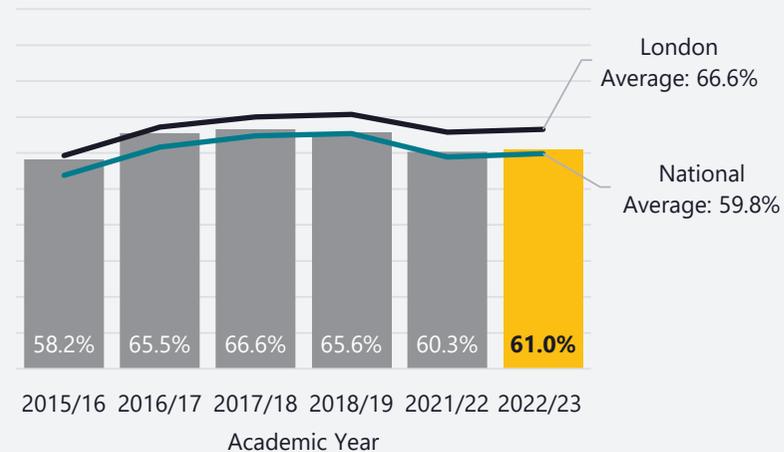
As of May 2024, 3 settings are not currently 'Good' or better. 1 is an Local Authority maintained school, and Education and BDSIP are providing support to this school, and 2 belong to an academy trust.

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Percentage of pupils meeting the expected standard at KS2 in reading, writing and maths



Source: Department for Education



The long-term aspiration is working to meet and then exceed the London average.

The combined Expected Standard in Reading, Writing, and Maths is 61% and is above the national average, but below London (66.6%) in 2023. The borough remains below its 2019 result (65.6%), reflecting the national picture.

Maths and Grammar, Punctuation and Spelling (GPS) remain above national average and continue to be areas of strength at both Expected and Higher Standards.

The range - at 40% - in results across schools for this measure is much broader than expected. Barking and Dagenham Council are working with BDSIP to explore this and to commission support for schools where results were low.

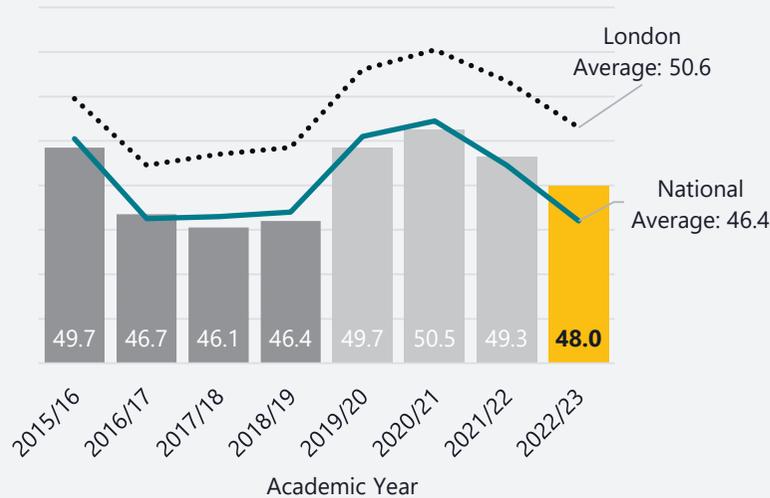
2022 was the first year of tests since the pandemic. Tests during lockdown were based on teacher assessments.

Priority 4: Residents prosper from good education, skills development, and secure employment

Average Attainment 8 Score



Source: Department for Education

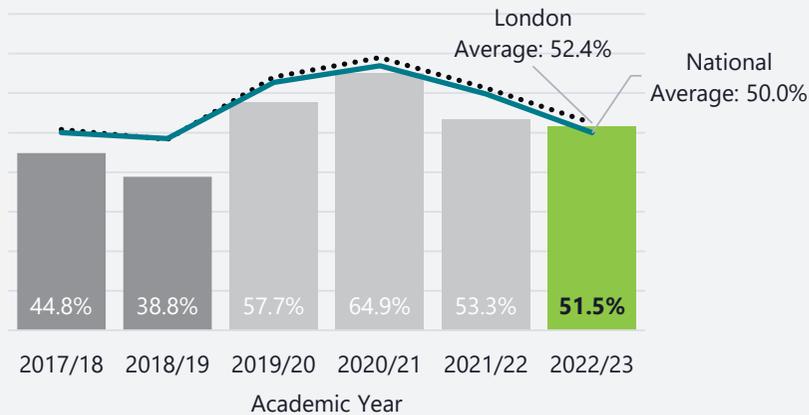


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A-Levels: Percentage B or Above



Source: Department for Education



The long-term aspiration is working towards meeting and then exceeding the London average.

Although below the borough's 2022 results, the borough has still bucked the national trend at GCSE, with the improvements made against 2019 with increases in all published headline indicators at Key Stage 4. This is a real achievement given the disruption to this year group's education and wellbeing during the pandemic. The government's plan this year was to bring down grade inflation caused by the 2020 and 2021 policy of teacher assessed grades during the pandemic. This year all students in England sat examinations with few allowances even though most were still suffering from the disruption of the pandemic. Students were supported in the 2022 examinations with pre-released material and guidance on examined curriculum areas. The pre-pandemic 2019 results therefore provide the best comparison as test conditions were very similar.

Barking and Dagenham's Attainment 8 score for 2023 is 48.0, a 1.6-point rise in 2019 and 1.3 points below 2022. It is above the national average for 2022/23.

BDSIP is continuing to provide support around GCSE Maths and English through Council-commissioned support and traded services.

The long-term aspiration is working towards meeting and then exceeding the national and then London average.

Excluding the pandemic years, 2022/23 A-Level results are the highest ever for Barking and Dagenham, representing significant progress.

This was a particularly hard year for A-Level candidates as these were the first formal examinations since their Key Stage 2 tests at the age of 11.

For A*- B grades, there has been an impressive improvement of almost 13% compared to 2019, and the borough is above the 2022/23 national average. This is particularly important as this enables more young people to access the most competitive Higher Education (HE) course and apprenticeships. For A*- A, provisional data shows that Barking and Dagenham improved by 5.7% on 2019, with the gap to national closing from 11.1% in 2022 to 6.1% in 2023. As with GCSE results, the best comparator are the results of 2019 as there were few concessions made to exams despite this cohort having their whole Key Stage 4 experience disrupted by the pandemic.

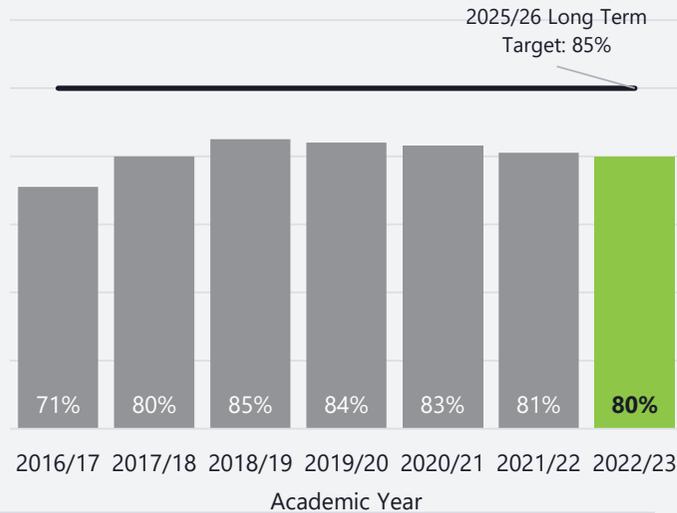
The Council, BDSIP and some secondary school Headteachers are working in partnership through a renewed 'Post 16 Working Group', with the aim of further raising the percentages of pupils reaching top grades.

Priority 4: Residents prosper from good education, skills development, and secure employment

Progression rates to Higher Education



Source: Department for Education Local Data gathered from schools' UCAS applicant status reports



The longer-term target is 85% or more. Local data from 2022/23 shows that a record number of young people progressed to Higher Education (1,190 young people vs. 1,105 in 2021/22). As a proportion of the Year 13 cohort however this is 1% below last year (80%). This is partially offset by a rise in the number of young people taking up degree apprenticeships (from 23 to 30), which is recorded separately. The overall averages for 16-18 destination measures have been above London and national averages on equivalent measures since 2019. E.g. the nearest comparable data is the 16-18 destination measure published annually 2 years in arrears. On this measure, Barking and Dagenham is above London and National averages.

The ending of predicted grades and the cost of higher education may be factors in the recent slight decline, as well as the impact of financial hardship. Nationally, numbers of pupils on Free School Meals moving on to Higher Education is increasing at a slower rate than numbers moving on to Higher Education who are not on Free School Meals. This may also be contributing to the local picture.

There has been a slight improvement in performance since last year with an increase in both the number (32) and percentage (1%) of young people progressing to apprenticeships. Comparative data will be published in the Moving On Report due in August 2024.

Nationally, it is thought that complicated application procedures and negative perceptions of some young people and parents towards apprenticeships, along with English and Maths Level 2 requirements, has had a negative impact on apprenticeship take up.

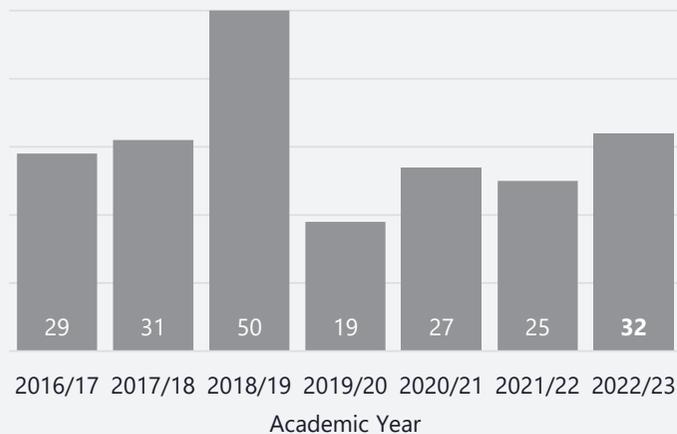
In support, the Council is delivering an apprenticeship scheme and supporting schools to promote apprenticeships as alternative pathways to employment. Apprenticeships form part of the Council's and BDSIP's careers advice offer, with BDSIP offering apprenticeship pathway events for young people and the Council's Provider Forum meeting regularly to promote opportunities.

The target for this measure is a year-on-year increase. There is no RAG threshold agreed at present.

The number of last year's Year 11s in our schools who are in an apprenticeship

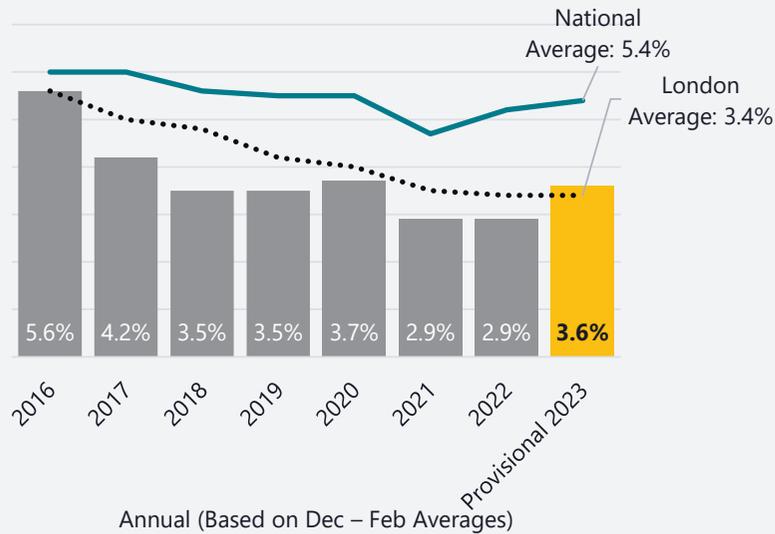


Source: 15billionebp.org Activity Survey



Priority 4: Residents prosper from good education, skills development, and secure employment

Proportion of 16 and 17 year olds who were not in education, employment or training (NEET), or their activity was not known



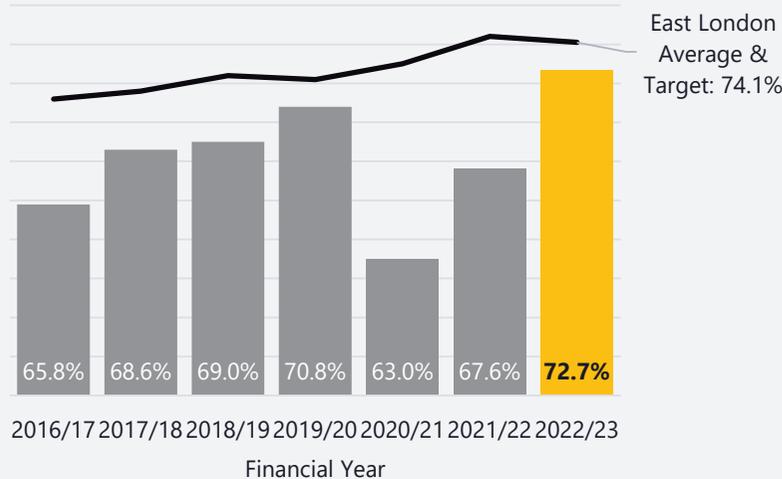
Source: 15billionebp.org (DfE return)

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Employment Rates



Source: Office for National Statistics



The proportion of young people who are not in Education, Employment or Training (NEET) or whose post 16 destination is unknown in the borough has increased by 0.7% to 3.6%. The national average is 5.4% (up 0.2% from the previous year) and London is 3.4% (unchanged from the previous year). NEETs rose by 0.2% in London this year, although this was offset by a decrease in 'unknowns'. Positively, Barking and Dagenham's proportion of 'unknowns' is now at 0%. Greenwich, a statistical neighbour, saw the same rise in NEETs this year (+0.7%) as Barking and Dagenham. The reasons for the increase after years of falling rates are not clear but are more than likely related to the pandemic and the cost-of-living crisis. Barking and Dagenham's target is now the London average (3.4%).

Actions to drive down NEETs include increased tracking and increased targeted support, including through partnership work with a Year 11 Transition Group with schools, a Provider Network Forum supported by a Directory, and a Post 16 Forum. A 'What Next?' careers fair event will be held in July 2024. Risk of NEET Indicator data continues to be reviewed. The Council are engaging with the provider of the GLA's Universal and Targeted NEET programme to maximise programme outcomes.

Target: employment to rise faster than the East London average.

Over the past 2 years, the local employment rate has recovered to pre-Covid levels - at 72.7%. Economic inactivity rates have also improved (25.2% in December 2023) but this has contributed to a rise in unemployment since March 2023, as people move out of inactivity to look for work. Unemployment was 6.8% in December 2023, the 5th highest rate in England, up from 4.8% a year ago.

The Council's job brokerage service exceeded its target for job outcomes in 2023/24 (1,200 against an annual target of 1,000). The service has launched a new brand (B&D Works) and website to improve awareness of the support available and is continuing to improve specialist support for harder to reach groups, including targeted programmes for people with health conditions, learning disabilities/autism and high levels of debt.

There is a question going forward about the balance between the quantity of people the service supports and the expansion of specialist support, which requires more staff time and capacity to secure job outcomes but is more aligned to work to ease wider Council cost and service pressures.

Priority 5
Residents
benefit from
inclusive
growth and
regeneration

- **Creating vibrant communities and places (Increase in participation numbers)**
- **Number of new homes completed**
- **Total amount spent on new/improved infrastructure (SCIL and Section 106)**
- **Total annual jobs growth**
- **Increase in gross median annual pay (full time workers)**

Priority 5: Residents benefit from inclusive growth and regeneration

Creating vibrant communities and places



Source: Residents surveys, visitor numbers at culture/heritage sites, event and audience surveys, partner organisation data and reports

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This data captures participation and engagement opportunities delivered through our Community Events programming and the wider Culture and Heritage Service for visitors and local residents.

Open days are based on numbers from two key heritage sites, Eastbury Manor House and Valence House Museum, Archives and Local Study Centre as well as the newly opened Women's Museum. The events and activities captured include large scale community events including Black History Month screenings, Eid at Eastbury, the One Borough Festival, holiday activities, SEND activities and a large Christmas Event at Valence House Museum. The data also captures programming initiatives led through New Town Culture, the Women's Museum (opened in quarter 4), Becontree Broadcasting Station, Pen to Print, Non Linear and other commissioned activities run through the Culture Team.

In quarter 1, there were a total of 303 engagement opportunities with 18,495 participants, while in quarter 2, there were 273 engagement opportunities with 25,229 participants. Quarter 2 represents the largest number of participatory initiatives given the number of festivals and seasonal activities which take place from Culture and Heritage sites throughout the summer.

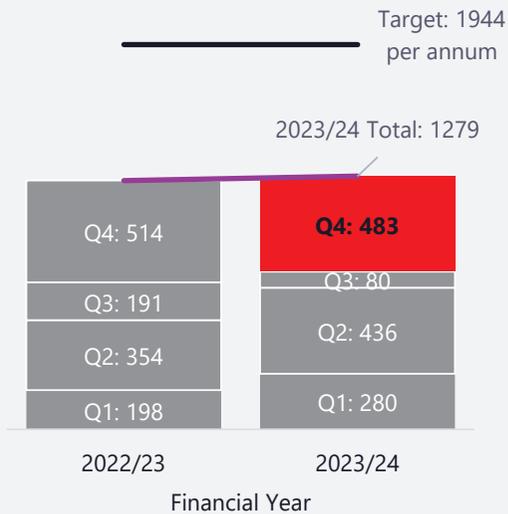
In quarter 3 and quarter 4 there is a normal downturn in participation numbers at Heritage sites due to seasonal closures, lower attendance in winter months throughout the sector and a new schedule put in place at Valence House Museum which now sees the site closed on Friday to reduce operational costs. There is also a reduction in larger scale community events and activities during the autumn and winter seasons, as reflected in participation numbers.

Priority 5: Residents benefit from inclusive growth and regeneration

Number of new homes completed



Source: Be First



The data for this indicator comes from Council Tax data which relies on developers reporting completions in a timely manner. There is sometimes a delay in the information being received and the quarter 4 figures should therefore be considered provisional at this stage. That said the current shortfall is such that even with complete data the target will not be achieved this year.

In 2023/24, 353 new homes were recorded as being delivered directly by Be First on behalf of Barking and Dagenham, a further 386 directly delivery new homes were anticipated to be completed in quarter 4 but these slipped into quarter 1 of 2024/25 due to lengthened timescales brought about by the new Building Safety Act. Completion of these homes in 2023/24 would have moved the target to an amber rating.

The Council, via Be First, have a number of active construction sites which will continue to deliver new homes in 2024/45 and 2025/26. As Council borrowing becomes constrained the number of new homes directly delivered by the Council may slow down.

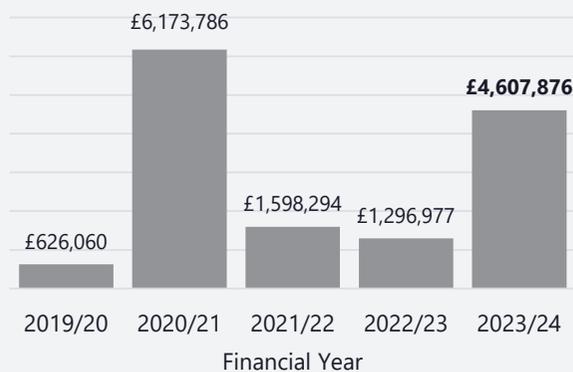
Be First continues to perform to a high level in fulfilling their Local Planning authority function and continue to determine all major applications within statutory timeframes. This is essential in effectively supporting ongoing private sector delivery. Adoption of the Local Plan, anticipated to occur in Autumn 2024, will also support greater confidence in private sector delivery.

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Total amount spent on new/improved infrastructure (SCIL and Section 106)



Source: LBBD Finance



The Council is actively seeking to maximise the amount of Community Infrastructure Levy (CIL) and Section 106 that can be collected from developments to ensure that the maximum possible funding is achieved to support new infrastructure in the borough.

In October, Cabinet updated the procedure and governance to allocate and spend developer contributions more swiftly, so Council services can plan infrastructure provision strategically, and have more certainty on funding for projects.

Funding from developers from Section 106 and CIL can only be collected when developments start on site, so income is very much linked to growth in the borough. If building slows down, then new funding will also slow down. It is therefore even more critical than ever that the Council target spend to the right projects for the benefit of residents.

Spend of SCIL and s106 on projects to benefit the borough and support growth has more than trebled in the last financial year. This is mainly due to improved working practices within Barking and Dagenham and Be First, and the implementation of new software to monitor collection of money.

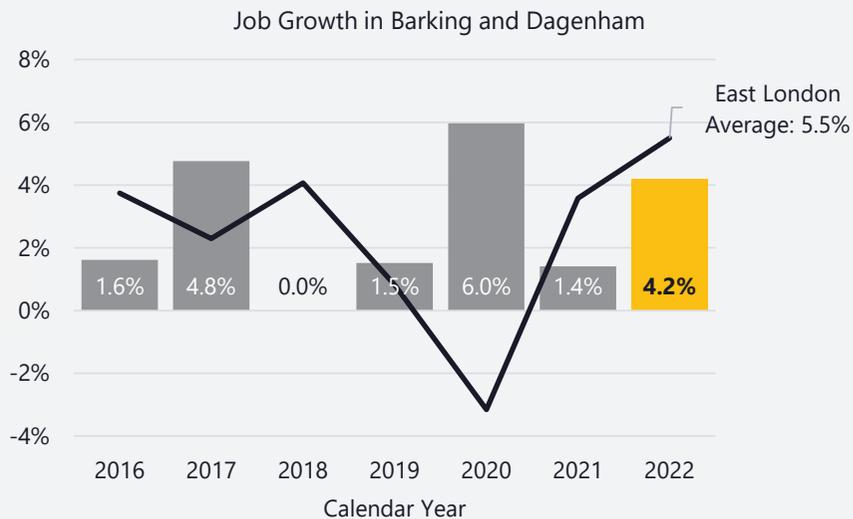
Priority 5: Residents benefit from inclusive growth and regeneration

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Total annual jobs growth



Source: Office for National Statistics



Target: % increase in total jobs larger than the East London average by 2037.

Between 2018 and 2021, job numbers in Barking and Dagenham rose by 9% compared to 1% in East London. In 2022, local jobs grew by 4.2% compared to 5.5% across East London. Job density is 0.51 jobs per person (16-64), below the London (1.02) and UK (0.85) average.

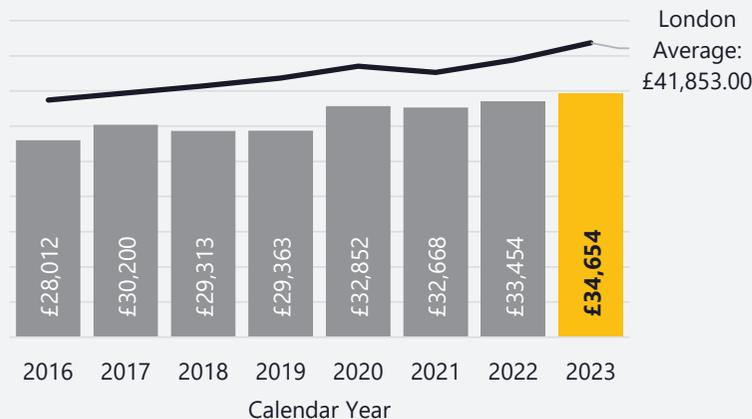
In 2023/24, the Council's Inclusive Economy team secured 380 new jobs for local people in growth sectors including film, food and construction – underpinned by a new S106 planning policy to strengthen our ability to secure job and training outcomes from major developers.

Eastbrook film studios are due to open in summer 2024 and we are working to improve the food offer in Barking. Be First continues to market Industria, providing modern workspace to attract new businesses and intensify jobs on industrial land. In March 2024, we launched a programme with Barking Enterprise Centre (funded by the UKSPF) to help local businesses to grow and improve.

Increase in gross median annual pay (full time workers)



Source: Annual Survey of Hours and Earnings



Target: Income improving faster than the London median by 2037.

Average pay rose by 3.6% between 2022 and 2023, up from 2% the previous year and compared to 6.3% across London.

As well as seeking to attract more well-paid jobs into the borough, the Council are working to tackle low pay and insecurity by:

- Requiring the LLW on all Be First construction sites
- Promoting the London LLW in school catering, food and care services
- Promoting good work standards through our business support programmes including a dedicated programme to tackle insecurity and improve work-life balance for care workers

Priority 6

Residents live in,
and play their
part in creating,
safer, cleaner,
and greener
neighbourhoods

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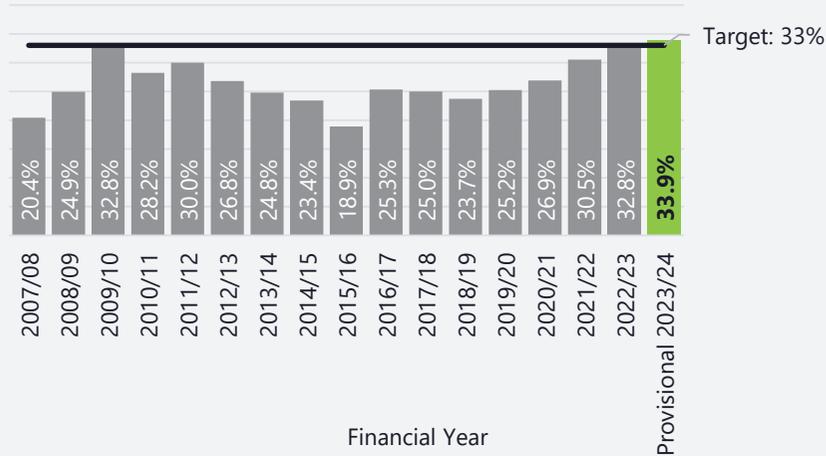
- Percentage of household waste recycled
- Household waste per head of population (Kg/person)
- Fly-tipping incidents per 1,000 people
- Annual reduction in greenhouse gas emissions by tonne
- Improved street and environmental cleanliness
- The number of anti-social behaviour reported to the police
- Violence with injury (non-domestic abuse)
- Knife Crime with injury offences and victims aged 1-24
- The Number of Stalking and Harassment offences reported to and recorded by the police
- The number of Hate Crime offences reported to the police
- The number of Domestic Abuse Offences reported to the police
- Number of Green flags awarded to parks
- Number of homes and buildings which have received retrofit measures and/or renewables
- Perceptions of safety at night

Priority 6: Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods

Percentage of household waste recycled



Source: LG Inform



Barking and Dagenham has seen a steady increase in recycling rates over the last 5 years. The reason for the increase is due to the introduction of additional recyclables collected at the kerbside in 2020/21.

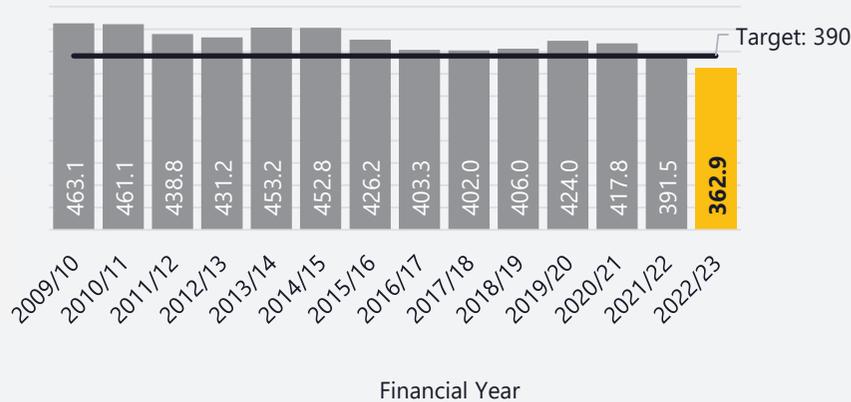
In addition to this, 2022/23 saw the disposal operator (Renewi) introduce separation of some recyclable materials from bulk waste delivered to transfer stations – all of which has contributed to the increase.

It is important to note that there may be some changes in legislation that sees Compost Like Output (CLO) from the Mechanical Biological Treatment (MBT) process that will see it declassified as a recyclate. This could have a detrimental impact on the Borough's recycling figures in the future.

Household waste per head of population (Kg/person)



Source: Department for Environment, Food and Rural Affairs



Barking and Dagenham has seen a reduction in the residual waste per household since the previous reporting year. This is a positive move and partly due to the increase in waste minimisation activities by the Waste Minimisation Team and East London Waste Authority (ELWA) waste prevention team.

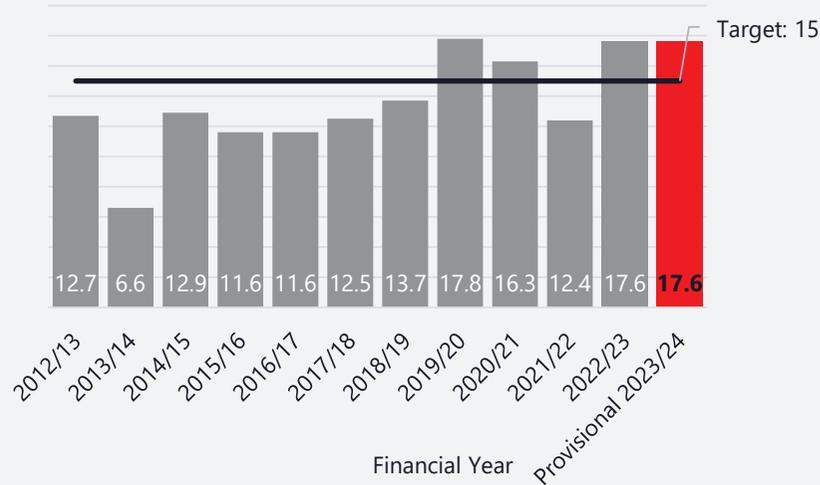
The Council will be continuing their work around waste minimisation in conjunction with ELWA as part of their waste prevention programme.

Priority 6: Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods

Fly-tipping incidents (per 1,000 people)



Source: Department for Environment, Food and Rural Affairs

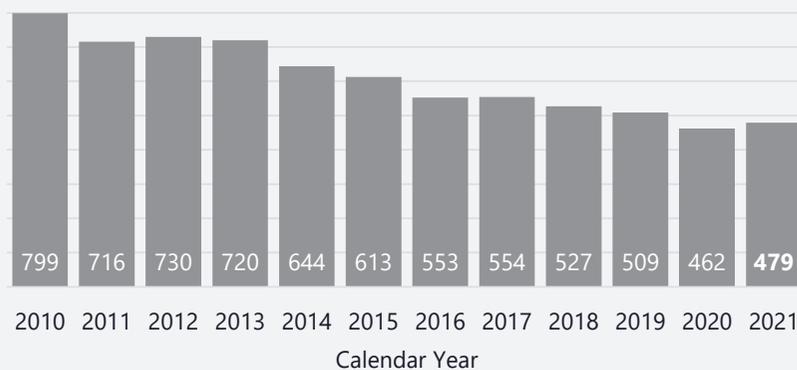


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Annual Reduction in greenhouse gas emissions by kilo tonne



Source: London Energy and Greenhouse Gas Inventory



Fly tipping has seen an increase over the last 5 years, which follows the national trend. There was a slight reduction during the Covid years, which can be attributed to the lockdowns and restrictions on movement.

2022/23 has seen a return to pre-Covid levels which is to be expected as people return to previous behaviours.

The greatest challenge around fly tipping are areas such as private, unadopted or service roads, as they have restrictions in terms of enforceable action, tend to be more secluded and attractive to offenders.

Barking and Dagenham Council have developed a Cleaner Communities approach that undertakes a more collaborative approach to addressing what people do with their waste. It is about working cross-services to understand behaviours and address operational challenges to develop solutions for challenging areas.

Barking and Dagenham Council has committed to becoming a carbon neutral authority by 2030 and support the wider borough to achieve that by 2050. According to the London Energy and Greenhouse Gas Inventory (LEGGI) index which makes assumptions about each borough's greenhouse gas emissions, the Council has seen a 337kt reduction in CO2 between 2010/20 and continues to be the lowest emitter in the capital.

However, the LEGGI data released in 2024 looks back to 2021. The Council's own Zero Carbon Roadmap emissions baseline dates from 2019/20 and suggests a 100kt difference between the two. This may be due to different timeframes and metrics used for the assessment but the first progress audit against our own baseline will not now be until 2025, following the adoption of the Zero Carbon Roadmap in November 2023.

Barking and Dagenham is now the second lowest CO2 emitting borough in the capital, with only Kingston upon Thames slightly lower. This increase in carbon emissions in 2021 is likely due to the local economy recovering from the Covid lockdown restrictions, which had a significant impact on reducing London transport and industry emissions in 2020 due to restrictions on travel and furlough support being in place.

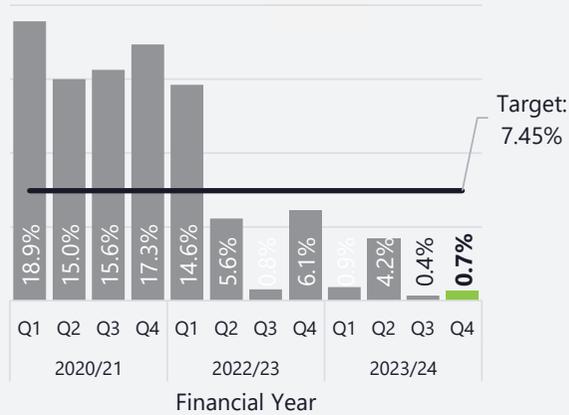
Priority 6: Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods

Improved street and environmental cleanliness

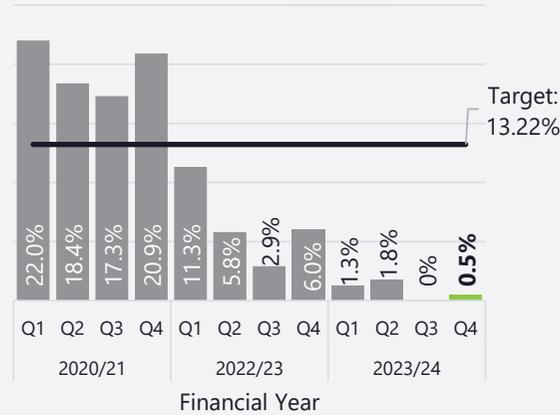


Source: LG Inform

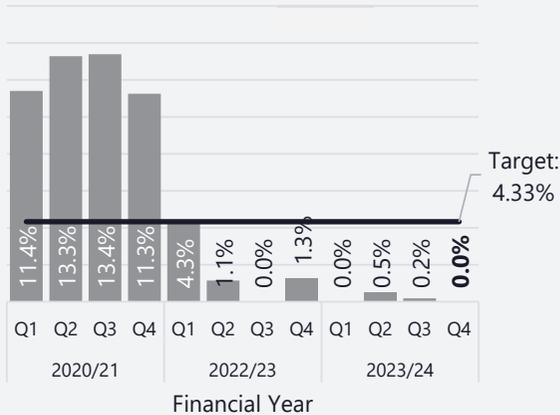
Litter ↗



Detritus ↗



Graffiti ↘



Fly-posting ↗



Historically this indicator has been gathered via external surveys three times a year, however in 2022/23 Barking and Dagenham Council took the decision to bring this in-house to enable a more dynamic approach that would aid in performance management for the service.

NI195 surveys are now undertaken by staff internally based on random street allocation and targets for surveys completed on a weekly basis.

This allows the service to get more real-time information on performance and quality.

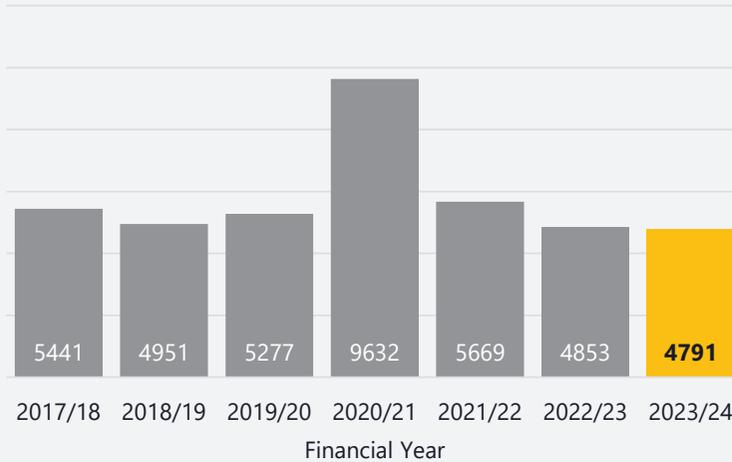
Reporting has seen a decrease in those areas measured as being below acceptable standards an indication as to the positive efforts around street cleansing across the Borough

Priority 6: Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods

The number of anti-social behaviour reported to the police



Source: Provisional figures provided by Metropolitan Police 3rd Party Team



The latest 12 month rolling figures (to March 2024) shows 4,791 incidents reported to the police which is -1.3% on the previous year. London overall saw a 6.9% increase in the same period. In 2020/21 Anti-Social Behaviour (ASB) incidents increased sharply across all London boroughs. This is due to breaches of Covid restrictions recorded as ASB initially. However, Barking and Dagenham current performance in March 2024 is still down 9.2% on the pre Covid period (2019/20).

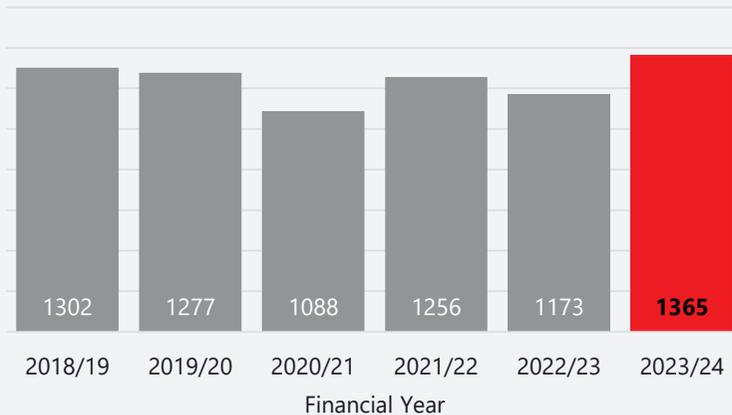
In the 12 months to March 2024, Barking and Dagenham's rate per 1,000 population is 21.9 compared to the London average of 28.3. Barking and Dagenham ranked 10 of 32 London boroughs with 1 being the highest and worst. Barking & Dagenham is mid-range in London for ASB incidents per 1,000 population.

The ASB team are continuing to work with stakeholders across the organisation in housing and adult care and external partners such as the Police and NHS to ensure that the vulnerable victims and repeat perpetrators of ASB who often have vulnerabilities themselves are supported effectively. The team hold a monthly Community MARAC where cases of ASB that cross into different teams are discussed collaboratively. This approach has been successful, and we have managed to deal effectively with several cases of repeat offending.

Violence with injury (non-domestic abuse)



Source: Provisional figures provided by Metropolitan Police 3rd Party Team



In the 12 months to March 2024 Barking and Dagenham had 1,365 Violence With Injury (Non-Domestic Abuse) offences (+16.4% on the previous year). London overall saw a 2.7% decrease in the same period.

The Barking and Dagenham rate per 1,000 population in the 12 months to March 2024 is 6.2, which is in line with the London average of 6.3. Barking and Dagenham's ranking in London in the same period by rate per 1000 is 17 of 32 (mid-range).

To continue improvement in this area the Council implemented various initiatives including task and finish meetings, proactive community safety enforcement, critical incident support, joint police patrols, and partnership collaboration to address youth violence. Additionally, actively supporting national operations such as the police led Operation Sceptre which focuses on violence, weapons and gangs and provided outreach and diversionary programmes to deter crime.

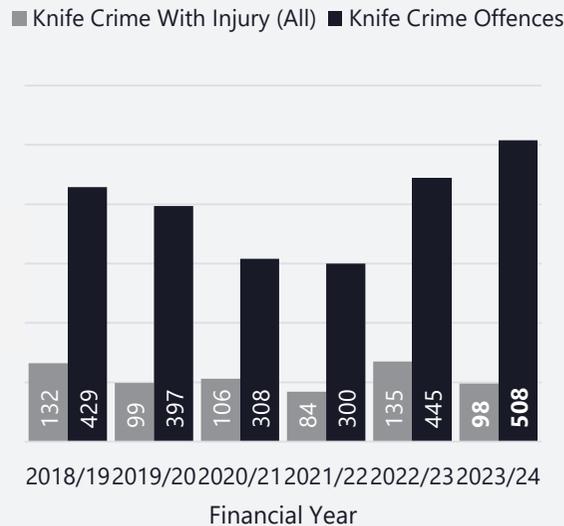
Priority 6: Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods

Knife Crime with Injury offences and Victims aged 1-24



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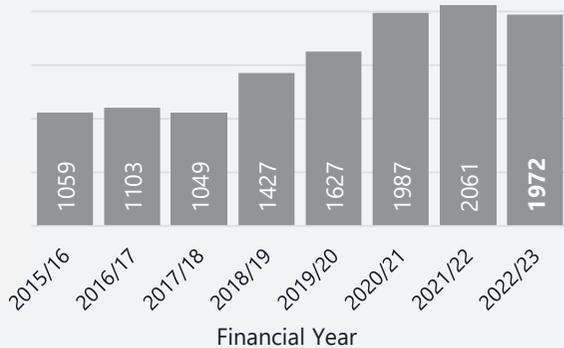
Source: Provisional figures provided by Metropolitan Police 3rd Party Team



The Number of Stalking and Harassment offences reported to and recorded by the police



Source: Home Office Police Recorded Crime figures



In 12 months to March 2024, there were 508 knife crime offences, a 14.2% rise from the previous year. London overall saw a 15% increase in the same period. Of the 508 knife crime offences, 98 offences resulted in a knife related injury to the victim. The number of victims aged 1-24 years is currently unavailable. The rate of knife crime (overall) per 1,000 population is 2.3 compared to the London average of 1.6. Barking and Dagenham's rank in London is 28 of 32 (5th highest). Measures being taken to address knife crime, with a focus on youth violence:

- Ending Gang and Youth Violence programme, chaired by the Head of Service for Youth Offending Service, which involves multiple agencies, services, and partners in reviewing offender and victim activity.
- Task and Finish meetings that focus on early intervention tasking, information sharing, and victim engagement and support.
- Robbery Partnership Taskforce reviews robberies, including violence-led offences, for both victims and offenders.
- The Tactical Tasking and Coordination Group (TTCG) monthly meeting reviews incidents, coordinates policing and multi-agency responses, and analyses victim data and trends.
- Multi-Agency Public Protection Arrangements (MAPPA) to manage violent and sexual offenders effectively. They provide support for the national police-led Operation Sceptre, which targets violence, weapons, and gangs.
- Outreach and diversionary provisions such as "Box up crime" and "Sparks to life" are offered as preventive measures.
- Research and evaluation project into knife carrying intervention projects in collaboration with The Ben Kinsella Trust.
- Additional risk factor: Robbery grant funding ceased as of December 2023 with no further replacement.

An increase in offences can be attributed to the introduction of new offences, improved victim awareness and confidence to report, and enhanced police recording practices. In the 12 months to December 2023, Barking and Dagenham had 1,916 stalking and harassment offences representing a 4.1% decrease from the previous year. In contrast London experienced a 0.6% decrease during the same period. The rate of these offences per 1,000 population in Barking and Dagenham was 8.8, higher than the London average of 7.1. Barking and Dagenham Ranked 29 of 32 London boroughs, making it the 4th highest and placing it in the top quartile in London.

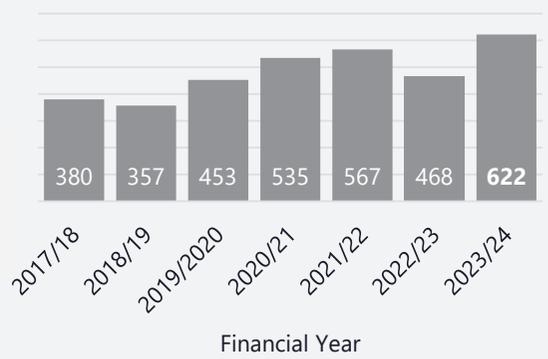
Several initiatives have been implemented to address stalking and harassment which remains a serious issue. These include Multi-Agency Risk Assessment Conference meetings for sharing information on high-risk domestic abuse cases among various agencies and specialists. Task and Finish meetings to review key incidents and complaints related to harassment, stalking, and sexual conduct. The Woman Safety Forum takes a holistic approach, focusing on harassment, stalking, and assaults from a Violence Against Women and Girls (VAWG) perspective in collaboration with partner organisations.

Priority 6: Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods

The number of Hate Crime offences reported to the police



Source: Provisional figures provided by Metropolitan Police 3rd Party Team



It is acknowledged that hate crimes are under reported – reporting is actively encouraged due to their low volume but high impact. In the 12 months to March 2024, Barking and Dagenham recorded 622 Hate Crime offences, representing a 32.9% increase from the previous year. London overall experienced a 13.9% increase during the same period. The rate of Hate Crimes per 1,000 population in Barking and Dagenham was 2.8 just below the London average of 3.1. Barking and Dagenham ranked 21 out of 32 boroughs indicating a mid-range position.

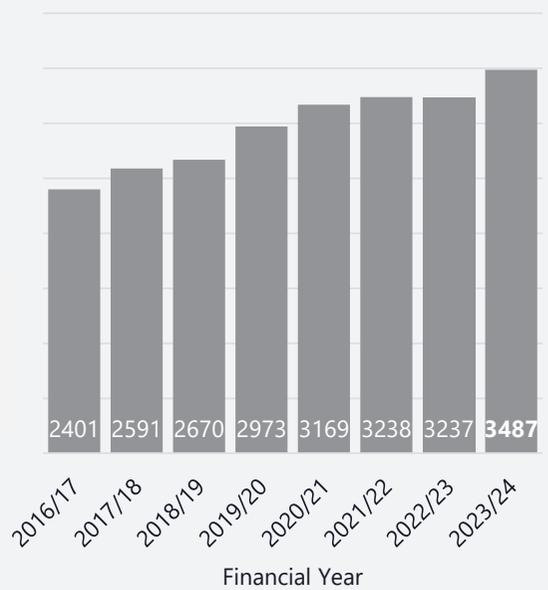
Regular hate crime, tension, and monitoring meetings are conducted to analyse hate crime trends and preempt any related protests. National Hate Crime Awareness Week events are organised to raise awareness and deliver educational workshops on different types of hate crimes, reporting procedures, and support. Additionally, the Council commissioned Arc Theatre to conduct workshop-based performances aimed at educating children about hate crimes and steering them away from discriminatory attitudes.

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The number of Domestic Abuse Offences reported to the police



Source: Mayor's Office for Policing and Crime



Domestic Abuse reporting is encouraged however it is known to be under reported. In the 12 months to March 2024, Barking and Dagenham had 3,487 Domestic Abuse offences (+7.7% on the previous year). London overall saw a 0.5% decrease in the same period. 12 months to March 2024 Barking and Dagenham Rate per 1,000 population: 15.9 compared to the London average of 10.4. 12 months to March 2024 Barking and Dagenham Rank in London (By Rate per 1,000): 32/32 (Highest in London).

The Domestic Abuse Improvement Programme has been in place since September 2022. The Programme responds to agreed strategic priorities, including ensuring the Council have the right services, in the right place, at the right time. New services have been commissioned to meet the needs of survivors, children and young people and perpetrators in Barking and Dagenham. New interventions and multi-disciplinary teams have also been created to respond to the needs of families and individuals affected by domestic abuse within one working day, working across key entry points to the system. These new services have led to an increase in an uptake of support services, whether a domestic abuse offence had been reported to the police. The survivor services have seen an increase in caseloads during 2023/24, and now there is a full range of perpetrator interventions available, with a corresponding increase in referrals. Services for children and young people are also in place, with a newly launched wellbeing and therapeutic services, which has started to work in schools with children affected by Domestic Abuse on a 1 to 1 basis. New approaches and risk assessment tools have been rolling out for use by the multi-agency children's workforce, with formal launches scheduled for during the 16 Days of Action.

Priority 6: Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods

Perceptions of safety at night

Source: Annual Residents Survey via One Borough Voice

20%
feel safe after dark

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The Women's' Safety Forum is a public meeting, giving residents the opportunity to highlight concerns and receive important updates from the Local Authority and partners. Violence Against Women and Girls (VAWG), in public areas and otherwise, is an area of underreporting, so there are plans for further surveys and engagement via days of action, to gain a better understanding of the issues. The Community Safety Partnership (CSP) is also leading on a project to improve engagement with the LGBTQ+IA community who are currently underrepresented across public forums within the partnership. As hate crime is also underreported, this is a way in which we will provide reassurance.

The VAWG public spaces meeting is now underway being chaired and led by the CSP and police. The meeting is held monthly and used data to identify priority areas and devise actions.

The Public Spaces Protection Order is currently under consultation and will now include cat-calling and street harassment which residents have expressed is an issue for them, especially at night. This change has been welcomed by Women's' groups.

Specialised work concentrating on the nighttime economy is also underway, with plans to work closely with Trading standards, licensing and the police to target businesses and late-night entertainment venues to offer support and crime prevention advice.

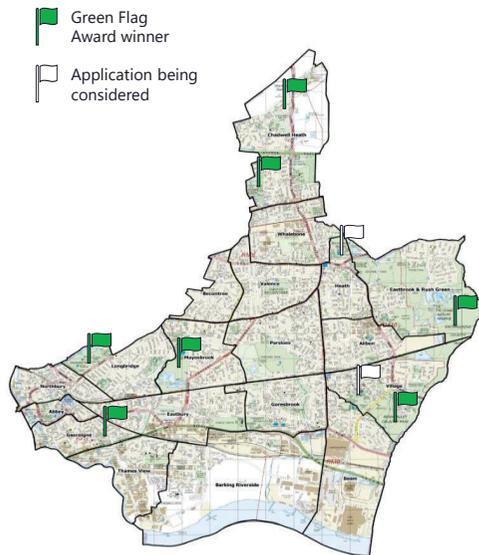
Safe Havens are still in operation across the Borough and the scheme will soon have a re-launch.

Note: As this is the first year for this data point from the Annual Residents Survey results, there are no targets or thresholds as this is the baseline year.

Priority 6: Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods

Number of Green flags awarded to parks

Source: Green Flag Award



Winning a Green Flag Award (GFA) visibly demonstrates to the local community that a clear improvement has been made to a site. 7 of the borough's parks currently hold the prestigious Green Flag Award and have demonstrated the required high standards of management and maintenance. Sites include:

- Barking Park
- Beam Parklands
- Eastbrookend Country Park
- Greatfields Park
- Mayesbrook Park
- St Chad's Park
- Tantony Green

In 2024, GFA applications will be submitted for Old Dagenham Park and possibly Central Park. Therefore, if all the current parks retain the GFA and the additional 2 applications are successful the target of 8 GFA parks will be exceeded in 2024/25.

Number of homes and buildings which have received retrofit measures and/or renewables

Source: Internal retrofit scheme figures 2024

The award-winning Cosy Homes scheme with EON delivered 1,389 energy efficiency measures (such as external/cavity wall insulation/loft insulation and PV) during 2022/23. The target for 2023/26 is 2,000 more and with the closure of the Green Homes Grant Scheme 169 dwellings have received installs. 8 deep retrofit properties have been completed as the Social Housing Decarbonisation Fund (SHDF) Demonstrator project winds-down. ECO4 is slowly progressing but is more challenging to deliver because of unhelpful scheme changes by May 2024. 35 solid wall properties in Barking have received measures and the Council was awarded £1.02M of SHDF Wave 2.2 funding to complete energy efficiency install to 103 Council homes between now and 2025. Further bids for SHDF Wave 3 will be made this summer.

The corporate retrofit programme has begun to deliver energy conservation measures across the corporate estate including LED lighting upgrades and solar PV installs across Barking Adult College, Barking Learning Centre and Becontree Primary. Further work is planned at our depots, Butler Court and Fanshawe Community Centre. The Swimming Pool Fund also awarded £430K of grant to upgrade EC fans and deploy solar arrays on Becontree Leisure Centre this year. Additional non-grant funded works will be delivered at Abbey Leisure Centre too.

Priority 7

**Residents live in
good housing
and avoid
becoming
homeless**

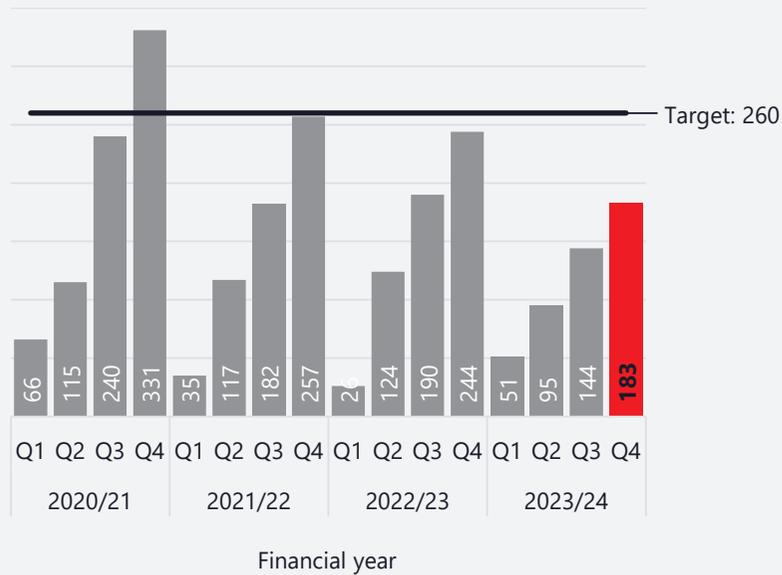
- **Number of households prevented from becoming homeless**
- **Overall tenant satisfaction with housing management service**
- **Percentage of Local Authority housing stock that is non-decent**
- **PRPL: Number of licenced properties**
- **PRPL: Number of non-compliant properties brought up to compliance**
- **Total number of households in Temporary Accommodation**
- **Total number of people sleeping rough**

Priority 7: Residents live in good housing and avoid becoming homeless

Number of households prevented from becoming homeless



Source: Civica



There were 1,849 homeless prevention cases closed in 2023/24. The total number of homeless prevention cases closed has remained relatively stable in recent years, ranging from 1,639 – 1,766 between 2018/19 and 2022/23, so 2023/24 represents an increase in cases. During this time period, the number and proportion of closed prevention cases resulting in prevention have reduced year on year, from 25% (406) in 2019/20 to 10% (183) in 2022/23. Benchmarking of prevention was completed in March 2024 which identified that Barking and Dagenham accept a prevention duty (rather than a relief duty which is when a household is already homeless) for a higher percentage of residents compared to London and national averages, indicating that processes to identify residents at risk of homelessness are working well.

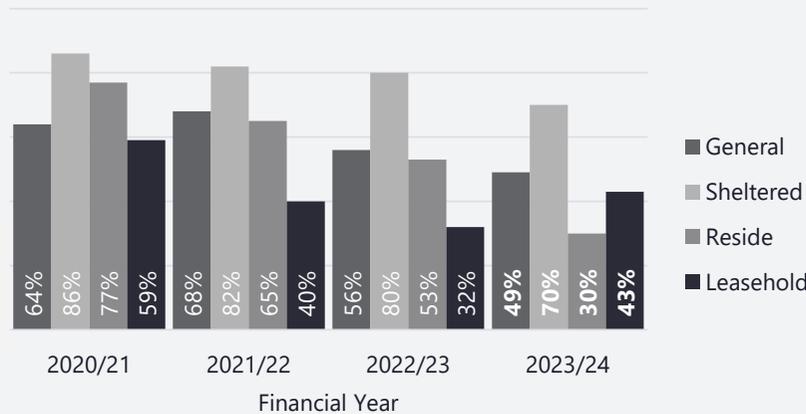
The benchmarking identified that all East London Boroughs were performing below the London and national averages for number of households prevented from homelessness, which indicates specific challenges in the housing market in this area with resolving homelessness in our area. This benchmarking also indicated that Barking and Dagenham performed above all other East London boroughs, London and national averages in prevention outcomes resulting in a new tenancy. This benchmarking identified further work to improve prevention performance and these will be explored further in 2024/25.

Priority 7: Residents live in good housing and avoid becoming homeless

Overall tenant satisfaction with housing management service



Source: STAR survey



Overall satisfaction has dropped by 7% from the previous year.

This is currently being explored in further detail to understand the key drivers for this change and a detailed report will follow. However, the survey provider has advised that this is in line with other Local Authorities and providers in the sector and that across the piece most organisations have seen a drop back to pre-Covid levels (the general perception is that respondents were more forgiving and tolerant towards public services during the pandemic which resulted in an unusual increase in satisfaction).

The drop in overall satisfaction for sheltered residents (down 9.5%) needs to be explored further, initial analysis indicates this is primarily due to perception of safety, complaints handling and communal cleanliness.

Generally, initial analysis indicates that costs of services has become the key driver for satisfaction with services (increased costs to residents during cost-of-living crisis)

Unusually, overall (perception) satisfaction with the repairs service has increased significantly across all tenures (average +13%) which may be a result of the Repairs Service Improvement Programme. However, the detailed (repairs related) measures (i.e. time taken to complete repair and home is well maintained), answered by those residents that have received a repair in the last 12 months, show a decrease in satisfaction across all tenures. This will be monitored closely over the next quarter as this is out of line in relation to the overall repairs' satisfaction increase.

Satisfaction that residents' views are listened to and acted upon them has broadly remained the same from the previous year's outturn. Satisfaction with cleanliness and maintenance of communal areas has increased (average 4%) on all tenures except Sheltered tenants.

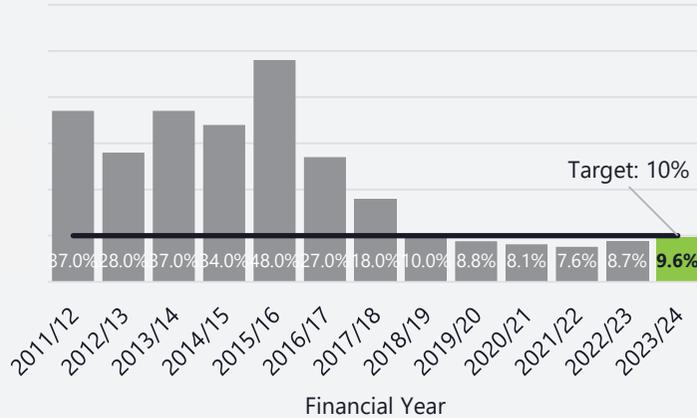
Satisfaction has decreased across all tenures in our handling of Complaints (average -15%), Neighbourhoods (average -6%) and Anti-Social Behaviour (average -2%).

Priority 7: Residents live in good housing and avoid becoming homeless

Percentage of Local Authority housing stock that is non-decent



Source: Local Authority Housing Statistics



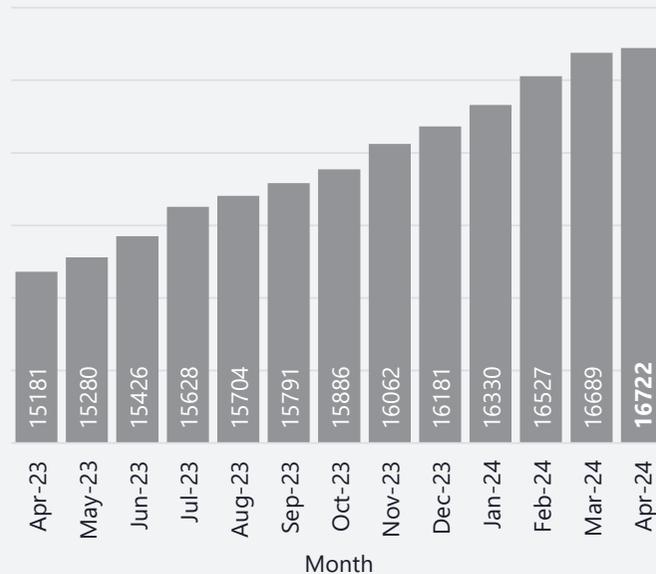
Non-decency has increased marginally to 9.6% to the target of 10%.

Position will improve further once properties earmarked for demolition as part of the regeneration programme are removed from the calculation.

Due to the reduction in 2023/24 Capital Budget, there is an increase of non-decent properties.

PRPL: Number of licensed properties

Source: LBBD Housing Enforcement Performance Management Framework



Suspected unlicensed properties continue to be targeted which has resulted in a steady stream of new applications. A new Enforcement policy is now in place, and we have adopted a new tool to ease the process of issuing civil penalty notices (CPN) where properties are unlicensed. From April 2023 to March 2024, 70 CPNs were issued totalling £437,500.

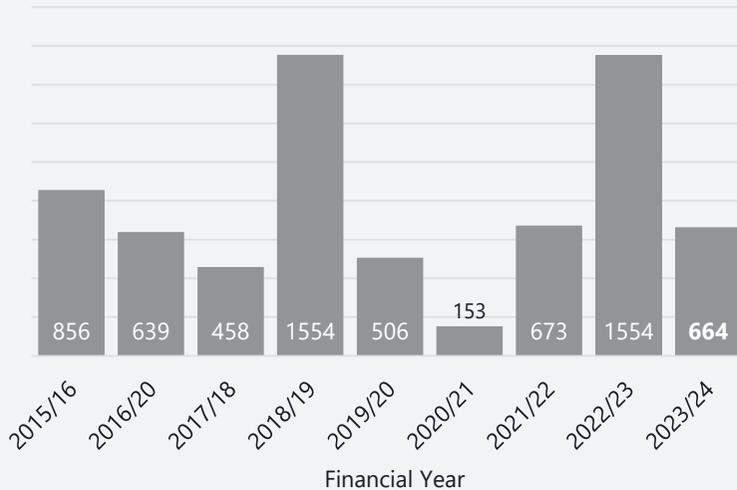
The landlord newsletter continues to be issued every 3 months and we have regular training sessions at Barking Town Hall which are well attended to support and improve the professionalism amongst private landlords.

Due to the changeable number of properties, RAG and thresholds are not applicable here.

Priority 7: Residents live in good housing and avoid becoming homeless

PRPL: Number of non-compliant properties brought up to compliance

Source: LBBD Housing Enforcement Performance Management Framework



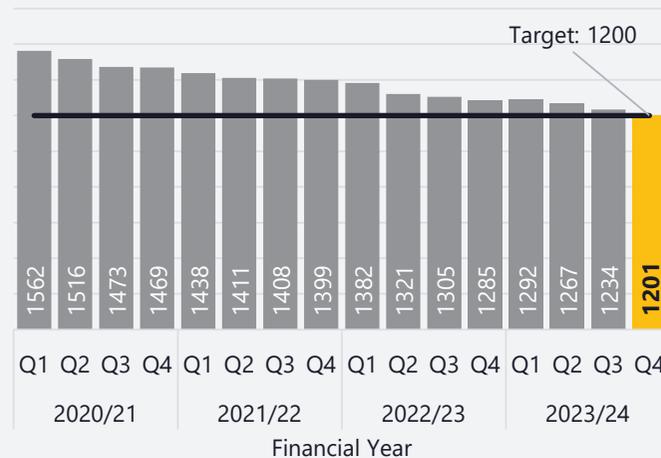
The number of licence applications is reducing as the 5-year licence scheme is drawing to a close at the end of August 2024. Inspection of all properties where new applications have been received are carried out to ensure that they are all made compliant by the landlords. The licence processing time has been reduced as the inspecting officers are now able to upload their inspections as they leave each property. Several licences have been refused or revoked where the management arrangements have been unsatisfactory. As the numbers of new applications reduce, each month the backlog of older cases where further action has been needed to make the properties compliant is continuing to be tackled.

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Total number of households in Temporary Accommodation



Source: Capita Open/Community Solutions Performance Management Framework



Temporary Accommodation (TA) numbers have been on a downward trend for several years, reducing by 576 between March 2018 and March 2023. Total households in TA reduced by 84 in 2023/24, which contrasts with national and local trends. This was marginally above the year-end target of 1,200.

The number of TA households in Private Sector Leased (PSL) properties (the most expensive properties for the Council) has reduced from 847 to 690 (-157) in 2023/24.

This reduction is expected to continue into 2024/25 and is being driven in part by landlord hand-back requests. Landlords are requesting properties back due to a range of financial and other issues which are outside of the control of the Council. This has caused pressures in delivering statutory homelessness duties, but these pressures have been mitigated through an increase in other types of TA (for example Council owned stock use) and discharge of homeless duties through offers into permanent housing options, for example Reside. This is anticipated to remain an issue into 2024/25.

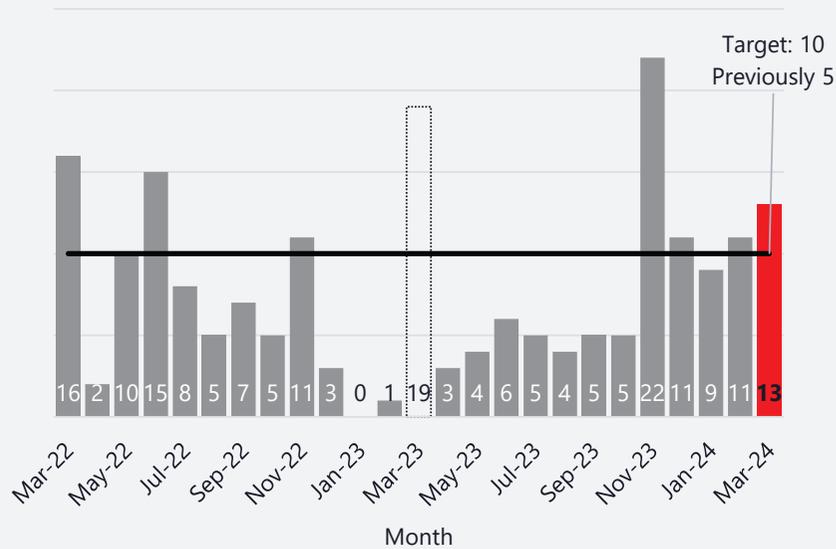
Priority 7: Residents live in good housing and avoid becoming homeless

Total number of people sleeping rough



Source: Support Data
et/Community Solutions PMF

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The grant-funded rough sleeping team are continuing to identify and support rough sleepers, including regular patrols of areas (with and without partners) where rough sleepers or bedding has been identified. The team resolved the homelessness of 73 people in 2023/24 with a history of rough sleeping and have an open case load of 19.

The number of rough sleepers identified in the monthly count fluctuated throughout 2023/24, with an average of 9 rough sleepers throughout this period. This average is impacted by the annual count in November where an encampment was discovered which accounted for 11 of the 22. This issue was resolved in December.

The Ending Rough Sleeping Plan for 2024/25 was submitted to Department for Levelling Up, Housing and Communities (DLUHC) in April 2024. As part of this process the Council was asked to confirm if alternative funding sources other than Rough Sleeping Initiative Funding had been identified from 2025 when the funding ends. It has been confirmed to DLUHC that no alternative funding has been identified.

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CABINET**23 July 2024**

Title: Commissioning of a Community Healthy Weight Development Partner	
Report of the Cabinet Member for Adult Social Care and Health Integration	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Philip Williams – Head of Localities Commissioning	Contact Details: Tel: 07849833756 E-mail: philip.williams@lbbd.gov.uk
Accountable Director: Fiona Russell - Director of Care, Community and Health Integration	
Accountable Executive Team Director: Elaine Allegretti, Strategic Director, Children and Adults	
<p>Summary:</p> <p>The borough is facing an unprecedented and ever-increasing obesity crisis and also has the lowest levels of physical activity in England. To stem this tide, the Council needs to make significant changes in its approach to tackling unhealthy weight.</p> <p>Evidence shows that we cannot treat our way out of this with the kind of individual programmes we currently rely on. These only reach a tiny fraction of our population and the Council can no longer focus its resources on providing weight management programmes that in their current form doesn't benefit the vast majority of residents.</p> <p>In every context upstream intervention beats downstream in terms of both equity and impact and we know that tackling these issues requires a sustained and integrated portfolio of preventative measures around food, activity and the environment to address the obesogenic environment and social norms so that healthy behaviours become easier for all.</p> <p>We know that multiple small changes in large numbers of people can have a large impact at population level and we know that these need to be delivered across a whole system. We also know the value of working with communities to co-develop inclusive, accessible and more successful healthy weight support and that a 'one-size-fits-all' approach is not going to work in Barking and Dagenham - no healthy weight approach will work unless it is realistic and recognises the way people actually live their lives.</p> <p>Taking all of these factors into account we have designed a new strategic approach that moves us away from providing traditional individual weight loss programmes and towards delivering a plan of action for the whole population. In March 2024, the health and Wellbeing Board / ICB Sub-Committee (Committees in Common) and the Health Scrutiny Committee both endorsed this new approach.</p>	

As a result, we are disinvesting in many of the structured weight management programmes and initiating a new largescale whole-system project to really understand what will work for the residents of Barking and Dagenham, and to design and test out new ideas and interventions and develop ways of realistically support people to build their own healthy weight plan around the way they live their lives.

To support us in achieving this we are looking to commission a development and delivery partner to work collaboratively with the council, it's partners and communities to design and deliver new ways of supporting healthy weight for many more people in the borough.

This partner will act as an enabler in this process of change – using their expertise in engaging with communities, networks and partners, and their experience of developing innovative healthy weight initiatives to create a new system level, community driven approach to improving healthy weight in Barking and Dagenham.

This work with our communities, voluntary sector and faith partners will be crucial to successfully implementing our new approach.

We know that that this development process will be iterative and based on community insights so whilst we are clear about the outcomes we want to see, our approach is very much about listening, testing and learning to deliver support that really works.

A full, detailed Specification has been developed that sets out the background, vision and principles and requirements whilst acknowledging that elements will need to be further developed as the work progresses. Our aim is to procure a provider who not only has the right skills, knowledge and experience but is also willing and able to work collaboratively with us on that basis.

Recommendation(s)

Cabinet is recommended to:

- (i) Agree that the Council proceeds with the procurement of a contract for a Community Healthy Weight Development Partner in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director, Children and Adults, in consultation with the Cabinet Member for Adult Social Care and Health Integration and the Head of Legal, to conduct the procurement and award and enter into the contract and all other necessary or ancillary agreements, including periods of extension, to fully implement and effect the proposals.

Reason(s)

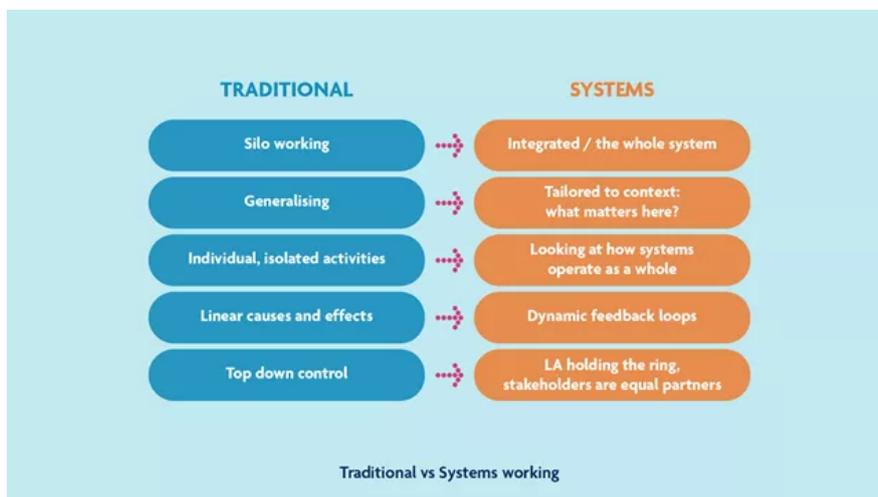
The procurement exercise will ensure compliance with the Council's Contract Rules and Public Contract Regulations and ensure continued provision and delivering new ways of supporting healthy weight for many more people in the borough.

1. Introduction and Background

- 1.1 The Council wishes to make significant changes in the approach to tackling unhealthy weight in Barking and Dagenham. The need for these changes is driven by two key factors.
- 1.2 Firstly, we are facing an unprecedented obesity crisis in the borough, meaning that we have had to urgently reappraise our approach to weight management. We have until this point relied heavily on the delivery of structured weight management programmes to individuals through our Community Solutions Healthy Lifestyle Service; however, these only reach a tiny fraction of the population and have no discernible impact at all in supporting improvements in healthy weight for the overwhelming majority of our residents.
- 1.3 It has been estimated by our Public Health Team that it would take between 115-230 years to support every eligible B&D resident (just at today's levels). This has been described by the current President of the Association of Directors of Public Health (ADPH) as like trying to empty the ocean with a teaspoon
- 1.4 Secondly, the London Borough of Barking and Dagenham (LBBB), along with many other authorities and NHS partners, is facing significant financial pressures and is consequently going through a process of rebuilding and rightsizing to be fit for the future. This means that the council has to make difficult decisions to balance its budget and it needs ensure that every penny of funding is used to best effect, where it will benefit the greatest number of our residents and with particular consideration being given to the equity, reach and effectiveness of interventions.
- 1.5 Both of these factors have led us to conclude that focusing the majority of our funding on programmes to support a small number of people with their weight is no longer viable. Our aim is to instead invest the funding we have available in working in partnership with communities to find new ways to reach and support many more of our residents to maintain a healthy weight.
- 1.6 To do this we need to make very significant changes to the way we work together as a system and the means we employ to support our residents – intervening upstream at a population/community level wherever possible.
- 1.7 This change in approach is supported by a recent review of Healthy Weight Services led by the LBBB Public Health Team which provided the criteria for 'what best looks like' and set out some of the opportunities around changing healthy weight services in the borough, these included:
 - Exploiting place-based arrangements to commission/provide a system-wide response.
 - Exploring the role of health champions, care navigators, social prescribers, community and voluntary sector, primary care, education, council, policy, social workers, frontline staff, school nursing, health visiting etc. in delivering the support within the community.
 - Recognising the potential greater connectivity the community and voluntary sector has to local communities, and that they may be better placed to provide targeted support to underserved populations.

- Building community capacity and providing support in various community venues i.e. churches, mosques, synagogues, temples children centres, libraries and other CVS estates to improve access and to help with the system-wide approach.

1.8 The opportunities around providing a system response have over the past decade also become increasingly prominent nationally. In 2019 Public Health England published its 'whole-systems approach to obesity programme' which evidenced that adopting a systems approach, working 'upstream' and investing in work that supports improvements within local communities and the environments they live in ultimately provides a positive impact for a greater number of people.



- 1.9 By system, we mean everyone - from statutory partners to voluntary, community and faith groups to residents. By acting together, we are stronger and can achieve more.
- 1.10 Our new Localities Programme is centered around this systems approach. Localities-working is about stronger partnerships, more collaboration and (where effective) integration of services such as health and care to support improvements within our local communities and the environments residents live in. Alignment of healthy weight support within the Programme is a key objective.
- 1.11 Further impetus for changing our approach has been provided through the recently completed LGA Peer Review of Public Health which identified childhood obesity as a first priority that B&D Place should focus on to develop a cohesive, strategic approach.
- 1.12 Taking all of these factors into account a new strategic approach to healthy weight has been designed and was presented to the Barking and Dagenham Committees in Common and the Health Scrutiny Committee in March 2024. This set out the detailed reasoning behind need to change. Both committees endorsed this new strategic direction that moves us away from providing traditional individual weight loss programmes and towards delivering a plan of action for the whole population.
- 1.13 As a result of this decision, we intend to initiate a new largescale whole-system project to really understand what will work for the residents of Barking and Dagenham, and to design and test out new ideas and interventions that help and support our population and make a real difference.

- 1.14 We recognise that a 'one-size-fits-all' approach is not suitable in Barking and Dagenham. It must be a multi-faceted and tailored for LBBB as an ethnically diverse borough with many different communities requiring differing approaches. So, to develop this new approach we first need to gain deeper insights and understanding of the complex factors leading to unhealthy weight across our many different communities and use this to design a new direction that actually works for people.
- 1.15 There are developing three pillars to support our approach:
- **Pillar 1: Healthy Weight:** Developing a range of support for adults and children to help them adopt healthier behaviours and to guide them in setting and achieving personalised and realistic goals regarding their weight and overall health.
 - **Pillar 2: Good Food:** Creating positive relationships with food and eating in the borough through a wide range of initiatives relating to developing community access to healthier, fresher food as set out in the 'Barking and Dagenham Good Food Plan'.
 - **Pillar 3: Movement and Activity:** Increasing opportunities to participate in physical activities that allow people of all sizes, abilities, and interests to engage in enjoyable movement.
- 1.16 The three pillars are all closely interconnected but separate – it is not just about equating good food and activity with reducing obesity).
- 1.17 To support us in achieving Pillar 1, we are seeking to commission a provider who will act as an enabler in this process of change – using their expertise in engaging with communities to gather insight and their experience of developing innovative healthy weight initiatives to create our new way of working. We want to tailor interventions to local population groups and cultures, reaching into underserved communities, better targeting support and evolving a realistic approach to weight management that recognises the way people live their lives.
- 1.18 The provider will be expected to develop a whole range of support as set out in next section 2 below but this will include designing a whole borough healthy weight plan with partners, new healthy weight pathways, community-led healthy weight activities, individualised healthy weight guidance and support and specialist support for those who can't access mainstream activities.
- 1.19 The initial design and development contract length is two years with the option, subject to full independent evaluation, to extend for up to three additional years (2+2+1 years) to further extend and embed the provision. The initial phase of the contract will focus on the design and delivery of an all-age Healthy Weight Plan and Pathways for the borough. This will be based on community insight, an understanding of community strengths and assets and evidence from the testing of different activities, interventions and models of support.
- 1.20 The Plan will set out a preventative model of healthy weight support that should be innovative, locality based, self-sustaining, build community capacity, provide upstream interventions wherever possible, and be based on a systemic, partnership approach that harnesses the connective reach of our VCFS sector, local groups and organisations to work with and within local communities.

- 1.21 The second phase will focus on leading the implementation of the Plan and the delivery (with local partners and communities) of the interventions and initiatives agreed. Funding for this initial two-year development will be a maximum of £425,000 per annum.
- 1.22 The provider is expected, in collaboration with commissioners, to allocate this funding to support the agreed community activities and interventions for children, families and adults and to ensure the allocation of resources is kept continually under review as needs and priorities change.
- 1.23 Extension of the contract will be dependent on meeting all KPIs and agreed outcome measures and will take into account the findings of an independently commissioned Evaluation which will be conducted in Year 2 of the contract to assess the overall success of the new approach.

2. Proposed Procurement Strategy

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

2.1.1 A full specification has been drawn up. The key deliverables are:

- Development of a new Healthy Weight Plan and Pathway built on community engagement and insights and including a full needs analysis / system mapping / interventions piloting and testing.
- Development with partners of a range of mainstream community led sessions/activities that directly and indirectly support Healthy Weight for children and adults (this will include extensive joint work with good food and activity partnerships as well as developing complementary sessions).
- Healthy Weight Navigation - develop individualised ways to help people think about the factors affecting their own and their family's weight, considering what they want to achieve, the barriers they face and what will work best for them in making lifestyle changes and tailoring their own programme of healthy weight support from the options available.
- Provision of limited structured healthy-weight support programmes, innovatively designed to engage those who due to disability or personal circumstances cannot access mainstream activities and interventions (even with reasonable adjustments and/or additional support).

2.1.2 The initial two-year design, delivery and implementation has been split into two phases:

Phase 1. Design and Testing

- Production of a full Phase 1. Development Plan.
- Creation of a stakeholder reference group.
- Development of strong locality partnership networks to build a whole borough approach to healthy weight, food, activity and the environment.
- Working with partners and communities to develop good local insights about 'what works' so as to guide the development of community activities and design the support people will need to access these. To trial and test these interventions and pathways to support.

- Working with partners to test out new models for the delivery of healthy weight interventions for vulnerable priority groups who are not able to access mainstream support.
- Healthy Weight Navigation - develop and test out individualised ways to help people think about the factors affecting their own and their family's weight so that they can adopt healthier living strategies and design their own programmes of support activities that will be meaningful and enjoyable to them.
- Delivering an all-age 'Healthy Weight Plan and Pathway' for the borough. This will be based on community insight, an understanding of community strengths and assets and evidence from the testing of different models of support.
- Delivery of a full implementation plan for Phase 2.

Phase 2. Healthy Weight Plan Implementation

- Supporting ongoing partnership work around food, activity and the environment.
- Facilitating the delivery of co-produced community healthy weight and nutrition activities and targeted interventions that will be sustainable.
- Assessing any 'pump-priming' development funding required to facilitate new groups.
- Development of improved, better targeted communications and digital support around healthy weight.
- Working with VCFS partners to build a volunteer / Community healthy weight champions network / Peer support groups.
- Working with partners including social prescribing services to develop the navigator roles which will guide individuals in tailoring their own programme of healthy weight support from the options available.
- Improving equity through providing targeted weight-management support to individuals from specific priority groups and underserved communities who cannot access mainstream support.
- Supporting the independent evaluation.

2.1.3 It is important to note that the intention of this work is not to develop new self-contained weight management programmes but to work with partners to ensure there is a range of accessible, targeted interventions, opportunities and activities that people can be guided in choosing from to construct their own virtual programme of healthy weight support that meets their needs.

2.1.4 Whilst every effort will be made to ensure that these community activities are accessible to people with the widest range of needs, there will be a limited number of cases where the nature of a person's disability or particular personal circumstances mean this is not possible. In these small number of cases the provider will be expected to develop more structured and tailored support for these individuals that is specifically and creatively designed around their needs using local insight work and research.

2.1.5 We are looking to commission a provider who will have a wide breadth of knowledge and expertise around developing innovative healthy weight strategies and interventions, in-depth understanding of behavioural change techniques and a track record of undertaking intensive community connecting/insight work. We recognise the possibility that no single organisation will have the combination of skills necessary to carry out all of this on its own and, as such, we will be making it clear in the ITT that consortia bids are encouraged and welcomed.

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

2.2.1 The total maximum contract value if extended for five years (subject to Evaluation) is £2,125,000. Total maximum contract value over the initial two development years is £850,000 (£425,000 per annum for two years). The service will be funded from the Public Health Grant.

- The initial Development and Implementation contract will be for 24 months from 1 October 2024 – 30 September 2026. Of the funding provided for this stage a minimum of £50,000 should be used annually during the first two years to directly support the setting up of community led healthy weight activities.
- A 2+1 year Full Delivery extension will subsequently be negotiated on the basis of a robust independent evaluation demonstrating that the new provision is successfully achieving the aims set out in this specification and is supporting improved healthy weight across a wider reach of the borough's population.
- The costs of service delivery will be recalculated at this point but will not exceed the annual values for years 1 and 2.
- The evaluation provider will be directly commissioned by LBBD and will evaluate the project against agreed criteria from 01/04/25 – 31/03/26. This will allow for time for reporting, governance and any redesign work prior to any extension agreement. The funding for the evaluation will be over and above the payment to the provider but will not exceed £50,000 (This will be separately funded).

2.3 Duration of the contract, including any options for extension

2.3.1 Five years. The initial design, development and implementation contract will be for two years with a possible extension for a maximum of 3 further years subject to successful evaluation).

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

2.4.1 No, The service falls under the Health Care Services Provider Selection Regime

2.5 Recommended procurement procedure and reasons for the recommendation

2.5.1 The procurement will be undertaken using the Competitive procedure in accordance with The Health Care Services Provider Selection Regime (PSR) and will be advertised in Find a Tender and Contracts Finder as required by the Regulations.

2.6 The contract delivery methodology and documentation to be adopted

2.6.1 The Council's standard terms and conditions contract will be used for the delivery of the contract. A no-fault termination clause will be included in the contract allowing notice to be given by the Council for early termination. This allows increased flexibility should a significant change in service provision be required.

- 2.6.2 Services are to be provided to Barking and Dagenham residents only; the service specification will highlight respective service eligibility criteria.
- 2.6.3 Service performance will be monitored through a series of Key Performance Indicators (KPIs) as detailed in the service specification that includes quantitative and qualitative data, service user feedback and activity on outstanding action plans reviewed at quarterly meetings.
- 2.7 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract**
- 2.7.1 This new service is expected to deliver a minimum saving of over £1 million over the next two years in relation to the costs of the previous Healthy Lifestyles service. It is also expected to support more of the population to stay healthier, reducing to some degree pressure (and costs) on services.
- 2.8 Criteria against which the tenderers are to be selected and contract is to be awarded**
- 2.8.1 It is proposed that a Quality/Price/Social value breakdown is split respectively in the following ratio 60:30:10 is used in the assessment of tenders.

Quality - 60%

- Quality and innovation (20%)– the need to ensure good quality services and support processes that will improve the delivery of healthcare or health outcomes.
- Integration, collaboration and service sustainability (20%)– the extent to which services can be provided in an integrated and collaborative way and in a sustainable way (e.g. stable delivery or service continuity).
- Improving access, reducing health inequalities and facilitating choice (20%)– ensuring all eligible patients have access to services, respecting patient choice and improving health inequalities.

Social value (10%) – providing additionality beyond the specification that improves social and environmental well-being for the local area.

Price -30%

- 2.9 How the procurement will address and implement the Council’s Social Value policy**
- 2.9.1 The specification sets out expectations that the Provider will ensure that staff represent the diversity of the borough wherever possible, through employing staff to deliver the contract from the local workforce/local communities.

The provision is also targeted at the key local issue of unhealthy weight which has a significant impact on the delivery of health and social care services as well as the local economy.

The Specification also sets out how the services will be delivered in partnership with local organisations, communities and resources on the ground and includes a

section on the partners the provider is expected work with and useful contact details to help the provider deliver on this commitment.

As part of the evaluation process bidders for the contract will also be asked to complete a Method Statement explaining how LBBD's Social Value expectations will be met and delivered.

2.10 London Living Wage (LLW)

2.10.1 The provider is statutorily required to pay the UK Government's 'National Living Wage' to those over 23. Payment of the "London Living Wage" is at the discretion of the Provider.

2.11 How the Procurement will impact/support the Net Zero Carbon Target and Sustainability

2.11.1 Not applicable.

3. Options Appraisal

3.1 For the reasons stated in this report retention of the current service would not have been a viable option in terms of both cost and effectiveness. There are also no other 'off-the-shelf' weight management programmes that would be any more effective or any less expensive. It was concluded that designing a new service tailored around the needs of our residents was therefore the best option.

4. Waiver

4.1 Not applicable.

5. Consultation

5.1 The changes to Healthy Lifestyles services (inc. weight management) have been discussed and reviewed through relevant Council bodies and forums, including portfolio holders and directors.

5.2 The proposals for a new strategic approach including the commissioning of a Community Healthy Weight Support Partner to lead the development were endorsed at Health and Wellbeing Board and ICB Sub-Committee (Committees in Common) on 12 March 2024 and at Health Scrutiny Committee on 27 March 2024.

5.3 The Procurement Plan was considered at PRMG on 16 May 2024 and at Health Portfolio on 21 May 2024. The proposals were also considered and endorsed by the Procurement Board at its meeting on 17 June 2024.

6. Corporate Procurement

Implications completed by: Ade Winjobi – Procurement Lead, Commercial Services

6.1 This report is seeking approval to procure a Community Healthy Weight Development Partner service for up to 5years from 1 October 2024. The service

being procured falls within the description of services covered by the Health Care Services Provider Selection Regime.

- 6.2 Keeping with the Public Contracts principles, it is imperative that the contract is tendered in a competitive way and that the process undertaken is transparent, non-discriminatory and ensures the equal treatment of bidders.
- 6.3 The report gives details of the procurement procedure, evaluation criteria, award criteria and the timetable for the procurement exercise. All the above show evidence of a fair tender exercise, which must be adhered to in compliance with the Regulation.
- 6.4 Corporate procurement will provide the required support to commissioners throughout the entire process.

7. Financial Implications

Implications completed by: Sharon Ring – Finance Business Partner

- 7.1 Under the new strategic approach to healthy weight, the Healthy Lifestyle Development model will be funded from £480,000 Public Health Grant.

8. Legal Implications

Implications completed by: Lauren van Arendonk, Acting Principal Contracts and Procurement Lawyer, and Mehzabeen Patel, Employment Lawyer

- 8.1 This report seeks to approve the procurement of a Community Healthy Weight Development Partner contract in accordance with the strategy set out in the report, for an initial period of two years with the option to extend for a further 3-year period up to a maximum of 5 years with an estimated value of £2,125,000. The procurement is subject to the Health Care Services (Provider Selection Regime) Regulations 2023. The report has not specified the relevant procurement procedure under the specific section of the PSR that it intends to use. The evaluation criteria is split in favour of quality, making up 60% of the evaluating metric. Under the Local Government Act 1999, the authority is legally required to provide and consider best value for money. Price is weighted at only 30% of the award criteria.
- 8.2 The healthy weight programme has connections to the recent leisure centre procurement. The background to the leisure contract and the full circumstances of the leisure procurement is not set out in this report. The Healthy Weight Programme was removed from the requirements of the leisure procurement.
- 8.3 Public procurements require the authority to be transparent, fair and treat bidders equally in relation to information to the market and its process. An authority must avoid distorting competition, it must prevent favouritism and it must prevent, identify and remedy any conflict of interest. Any relevant information pertaining to the authority's intention to procure such a service should be disclosed to all bidders so as not to provide an incumbent provider with an unfair advantage and the risk of legal challenge. Other bidders may argue unfair deprivation of a Programme element.

- 8.4 If the Council proceeds with the Healthy Weight Development Partner programme, it is recommended that it should ensure that this procurement is separate and distinct to the leisure procurement. In circumstances where the authority has found not to comply with PCR 2015 or PSR, financial penalties and/or legal challenges (which may result in court awarded damages) could occur. Where the integrity of any procurement process has been compromised and the procurement is non-compliant with the governing legislation, there is a risk of legal challenge.
- 8.5 This report was originally created for consideration at June cabinet. However, by way of background, procurement, HR and Legal colleagues raised some concern about the proposal with the background of the Leisure procurement, and therefore the report was deferred whilst this was explored. There have been numerous discussions in the interim to explore the concerns and assess the risk, and whilst there remains a great deal of uncertainty, in part the report has undergone some brief changes in an attempt to address the risks identified.
- 8.6 The key risk from an employment perspective, (which is not contained in the risk assessment appended to this report) can be summarised as follows. The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) is a complicated area of employment law. It is highly fact specific and therefore advice and determinations require a clear understanding of what existed prior to a potential transfer, and what is envisaged after a transfer. Only then can satisfactory Legal advice usually be sought on whether there is a relevant transfer which is designed to protect the employment of an 'organised grouping of staff', by way of the automatic transfer principle. A straightforward example is where the Council engages a contractor to undertake work on its behalf i.e. outsourcing.
- 8.7 However, management has been clear, that they do not know what the future for healthy lifestyles holds both during this testing period and thereafter. They can at this stage only confirm that it will not look like it previously did. Management has been categorical that the services are not statutory in nature, that services previously delivered by LBBD staff are not being commissioned (formally, or otherwise), that the current services will cease when the final staff members have served their notice (with no extensions) and that the future activities are categorically different from the service previously provided. Where there is conflicting information, and to find a way forward, Managements instructions, (as the client and in part, Leadership of this Council) are favoured, and on that basis, we simply reiterate their assessment that TUPE does not apply to this procurement proposal. As a general rule, legal advice is only as good as the instructions received.
- 8.8 That being said, there remains a risk, that staff who have been made redundant and/or the Trade Unions, could argue that this approach is seeking to circumvent the application of TUPE and/or that the work carried out by the development partner going forward is "fundamentally the same". If that situation arises, it is expected that management will be able to explain in simple terms how the work carried out by the successful bidder, on a day-to-day level, is not "fundamentally the same" as the activities carried out by LBBD staff prior to the procurement. In doing so, they will need to avoid taking a pedantic approach to the explanation which risks defeating the purpose of the provisions, whilst also not being too generic in nature. Whilst the risks and uncertainty have been explored in detail outside of this report and will not be repeated here, one example which illustrates this, is the existence of the "navigator" roles. It remains unclear how soon these functions will materialise, or

what they will entail in any detail, which once again makes definitive legal advice impossible. Ultimately, there is a lot of uncertainty around this testing period, in an area of law that is notoriously uncertain even where the facts are clear. It is therefore crucial that robust contractual provisions are in place, addressing the potential risks and liabilities.

- 8.9 Lastly the litigation risk stemming from this proposal, are ultimately claims for unfair dismissal. Both from automatically unfair dismissal claims i.e. TUPE related dismissals, and/or ordinary unfair dismissal claims stemming from redundancies of staff that were once employed to carry out 'healthy lifestyle' activities. The remedies available to an employee who succeeds on an unfair dismissal claim, are reengagement, reinstatement or compensation. Reengagement, although unlikely can be by a successive employer, or an associated employer, in employment comparable to that from which they were dismissed or other suitable employment. There is also the risk of a failure to inform or consult claim. This litigation overall could be particularly costly, dependant on the number of claimants. Whilst Management's assessment of the risk being extremely low is noted, it is understood that there is considerable discontent stemming from the restructure exercise within this service, and therefore there is likely to be considerable scrutiny over the Council's next steps with this service, possibly resulting in litigation.

9. Other Implications

- 9.1 **Risk and Risk Management** – Employment related risks and mitigations are noted in the section above, other risks relating to the service procurement and provision are included in the risk assessment (Appendix 1.)

9.2 TUPE, Other Staffing and Trade Union Implications

Implications completed by Adnan Masood, Interim HR Business Partner

Staffing issues relating to the current service have been advised by HR through a separate report to LBBB Workforce Board and subsequent staff consultation involving Trade Unions. In the Workforce Board paper which went on 22 November regarding Healthy Lifestyles HR comments included the following statement:

'If option 3 in section 1 above is agreed (Option 3: Utilise Newham's 'Healthier Lives' Dynamic Purchasing Vehicle (DPV)), it is recommended that the commissioning of an external provider to deliver the new model includes consideration of whether there is a 'relevant transfer' for the purposes of TUPE – i.e. existing roles in the current structure are replicated by the new provider and staff therefore have a right to transfer their employment to the new provider.'

It was also minuted at the meeting:

'There is a risk regarding TUPE implications which is complicated by the timelines for commissioning the external provider, and exactly what is being commissioned. This risk will be mitigated through staff consultation and once there is more certainty about the future model.'

HR has been consistent in its guidance that there needs to have shared a definitive specification in order for us to advise whether TUPE does apply. The service leadership have asserted that the existing service has ceased, and that any future

offer will be delivered in a radically different way. However, management has been clear, that they do not know what the future for healthy lifestyles holds both during this testing period and thereafter. They can at this stage only confirm that it will not look like it previously did future activities will be categorically different from the service previously provided.

HR role is limited to provide advice and guidance in line with policies and best employment practices and highlight potential risk. Onus is on service leadership to use the advice and guidance provided i.e. in this case, to present in simple terms how the work carried out by the successful bidder, on a day-to-day level, is not “fundamentally the same” as the activities carried out by LBBB staff prior to the procurement.

- 9.3 **Corporate Policy and Equality Impact** – The proposals link to the Joint Health and Wellbeing Strategy, specifically the priority to ‘live well’. The recommendations seek to increase LBBB’s capacity and capability to improve outcomes for residents in relation to healthy weight. The equality impact statement refers to protected characteristics in relation to staff. There are no expected implications in relation to residents, instead the new model is expected to be more culturally appropriate, so intended to improve outcomes across protected characteristics. The service will be expected to be accessible to all residents (provided they meet eligibility) including those with both mental and physical disabilities in which case reasonable adjustments as per requirements under the Disability Discrimination Act 1995 will be offered by providers to facilitate and maintain access. Commissioners will actively monitor this.

The new provision will also employ the principles of health equity and have a greater presence in the areas with highest obesity prevalence and where there are greater numbers of people from the priority groups.

An EQIA screening tool has been completed and assessed and it has been confirmed that a full assessment is not required. The Screening tool is attached at Appendix 2.

- 9.4 **Health Issues** - As the strategic case above sets out, the commissioning of this support seeks to improve LBBB’s capacity and capability to increase healthy weight, healthy behaviours and lifestyles of residents. The recommendations are expected to achieve a positive impact on our communities through having a wider reach.

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

List of appendices:

- **Appendix 1:** Risk Assessment
- **Appendix 2:** EQIA Screening Tool Assessment

Risk Description	Likelihood of the risk occurring	Impact if the risk occurs	Severity	Owner	Mitigation	Contingent/transition action	Progress on actions	Status
Strategic Change Risks								
Lack of confidence of health, education and other professionals in ability of alternatives to structured programmes to address unhealthy weight leading to failure to identify/refer CYP / adults living with obesity	Medium – there is a risk that professionals will not recognise a less tangible 'deconstructed' healthy weight programme – i.e. activities & interventions happening in different places at different times through different groups across the borough as being effective	High	Medium	Localities Commissioning	Deliver child & adult healthy weight pathways that professionals can have confidence in. Deliver training to all professionals & deliver evidence-based healthy weight training to early-years settings (children and family hubs) Make greater use of social prescribers to act as intermediaries/ facilitators linking patients to help, advice and local support	The primary risk is during the transition as new support is being developed - so need to capitalise on support resources that are there now & have a Healthy Weight Directory in place as a priority action (that can then be built on)	Healthy weight booklets have been produced and will be going out to partners with fresh comms Engagement with GPs through presentations at PCN Meetings Engaging key GPs in the design & cultivating GP Champions	
Lack of confidence in general population in ability of alternatives to structured programmes to address unhealthy weight leading to failure to seek support	Low – evidence indicates low visibility/recognition of current services so change in provision unlikely to impact on numbers seeking support due to lack of confidence in alternatives	Low – numbers are very low so overall population impact will be low although individual impact will be higher	Low	Localities Commissioning	The new approach is aimed at breaking down current barriers, introducing small manageable changes, using trusted voices and raising visibility of healthy weight support through developing a professional communications strategy for residents	Clear communications to residents at appropriate points about what we are doing & why with reliable examples of how the change will benefit them - a key message is that individuals, communities and organisations will all be part of making these changes - No 'doing to'		
Increase in population obesity rates as a result of removing structured weight management programmes	Low - Any increase in population obesity rates will not be due to a reduction in individual weight management programmes. The impact of these programmes on overall rates has been repeatedly evaluated as miniscule.	Low	Low	Localities Commissioning	There is no short-term mitigation as overweight & obesity levels have been on an upward trend for decades & it is very unlikely that there will be any immediate drop off in rates through changing our approach. Impact will need to be measured over the next 10 years. A good evaluation methodology needs to be created and properly resourced so that changes can be evidenced	We will be commissioning an independent evaluation		
Safeguarding / neglect risk – if no services for the GP / NCMP Team to refer obese children to.	Medium - determining the level of actual risk rather than perceived risk is difficult as there is a lack of evidence as to the impact that referring children with severe obesity to existing child weight management programmes has.	High	Low	Localities Commissioning	There will be a focus on working with partners and the provider to ensure that new healthy weight interventions are being provided & tested for key priority groups as quickly as possible. (Acknowledging this may take some time to set up and build) The provider will also be developing healthy weight pathways that GPs can follow including and Healthy Weight Navigators which GPs can refer to A new Family Support Role is also being introduced into the NCMP Team For very severe CYP obesity leading to other health complications we would 'Complications of Excess Weight Service' to pick up	During the transition period we will ensure additional commissioned service is in place to support parents and the statutory child weight management programme, this will include bolstering the HAF summer activity programmes and strengthening the NCMP team as well as introducing new Child & Family / Adult Directories of Activities	A new NCMP Family Support Worker is currently being recruited The additional HAF places have been commissioned An NCMP healthy weight tips film using B&D children's voices & animation is being produced by NELFT to & will be put out on social media to parents & children 3 healthy weight resources booklets have been produced for adults/OP/children & families NHS digital resources are being promoted	
Reputational Risk - in removing traditional structured programmes it may be perceived that we are abandoning people to live with unhealthy weight in a borough with one of the highest obesity rates in London	Medium - but could be high if messaging unclear and all partners are not in agreement with the new approach	High	Medium	Localities Commissioning	We know the best way to lose weight is slowly, by making achievable changes to eating and physical activity habits. Managing weight is a life-long commitment – not just following a healthy weight programme for a few weeks so we need to convey that message effectively and convincingly. This is critical	An immediate comms strategy explaining the changes and reasons for them	The new strategic approach has been agreed by partners who accept that traditional weight management programmes have not worked in B&D - but embedding acceptance of change will be a long term process	
Lack of Partnership Engagement - the new strategy relies on a whole system approach to Healthy Weight Support & the active involvement of partners & communities is essential to it's success.			Medium: It will be possible to carry through the changes but they will take longer and impact will be lessened without a whole borough partnership approach	Localities Commissioning	The new Strategy has been presented and signed up to at a number of Partnership forums including CIC & LTC Board. The work will sit under the partnership LTC Board The Specification sets out a key role for the provider in building partnerships across communities, VCFS & statutory partners A 3 pillar approach has been agreed across Healthy Weight, Good Food & Place Activity Partnerships	A partnership Panel will conduct the evaluation of design partner bids We will also be holding a Healthy Weight Summit in September to further engage with partners & develop partnership pledges.		

Procurement Risks

Poor response to ITT & no design provider appointed	Whilst this is a possibility we know that there is a market for this work & that providers who we will be invited to tender are doing similar work in other areas		We will know the outcome by the end of July so will be able to put the mitigations in place	Localities Commissioning	We plan to undertake soft market testing prior to launching the ITT	If we can't find an external provider it will be possible to bring the process in house and commission out the work in parcels		
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TUPE

Legal Services and HR have highlighted the possibility of TUPE applying if staff who have been made redundant and/or the Trade Unions, could argue that this approach is seeking to circumvent the application of TUPE and/or that the work carried out by the development partner going forward is "fundamentally the same"	The proposed model is fundamentally different from the previous service as delivered by Healthy Lifestyle staff and there should be no overlap of roles between the two. We expect dozens of community groups to be engaged through the work, with each playing different functions, such as championing healthy lifestyles in their communities etc.	Legal assessment is that 'litigation overall could be particularly costly, dependant on the number of claimants' if it were successful	Whilst the impact of litigation would be severe in terms of reputational & financial damage to the council the risk is low in terms of whether this could be successfully prosecuted given the radical differences in the 2 models of service & provided robust oversight is maintained throughout the development phases.	Localities Commissioning	Legal advice is that it is 'crucial that robust contractual provisions are in place, addressing the potential risks and liabilities'. This will be the case - the development work will be conducted in partnership with LBBO commissioners ensuring that any development designs proposed can be examined (with Legal & HR colleagues) to ensure that they do not have TUPE implications.			
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Equality Impact Assessment Screening Tool

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

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

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

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

Proposal/Project/Policy Title	Commissioning of Healthy Weight Support in Barking & Dagenham
Service Area	People & Resilience
Officer completing the EIA Screening Tool	Philip Williams
Head of Service	Fiona Russell – Director: Care, Community & Health
Date	14/05/2024
Brief Summary of the Proposal/Project/Policy Include main aims, proposed outcomes, recommendations/decisions sought.	<p>We are looking to change our strategic approach to weight management in Barking & Dagenham. We want to move from individual level interventions to a population level approach that will help many more people in the borough maintain a healthy weight. As such, achieving greater equity in accessing support is a key driver for this change in approach. Our current weight management programmes only reach a tiny fraction of our population and as a council we can no longer justify continuing these programmes in their current form as the primary vehicle for tackling unhealthy weight in the borough. We want to focus our funding on developing a different, innovative & more preventative community approach where redesigned & targeted weight management programmes may still have a place but will no longer be the primary component. To do this we need to build a whole borough partnership around food, activity & the environment that supports the work on healthy weight. We also need to gain deeper insights &</p>

	<p>understanding of the complex factors leading to unhealthy weight across our many different communities and use this to design a new approach that actually works for people – tailoring interventions to local population groups and cultures, reaching into underserved communities, better targeting interventions and evolving a realistic approach to weight management that recognises the way people live their lives. To support us in achieving this we are seeking to commission a provider who will act as an enabler in this process of change – using their expertise in engaging with communities and their experience of developing innovative healthy weight initiatives to create a new approach. The ‘whole system’ preventative model of support we want to see in place at the end of this process should recognise environmental & societal factors be locality based, self-sustaining, built on community strengths, providing upstream interventions wherever possible, and based on a systemic, partnership approach that harnesses the connective reach of our VCFS sector, local groups & organisations to work with & within local communities. The provider will also develop Healthy Weight Navigator roles providing assessment & specialist advice & support that will help people to think about what they want to achieve, the barriers they face and what will work best for them in making lifestyle changes & tailoring their own programme of healthy weight support from the options available. They will also be expected to deliver limited structured weight management programmes, innovatively designed to engage those who due to disability or circumstances cannot access mainstream activities and interventions (even with reasonable adjustments and/or additional support). All of this represents a radical shift in healthy weight support in the borough, and this approach was endorsed at Health & Wellbeing Board and ICB Sub-Committee (Committees in Common) on 12/03/24 and at Health Scrutiny Committee on 27/03/24</p>	
Protected characteristic	Impact	Description
Age	Positive impact (L)	This proposal will provide more universal support for residents of all ages and aims to reach a much greater number of people in the borough across the life-course, enabling them to make multiple small changes to their diet, activity & lifestyle that will lead to healthier weight. There will though be some more specific, targeted activities and support that will be tailored to be appropriate to the age of the recipient.

Disability	Positive impact (L)	We want the new healthy weight approach we are developing to be inclusive - providing a targeted support to those who have additional needs - including mental health or learning disability – engaging with representative groups & specialist services on an ongoing basis to ensure that the healthy weight support is easy to access, flexible, attractive and responsive to the needs.
Gender re-assignment	Not applicable (N/A)	Not applicable.
Marriage and civil partnership	Not applicable (N/A)	Not applicable.
Pregnancy and maternity	Positive impact (L)	Pregnant women and women planning on getting pregnant have been identified as a priority group in B&D. Currently over 1 in 4 women in early pregnancy are obese (27.4%), the highest in London.
Race	Positive impact (L)	The intention in designing the new approach to healthy weight is to work with communities to properly find out what works for them. The highest rate of overweight or obese in B&D is in Black adults (67%) and there is higher obesity in Black children than Asian or white, however this is not reflected in use of current services & something we would want to see changed through making our support more relevant to specific groups.
Religion	Positive impact (L)	Our aim is to work with all faith communities in designing new support interventions and services to ensure they are culturally appropriate and accessible.
Sex	Positive impact (L)	There is currently a 10% higher rate of obesity in women than men (32%) however this is not reflected in numbers accessing services and an aim of the change programme will be to ensure that any gender barriers to accessing support are addressed.
Sexual orientation	Positive impact (L)	The aim of the changes being proposed is to be more equitable &

		responsive in tailoring healthy weight support when appropriate to the needs of specific groups, including LGBTQ+ people, so that any barriers to access are removed
Socio-Economic Disadvantage¹	Positive impact (L)	<p>People affected by deprivation are notably more likely to be overweight or obese. The 2021 Health Survey for England showed that obesity prevalence was lowest among adults living in the least deprived areas (20%) and highest in the most deprived areas (34%).</p> <p>This is in part due to the higher costs of healthy food options, and the wide availability, low-cost, and low-preparation time of unhealthy (high sugar, high fat) food options. Our new approach has the clear aim of improving B&D's obesogenic environment and having a real impact on the drivers of unhealthy weight in the borough.</p>
How visible is this service/policy/project/proposal to the general public?		Medium visibility to the general public (M)
What is the potential risk to the Council's reputation?		High risk to reputation (H)

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

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

This screening tool has identified that a full EIA is not required. The change in our strategic approach to tackling unhealthy weight in the Borough will have a positive impact and provide wider benefits to more of our residents across B&Ds many different communities including those most disadvantaged.

The approach has been agreed through Committees in Common and Health Scrutiny for which a screening assessment was completed. This procurement report and service specification sets out in more detail how the strategic aims will be achieved through the commissioning of a Community Healthy Weight Delivery Partner to work collaboratively with ourselves, our communities and our partners to deliver the changes needed.

¹ Socio-Economic Disadvantage is not a protected characteristic under the Equality Act. London Borough of Barking and Dagenham has chosen to include Socio-Economic Disadvantage as best practice.

CABINET**23 July 2024**

Title: Urgent Action - Barking and Dagenham College: New Post-16 SEND Provision	
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>Discussions took place with B&D Dagenham College senior management team to explore the possibility of expanding their existing provision for post-16 SEND students and, in particular, those with higher levels of SEND for which placements are difficult to find. The College has a good track record of supporting this cohort of Barking and Dagenham students and welcomed the opportunity to receive further students, subject to having the right type of accommodation.</p> <p>The College came forward with a proposal to refurbish and convert an existing building on the College campus adjacent to its existing SEND provision which would contain the specialist facilities required by these students. The proposal presents an exciting opportunity to help support the Council in managing the demand arising for post-16 SEND students in the Borough.</p> <p>The Council has received High Needs Capital Grant from the Department for Education (DfE) totalling £3.783m to support the creation of additional specialist places for pupils with SEND. Under the conditions of the grant, the Council can utilise this funding to support Further Education Colleges within its Borough to create local additional post-16 places.</p> <p>In order for the additional SEND provision to be available for students for the new September 2024 term and as the Cabinet was not meeting until 23 July, the Chief Executive agreed that it would be in the Council's best interests to approve the proposals under the Urgent Action provisions of Part 2, Chapter 16, paragraph 4 of the Constitution, to enable the required works to commence without delay. The detailed report which formed the basis of the Chief Executive's decision is set out at Appendix A to this report.</p> <p>In line with the Urgent Action provisions, the Chair of the Cabinet and the Chair of the Overview and Scrutiny Committee were consulted prior to the Chief Executive taking the action on 1 July and the matter is being reported to this meeting for information.</p>	

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 of the Council Constitution, in relation to:

- (i) Agreeing the allocation of £650,000 High Needs Capital Grant funding to support the conversion of an existing building at B&D College campus to create additional post-16 SEND places for Barking and Dagenham students; and
- (ii) Authorising the Strategic Director, Children and Adults, in consultation with the Cabinet Member for Educational Attainment and School Improvement, the Strategic Director, Resources and the Head of Legal, 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.

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 – B&D College: New Post-16 SEND Provision”
(<https://modgov.lbbd.gov.uk/Internet/ecCatDisplay.aspx?sch=doc&cat=14772>)

List of appendices:

- **Appendix A** - Report entitled “Barking and Dagenham College: New Post-16 SEND Provision”

Title: Barking and Dagenham College: New Post-16 SEND Provision	
Report of the Cabinet Member for Educational Attainment and School Improvement	
Open	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Andrew Carr Head of Service: School Investment, Organisation and Admissions	Contact Details: Tel: 020 8227 2254 E-mail: andrew.carr@lbbd.gov.uk
Accountable Director: Jane Hargreaves, Commissioning Director, Education	
Accountable Executive Team Director: Elaine Allegretti, Strategic Director, Children and Adults	
<p>Summary:</p> <p>The Council continues to experience high demand for specialist pupil places from children and young people who have Special Educational Needs or Disabilities (SEND) and who have an Education Health Care Plan (EHCP). The demand is equally high at post-16 where there is currently limited provision for young people and further places are urgently required.</p> <p>Council Officers have been working closely with Barking and Dagenham College senior management team to explore the possibility of expanding their existing provision for post-16 and, in particular, for students with higher levels of SEND for which placements are difficult to find. The College has a good track record of supporting this cohort of Barking and Dagenham students and would welcome the opportunity to receive further students if they had the right type of accommodation.</p> <p>The College have come forward with a proposal to convert and refurbish an existing building on the College campus, adjacent to their existing SEND provision, which would contain the specialist facilities required and enable the College to expand their SEND provision. The proposal presents an exciting opportunity for the College to support the Council in managing the demand arising for post-16 SEND students in the Borough. However, the College does not have the capital funding to support the project, which has been assessed to cost £650,000.</p> <p>The Department of Education (DfE) has allocated the Council a High Needs Capital Grant totalling £3.783m to support the creation of additional specialist places for pupils with Special Educational Needs or Disabilities (SEND). Under the conditions of the grant, the Council can utilise this funding to support Further Education Colleges within its Borough to create local additional post-16 places.</p> <p>It is proposed to support Barking and Dagenham College to undertake the capital works which would be funded from the High Needs Capital grant up to the value of £650k. The</p>	

<p>College will procure, and project manage the scheme through their Estates Management team.</p> <p>This project has been included within the School Place Planning and Capital Investment report to Cabinet on 23 July 2024.</p>
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Agree the allocation of £650,000 High Needs Capital Grant funding to support the conversion of an existing building at B&D College campus to create additional post-16 SEND places for Barking and Dagenham students; and (ii) Authorise the Strategic Director, Children and Adults, in consultation with the Cabinet Member for Educational Attainment and School Improvement, the Strategic Director, Resources and the Head of Legal, to enter into all necessary or ancillary agreements to fully implement and effect the proposals.
<p>Reason(s)</p> <p>The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and to support priority 4 of the Council’s Corporate Plan 2023-2026.</p>

1. Introduction and Background

- 1.1 The School Place Planning and Capital Investment report to Cabinet on 23 January 2024 (Minute 75) highlighted the continuing high demand for specialist places from children or young people with Special Educational Needs of Disabilities (SEND) and with an Education Health Care Plan (EHCP). The high demand for specialist places and shortage of availability means the main work of the Council’s School Investment team is securing and creating new provision. The high demand and lack of specialist places is a national issue however more prolific in the London Councils are struggling to place children or young people.
- 1.2 The Director of Education has been working closely with Barking and Dagenham College who currently offer a number of post 16 placements for Barking and Dagenham students with SEND. The College currently provides a good offer for students where they are closely supported in developing their potential, leading pathways into employment or further education.
- 1.3 The College and the Council have a shared desire to expand the existing provision on the campus for students which have higher degree of SEND. This is in response to the feedback from the Just Say Parent Carer Forum which highlighted a lack of post 16 places but also intelligence led data on the SEND cohort currently working through the education system. On occasions, these students may be placed in out of borough placements if they can be secured however this is not necessarily conducive to the best outcome for the individual student and or family.
- 1.4 Following dialogue, the College have put forward a proposal where they would refurbish and convert an existing building adjacent to their current SEND facilities to

enable them to offer additional places (8 initially) for these Post 16 SEND students with high needs.

- 1.5 In order to meet the demand for specialist places for pupils with SEND the Department for Education (DfE) provides capital funding called the High Needs Capital Grant. This year the Council was awarded £3.783m. As not all specialist places are provided directly by Councils, the grant provides flexibility in which funding can be used to support other public funded establishments such as FE Colleges to create these places. In this instance, it is proposed to utilise up to 650K of the High Needs Capital funding to support the College in undertaking the scheme as it would directly benefit Barking and Dagenham students. Students are placed by the Council's Education Health Care Team in consultation with the College.
- 1.6 The College will procure and manage the refurbishment of their building through their Estates Management team. There is an urgency in taking this project forward as both the College and Council need to undertake the scheme during the summer recess so that it is available for students in the new September 24 term. The Council's Education Health Care team already have 8 students agreed with the College which they would place there once it becomes operational.

2. Proposed Procurement Strategy

- 2.1 The College's Estate Management team would procure the entire project and have already commenced obtaining quotations for the various elements and packages of works. It has been agreed that it would be on an open book basis so that the grant given would only be used to fund the capital works up to the value of £650k.
- 2.2 Following communication between the Council's Head of School Investment and the College's Director of Estate Management both organisations are assured that the £650k maximum is sufficient in terms of the funding for the project. The key risk for the project is sufficient lead-in time to order works and specialist items so that the project can be carried out in a timely manner so that it become operational in September 2024.
- 2.3 This proposed project has been included within the School Place Planning and Capital Investment report to the Council's Cabinet July 24. This report was approved by the with respective procurement, finance and legal consultation included. A copy of the proposed report is included as an appendix.

3. Consultation

- 3.1 In addition to the consultations between Council and College representatives, the proposals in this report have been considered and endorsed by the Council's Assets and Capital Board on 12 June 2024 and Leadership Team on 13 June 2024

4. Corporate Procurement

Implications completed by: Francis Parker – Senior Procurement Manager

- 4.1 Officers are satisfied that the proposals are compliant with the grand funding obligations and that the approach detailed within this report will deliver the best value for money to the Council.

5. Financial Implications

Implications completed by: Alison Gebbett, Capital Accountant

- 5.1 This report requests progressing with procurement for the Barking College refurbishment works to create additional post-16 SEN places.
- 5.2 The value of the works would be a maximum of £650k and would be fully funded from DfE High Needs grant which has already been received and is not committed to other projects. The proposed project is in line with the grant conditions.
- 5.3 A report is being presented to Cabinet in July which sets out the available pots of DfE funding and the proposed new projects, of which this Barking College project is one. In order to complete the works before the new school year, this project is requesting urgent approval in advance of the Cabinet report.
- 5.4 If the proposed project is approved, a capital budget of £650k will be added to the Education capital programme and will be monitored, managed, and reported on as part of the Council's normal capital monitoring process.

6. Legal Implications

Implications completed by: Georgina Foster Education Lawyer

- 6.1 Young people aged 16 to 18 must stay in education or training. This is compulsory and could include: full-time education. starting an apprenticeship or traineeship. Furthermore, Local authorities have a duty to make available to all young people aged 13-19 and to those between 20 and 25 with special educational needs and disabilities (SEND), who have an Education, Health and Care (EHC) plan, support that will encourage, enable or assist them to participate in education or training.
- 6.2 Whilst it is an unusual step to ask the CE to take urgent action outside of the usual Cabinet meetings it is appropriate in this case as the refurbishment of the existing building at Barking and Dagenham will provide for an additional 8 SEND places allowing the Council to fulfil its statutory duty for Post 16 pupils who have an EHCP.

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

List of appendices: None

CABINET**23 July 2024**

Title: Sale of Front Garden Land at 25 Trefgarne Road, Dagenham RM10 7QT	
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: Heath	Key Decision: No
Report Author: Robert Wilson, Chartered Surveyor, My Place	Contact Details: robert.wilson@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 a piece of amenity land at the front of 25 Trefgarne Road, Dagenham RM10 7QT belonging to the Council. The land area in question is approximately 58 square metres (624 square feet). A site plan is attached at Appendix 1 to this report.</p> <p>The application for this sale dates back 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) meeting on 16 February 2023, the corporate position was agreed that Council assets should not be sold unless there were exceptional circumstances. That view related 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, this 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> <ul style="list-style-type: none"> (i) Approve the sale of the Council-owned land at the front of 25 Trefgarne Road, 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; (ii) Delegate authority to the Strategic Director, My Place, in consultation with the Cabinet Member for Finance, Growth and Core Services and the Head of Legal, to agree the final terms to fully implement the sale of the site; and 	

- (iii) Authorise the Head of Legal, or an authorised delegate on her behalf, to execute all the legal agreements, contracts and other necessary 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 25 Trefgarne Road, Dagenham RM10 7QT is situated on the Heath Park 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 25 Trefgarne Road, in common with properties along the entire length of the road. The overall site area extends to approximately 58 sqm.
- 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 now within 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 front garden land primarily for parking.
- 1.5 The owners of 25 Trefgarne Road, 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 could result in additional costs because of individual maintenance problems/costs and the lack of structured amenity planting under the Council's direction. 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 should not be sold going forwards. However, given the specifics of this sale and its advancement, it was the view that this case should be treated as an exception.
- 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. 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 towards the surveyor's fee.
- 2.2 Draft Heads of Terms have been agreed between the Council and the purchasers, subject to contract and formal Council approval. 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 previously stated 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 receipt 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 plus VAT.

4. Consultation

- 4.1 The proposals in this report were presented to the Council's Assets and Capital Board on 13 May 2024 and referred to the Executive Group meeting on the 20 June 2024 where the report was endorsed for onward approval by Cabinet noting the exceptional circumstance of this case against the CSG decision.

5. Financial Implications

Implications completed by: Alison Gebbett, Capital Accountant

- 5.1 This report proposes to sell a patch of land which is the front garden of a privately owned property. The land currently has no alternative use and is likely to be of little value to anyone other than the property owner.
- 5.2 The sale of the land in line with the proposed agreement will generate a gross receipt. Going ahead with the proposed transfer will also ensure that there are no future maintenance cost burdens on the Council relating to the land.
- 5.3 Any receipt from the sale of land or property in excess of £10,000 is treated as a capital receipt under The Local Authorities (Capital Finance and Accounting) Regulations 2003. As this sale will result in a receipt of less than £10,000, this will

be treated as a revenue receipt and as such is not ringfenced to capital expenditure.

6. Legal Implications

Implications completed by: Sayida Hafeez, Principal Property Solicitor

- 6.1 The Council owns the freehold of the land in front of 25 Trefgarne Road, Dagenham under Title Number EX26658 and is required to obtain best consideration in the disposal of its assets. 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 are 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 valued in line with RICS guidelines and a sale price as set out in Appendix 2 has been agreed by negotiation. This reflects best consideration. Therefore, this condition is fulfilled, and the Council is at liberty to proceed with the proposed disposal. Legal Services should be consulted in connection with the preparation and completion of any further necessary legal documentation.

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

List of Appendices:

Appendix 1 - Site Plan

Appendix 2 - Valuation Information (exempt document)

APPENDIX 1



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LAND FRONTING 25 TREFGARNE ROAD
DAGENHAM

**Barking &
Dagenham**

Town Hall, Barking Scale:- **1:1,250**
Barking, Essex produced By:- JRoach
Tel: - 020 8215 3000 Date - 04/07/2024

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

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