

# London Borough of Barking and Dagenham

## Notice of Meeting

### THE EXECUTIVE

**Tuesday, 22 February 2005 - Civic Centre, Dagenham, 7:00 pm**

**Members:** Councillor C J Fairbrass (Chair); Councillor C Geddes (Deputy Chair); Councillor J L Alexander, Councillor G J Bramley, Councillor H J Collins, Councillor S Kallar, Councillor M A McCarthy, Councillor M E McKenzie, Councillor L A Smith and Councillor T G W Wade

**Declaration of Members Interest:** In accordance with Article 1, Paragraph 12 of the Constitution, Members are asked to declare any direct/indirect financial or other interest they may have in any matter which is to be considered at this meeting

11.2.05

Rob Whiteman  
Chief Executive

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### AGENDA

1. **Apologies for Absence**
2. **Minutes - To confirm as correct the minutes of the meeting held on 8 February 2005 (circulated separately)**

#### **Business Items**

*Public Items 3 to 6 and Private Items 16 and 17 are business items. The Chair will move that these be agreed without discussion, unless any Member asks to raise a specific point.*

*Any discussion of a Private Business Item will take place after the exclusion of the public and press.*

3. **Leisure and Community Services - Fees and Charges: 2005 / 2006 (Pages 1 - 34)**
4. **Calendar of Meetings (Pages 35 - 37)**

5. **Budget Requirement for the E-Government Programme (Pages 39 - 58)**
6. **Establishment of the E-Government Programme Unit (Pages 59 - 63)**

#### **Discussion Items**

7. **Performance Monitoring (Pages 65 - 68)**
8. **Council Tax 2005/06 and Medium Term Financial Strategy for 2005/06 to 2007/08 (to follow)**
9. **The Capital Programme 2005 / 2006 - 2008 / 2009 (Pages 69 - 94)**
10. **Treasury Management Annual Strategy Statement, Prudential Indicators and Annual Investment Strategy (Pages 95 - 122)**
11. **London Riverside Industrial Areas Signage and Identity Strategy (Pages 123 - 126)**
12. **Any other public items which the Chair decides are urgent**
13. **To consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

#### **Private Business**

The public and press have a legal right to attend Council meetings such as the Executive, except where business is confidential or certain other sensitive information is to be discussed. The list below shows why items are in the private part of the agenda, with reference to the relevant legislation (the relevant paragraph of Part 1 of Schedule 12A of the Local Government Act 1972).

#### **Discussion Items**

14. **Property Acquisitions (Pages 127 - 131)**  
*Concerns a Contractual Matter (paragraphs 7 and 9)*
15. **Proposal to Cease Delivery of Education Services (Sailing) at Mayesbrook Lake (Pages 133 - 134)**  
*Concerns a Staffing Matter (paragraph 1)*

#### **Business Items**

16. **The Triangle (Tanner Street) Redevelopment - Barking (Pages 135 - 141)**  
*Concerns a Land Disposal Matter (paragraph 9)*

**17. Allocation of Funding to Improve and Sustain Services that Support the 'Cleaner, Greener, Safer' Community Priority (Pages 143 - 154)**

*Concerns a Labour Relations Matter (paragraph 11)*

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

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## THE EXECUTIVE

22 FEBRUARY 2005

## REPORT FROM THE DIRECTOR OF REGENERATION &amp; ENVIRONMENT

LEISURE AND COMMUNITY SERVICES FEES AND CHARGES: 2005/2006	FOR DECISION
<p><i>The decision on the setting of fees and charges is reserved to the Executive by the Constitution.</i></p>	
<p><b>Summary</b></p> <p>The Charging Policy Commission set out a number of fundamental principals that should be considered, including the starting presumption that charges should be set to recover the full cost of the service and that subsidising charges may only be considered in certain circumstances. A decision now needs to be made with regard to the setting of charges for the following services as of 1 April 2005.</p> <ul style="list-style-type: none"> <li>• Births, Deaths and Marriages Registration Service.</li> <li>• Cemeteries Service</li> <li>• Community Halls Bookings</li> <li>• Events</li> <li>• Ranger Service activities</li> <li>• Parks Sports</li> <li>• Swimming Pools and Leisure Centres</li> </ul> <p>The report therefore outlines the rationale as to how the proposed charges have been arrived at and recommends the charges which should be set by the Council for the 2005/06 financial year for the above mentioned services, which currently all fall within the Leisure and Community Services Division.</p> <p><b>Wards Affected</b> - None specific</p> <p><b>Recommendations</b></p> <p>The Executive is recommended to</p> <ol style="list-style-type: none"> <li>1. Agree to the extension of the LeisurePass scheme to enable reduced prices for Sports Development activities as outlined in <b>paragraph 3.3</b>;</li> <li>2. Support the proposals in <b>paragraph 4.3.2</b> with a view to all users being treated in a fair and equitable manner and agree the introduction of a Football Training Permit, as outlined in <b>paragraph 4.3.4</b>;</li> <li>3. To agree to the introduction of a hire fee to community groups to use designated areas of parks for their small events and fun days, and for those which fall into the £2m Public Liability category, that the premium for the cover under the Council's Hirers Public Liability Policy being charged to the group on the basis of 15% of their hire fee;</li> </ol>	

4. Authorise the Director of Regeneration and Environment, in consultation with the Council's Insurance Manager and Insurers, to investigate and if possible undertake a similar procedure for events which will fall into the £2m to £5m Public Liability category, on the basis that the premium percentage would be variable to take into account of any increased risk;
5. Agree to the introduction of a scale of charges for larger commercial events in parks, with a starting threshold of £500 per event and authorise the Director of Regeneration to decide upon any increment that will apply depending on the size and commercial nature of the event;
6. Agree to the introduction of a flat inclusive fee of £25 be introduced for secular community and commercial hire of The Bandstand, Barking;
7. Agree to a reduction in the charge for individual Citizenship, Baby Naming, Renewal of Vows and Commitment Ceremonies from £100 to £50, as outlined in **paragraphs 4.8.2 and 4.8.5**, and to the deferment of the new scale of charges for the Marriage Room at Arden House from 1 April until 1 October 2005;
8. Accordingly, approve the Leisure and Community Services Fees and Charges for the financial year 2005/06 as shown in **Appendices A to F** as follows:

Births, Deaths & Marriages Registration Service.	Appendix A
Cemeteries Service	Appendix B
Community Halls Bookings	Appendix C
Events	Appendix D
Parks Sports	Appendix E
Swimming Pools and Leisure Centres	Appendix F
9. Note that the proposed increases should mean that the Division will overall meet the 2.5% inflation target;
10. Note that individual schools will be responsible for any costs associated with their use of the Ranger Services or Millennium Centre for 2005/06 onwards, as outlined in paragraph 4.9.2 and 4.9.3; and,
11. Note that Officers will encourage Community Associations to review the discounts they give to community groups and key holders for bookings made in community halls.

### **Reason**

To set the Fees and Charges for the services and facilities provided by the Council's Leisure and Community Services Division for the forthcoming financial year 2005/06 in accordance with the principles of the Charging Policy Commission. To assist the Council in meeting its Community Priority of *"Improving Health and Raising General Pride"* and *"Developing Rights and Responsibilities with the Local Community"*.

<b>Contact</b> Allan Aubrey	Head of Leisure and Community Services	Tel: 020 - 8227 3576 Fax: 020 - 8227 3129 Minicom: 020 - 8227 3034 E-mail: <a href="mailto:allan.aubrey@lbbd.gov.uk">allan.aubrey@lbbd.gov.uk</a>
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## 1. Background

- 1.1. The fundamental principles, which must be considered when reviewing fees and charges for Council services, were set by the Charging Policy Commission in 2001 and approved by the Assembly on 4 July 2001. There is a starting presumption that charges should be set to recover the full cost of service, including all overheads, and that any subsidy must be transparent, and demonstrably support or promote Council Priorities and policy objectives in an effective manner.
- 1.2 It is now generally accepted, however, that the principle cannot be applied to many leisure related activities provided by this or other Councils, because it would have the effect of simply setting prices beyond the reach of most people, resulting in reduced levels of take-up, and consequently of income. A measure of subsidy is, therefore, widespread in the provision of most Local Authority leisure facilities.
- 1.3 It must always be borne in mind that many aspects of Leisure and Community Services operate in a competitive market alongside private, public and voluntary sector providers. For many years, therefore, prices have been reviewed annually in order to balance the twin objectives of remaining competitive and attracting high footfall, whilst trying to maximise income.
- 1.4 As a consequence of recent changes in the Divisional and Departmental responsibilities for a number of services this report deals with a wide range of fees which have in the past been reported individually. Different issues need to be taken into consideration when reviewing the charges for each service area.
- 1.5 The Council's budget process builds in an expectation that fees and charges will increase by at least the prevailing rate of inflation, which this year is taken as being 2.5%. However, particularly in service areas, which operate in a competitive market, straightforward percentage uplift may not be appropriate. In these cases, other approaches; for example, increasing the throughput of the service at the existing charge, or reducing the operating costs as a way of increasing the gap between income and expenditure, have been considered. Ideas of generating more income through "secondary spend", which is purchases by customers in addition to the basic ticket price or service cost, are also options which have been considered.

## 2. Concessionary Charges

- 2.1 The area has high levels of deprivation, as well as high incidences of life-threatening conditions such as heart disease, overweight and obesity and that prices need to be set at a level which, whilst making a realistic contribution to the cost of providing the service, do not create financial barriers to the residents who

could most benefit. The Executive recognised last year that one of the barriers to participation in Leisure Centre usage is cost.

Officers do take particular profiles and characteristics of the Borough and its residents into account when reviewing the charges. There are valid reasons why concessionary charges for certain activities or ranges of activities need to continue or be introduced or levels of charges are proposed. As such charges can be seen as a tool in supporting particular Government initiatives or campaigns as well as assisting the Council in achieving one or more of its Community Priorities. Additionally, they can be used to encourage the use of facilities at what would otherwise be slack times, in an attempt to even out use throughout the day.

### **3. LeisurePass**

3.1 LeisurePass is currently the principal concessionary membership scheme for certain indoor leisure activities, available to residents of the Borough falling into one of the following categories:

- Over 60
- Unemployed and claiming benefit
- Disabled
- In receipt of -
  - incapacity benefit
  - family credit
  - income support
  - housing benefit
- Student aged over 16 and in full-time education
- Registered Carer

For a yearly fee of £3 and proof of address and eligibility, LeisurePass holders are entitled to a much reduced fee for a specified range of activities during off-peak hours.

3.2 There are a number of reasons why this scheme was introduced, and why it continues:

- It assists those on low incomes who may not be able to afford the full activity price.
- It encourages the integration of disabled people into leisure activities.
- It encourages physical activity and exercise for the health benefits they undoubtedly bring.
- It encourages the spread of usage of facilities into slack times of the day, helping to even out the load.

3.3 It is proposed that the LeisurePass should also be applicable for reduced prices for Sports Development activities. Although many of these have previously included a concessionary rate, using the LeisurePass to show eligibility will demonstrate consistency, and may also encourage more use of both Sports Development courses and the Council's leisure centres.



## 4. Pricing Strategy

4.1 No single pricing strategy is appropriate across all sections of the Leisure and Community Services Division services, because of the differences between the service areas. What follows below briefly summarises the proposed approach in each area.

### 4.2 Swimming Pools and Leisure Centres

4.2.1 The Charges agreed for 2004/05 were above the London Average Charges for Sports and Leisure Centres (*source - The Leisure Database Company - Sports Amenities Charges 2004/05*). This decision could have culminated in the reduced footfall that has been felt within the Leisure Centres because customers have decided to go elsewhere, but perhaps more importantly it could have put facilities out of the reach of individuals and families on lower incomes. The following key points outline the key areas of focus for 2005/06.

- For “dry” activities, keen local competition from private and voluntary sectors.
- Less than inflation increase on activity charges, but boost secondary spend.
- Targeted marketing at groups and individuals who don’t currently use us.
- Membership sales drive, with staff sales targets.
- Increase usage levels – higher footfall.
- Reduce running costs.

4.2.2 The proposed 2005/06 charges for swimming pools and leisure centres are attached as Appendix F.

### 4.3 Parks Sports

4.3.1 The Leisure and Community Services Division is currently undertaking an audit of playing pitches which will assess the demand for supply, availability and standard of outdoor pitches in the Borough. In the long-term, this information will help in the planning and provision in parks and open spaces in the Borough. In the short-term it will suggest pricing and management strategies to deal with more immediate issues. The results of the playing pitch audit will be available in March 2005.

4.3.2 There has been a variety of different agreements that have been reached with various clubs in the past. However, in order to ensure that all users are treated in a fair and equitable manner, it is proposed that the actions as outlined in paragraph below are implemented. Prior to implementing these actions, consultation will take place with the affected clubs. The suggested actions that should be taken are:

- (a) clearer lettings criteria to generate more income.
- (b) standardised football pitch charges for those clubs who lease pavilions / changing room facilities.
- (c) separate charge for use of pavilions for after match social functions.

- (d) tighter policing and monitoring of pitch use to stop multiple or continuous use, and “organised” but un-booked games.
- (e) controlled use of parks for coaching where participants are charged a fee via the introduction of training permit.
- (f) co-ordinate use and lettings to justify staffing costs: and,
- (g) better marketing of facilities.

4.3.3 A number of clubs who currently pay for the use of football pitches in the parks, have raised concerns at the amount of unofficial / unpaid for use by a number of clubs for ‘structured’ games and training sessions. This unofficial / unpaid for use is resulting in added wear and tear to the pitches, especially around the goal mouths.

4.3.4 In view of the above one of the new initiatives proposed for the 2005/06 is the introduction of a Football Training Permit as a means of controlling the usage of the pitches. It is proposed that a Football Training Permit is a nominal yearly fee. Those clubs who legitimately use the parks for training purposes, will be able to call upon the Parks Police to evict those who have do not have a Permit. It should be stressed that it this is not intended to apply or be a deterrent to informal ‘kick-about’s that local children, youths and small family groups undertake when visiting the parks.

4.3.5 The proposed 2005/06 Parks Sports Charges are attached as Appendix E.

#### 4.4 Cemeteries

4.4.1 Previous Cemeteries Charges reports to the Executive have outlined in some depth the problems associated with the historical financial encumbrances this Service has inherited. The principles now adopted are:

- The recently bereaved should not pay for the cost associated with old burial areas, which cannot currently be disturbed.
- Grave purchase costs should reflect the maintenance costs of that grave for the period of the Exclusive Right of Burial (currently 50 years for traditional and lawn graves).
- Interment fees should cover the costs associated with providing the service and wherever possible the facilities.

4.4.2 After large increases in recent years, the Cemeteries Charges have been benchmarked against other cemetery services providers and they are now within the top quartile. The rate of cost recovery of the Council’s Cemetery Service has similarly improved over recent years, but so has its quality, as evidenced by the fact that it has achieved the “Charter for the Bereaved” standard. It is, therefore, proposed that Cemeteries Charges should be increased by inflation (2.5%) only this year.

- 4.4.3 At the time of preparing this report it is unlikely that the Cemeteries Service will meet its income estimate for 2004-05. The principle reason behind this is that the Service has not had the through put of business that it has had in the previous two financial years, when income targets have been at least met if not exceeded. It is difficult to ascertain exactly why there has been a fall in business it could be associated with the higher charges, it could be that the Borough is now falling more in line with the National ratio of burials to cremations, (which is about a 80% cremations and 20% burials), it could just be a one-off trend and it might right itself naturally.
- 4.4.4 To meet the shortfall in income for the 2004/05 financial year the Service is actively looking to reduce its expenditure. The Service will continue to monitor the situation closely in the 2005/06 financial year and further action will be taken if required.
- 4.4.5 The proposed Cemeteries Charges for 2005/06 are attached as Appendix B.
- 4.5 Community Hall Bookings
- 4.5.1 The responsibility for community halls has only recently come under the umbrella of Leisure and Community Services. The service is in a state of change as negotiations take place with Community Associations regarding Delegated Management Agreements. Until such time as Delegated Management Agreements are in place, the Council will continue to let out community halls for bookings at the weekend. Recognising that lettings fees appear to be below the current market rate, an increase in the order of 10% is being proposed.
- 4.5.2 Currently Community Groups and key holders receive discounts on bookings made in Community Halls. Recognising that when halls are under Community Association's Delegated Management, it may not be possible for them to continue with such generous discounts. A reduction in these discounts for all weekend hires is proposed. Officers will also encourage the Community Associations to regularly review the discounts they give, as this could possibly affect their income streams.
- 4.5.3 The proposed Community Halls Charges for 2005/06 are attached as Appendix C.
- 4.6 Events
- 4.6.1 The bulk of the income from the use of facilities for events cannot be pre-set, and will be subject to negotiation and tender with hirers and promoters. The income is dependant on such variables as:
- nature and size of event.
  - extent of facilities required.
  - whether it is run as a commercial event
  - whether it is run as a community event.

- 4.6.2 Some events are one-offs and some may not take place each year, and such income should be regarded as a “windfall” for that year, rather than being incorporated into subsequent years’ income targets.
- 4.6.3 As part of the Events Business Plan, the Events Section is actively encouraging community groups to make use of the Borough’s parks to stage their own events. To date, no charge has been made for the use of parks on the understanding that other park users were not unreasonably obstructed. Also there has been no charge for the time given by the Events Section to give advice and monitor the event.
- 4.6.4 Groups are currently required to obtain their own Public Liability Insurance for a sum up to either £2m or £5m, dependent upon the size and risks at the event. This insurance has proved quite expensive for small groups to obtain. If, however, groups were charged a hire fee for the use of a park, then small events which fall into the £2m Public Liability category could be covered under the Council’s Hirers Public Liability Policy. .
- 4.6.5 By introducing a hire fee for the use of designated areas of parks, income would be generated for the Council and the Community Groups would save money as the hire fee and the percentage premium charged in order to cover the group under the Council’s policy would work out cheaper, in the vast majority of cases, than a stand alone Public Liability Insurance Policy.

This proposal will improve the management of events, reduce risk to the Council, and make small events and fun days more attractive to community groups.

- 4.6.6 It is, therefore, proposed that a hire fee for community events in parks be introduced and that in the insurance premium is charged on the basis of 15% of the hire charge for events requiring up to £2m Public Liability cover.

It is also proposed that the Director of Regeneration and Environment, or his representative, in consultation with the Council’s Insurance Manager and Insurers, investigate and if possible undertake a similar procedure for events which will fall into the £2m to £5m Public Liability category, on the basis that the premium percentage would to be variable to take into account of any increased risk, but even this is likely to be less expensive for the groups than a stand alone insurance policy.

- 4.6.7 The Events Section is also working to secure new events in the Borough via commercial operators. Examples of these during 2004 were the Country Craft Fayre that took place in St Chard’s Park and the East London Mela in Barking Park.
- 4.6.8 It is, therefore, proposed that a scale of charges be introduced for commercial events (excluding circuses and fairs) with a starting threshold of £500. This sum would be increased in increments of £150 dependent upon the size and commercial nature of the event and the amount of meetings, work and monitoring the event would involve for the Events Section.
- 4.6.9 It is not anticipated that income generated from these events over the next few

years will be significant as it will take time for the Borough to establish a reputation as an events venue. However, it will enable the annual events programme to be enhanced and a wider variety of events be on offer to the community at no additional cost to the Council.

4.6.9 Income generated is being proposed to be used to enhance current Council organised events or to create new community events.

4.7 The Bandstand, Barking

4.7.1 The Events Section has been approached by Groups, both secular community and commercial, to use The Bandstand for music performances and exhibition displays.

4.7.2 Currently there is no fee for the use of The Bandstand and therefore no contribution to The Bandstand's running cost. It is suggested, therefore, that a flat inclusive fee of £25 per use be introduced and that this money be used to help maintain The Bandstand.

On 31 May 1995 a decision was taken by the former General Purposes Committee that religious groups should not be allowed to use the Bandstand, it is not proposed that this policy should change. (Minute 167, 31 May 1995 refers).

4.7.2 The proposed 2005/06 Charges for Events are attached as Appendix D.

4.8 Births, Deaths and Marriage Registration Service

4.8.1 Many of the charges made by this Service are set centrally by the Registrar General. There is, however, scope to offer additional services for which a fee can be set by the Council. Such services include Renewal of Vows, Baby Naming and Commitment Ceremonies.

4.8.2 The present scale of Charges for these additional services was set by the Council on 27 April 2004; however, to date there has been no take up of these services by the community. Officers feel that cost could be a barrier and therefore it is proposed that some of the fees for Renewal of Vows, Baby Naming and Commitment Ceremonies, for ceremonies held on weekdays are lowered from £100 to £50, whilst these are kept the same at weekends. More effort will also be given to actively marketing these services in order to generate an income stream.

4.8.3 Citizenship Ceremonies are a new source of income for which the basic charges are set by the Home Office, but there is scope for the Council to set a supplementary charge for an individual ceremony. An individual ceremony fee was set for the current financial year at £100. Those new citizens choosing the group Citizenship Ceremony receive a photograph of the Mayor or Deputy Mayor presenting them with their Citizenship Certificate. At an individual Citizenship Ceremony they would just receive their Certificate from the Registrar.

4.8.4 There has been interest in individual ceremonies, but when customers have been informed of the supplementary cost, they have chosen to wait for the next available group ceremony. The London Borough of Redbridge by comparison charged £20 this year for an individual ceremony.

- 4.8.5 It is proposed that the individual Citizenship Ceremony fee be reduced from £100 to £50, so long as it takes place during the normal Registration Service opening hours so there are no additional staff costs. The new citizens would also have their photo taken receiving their certificate using a digital camera and presented with the picture before they leave.
- 4.8.6 On 27 April 2004, the Executive noted that a decision had been made to decommission the Marriage Room at the Register Office and apply for Arden House to become an Approved Premise. This would allow the Council to set the fee for marriages on the site as opposed to the statutory fee set by the Registrar General. The Executive also at this time agreed the fee structure would come into effect as from 1 April 2005.
- 4.8.7 Application to change the designation is currently in process. However, since couples can give notice to get married up to one year in advance, notices have been received from a number of couples to get married in the Marriage Room at the Register Office up to the end of September 2005.
- 4.8.8 To bring all the couples back in and to re-issue notices for the Marriage Room at Arden House, which would be legally required, would be time consuming and costly.
- 4.8.9 There is also a need to consult with staff in relation to the charges in terms of opening times and payments for working to provide a wedding service on Saturday afternoons and Sunday at Arden House. It is therefore proposed to bring in the new scale of charges for the Marriage Room as from 1 October 2005, and a suggested increase to the fees agreed on 27 April 2004 has been included in the scale of Charges
- 4.8.10 The proposed 2005/06 charges for Births, Deaths and Marriage Registration Service are attached as Appendix A.
- 4.9 Ranger Service / Millennium Centre
- 4.9.1 The Parks and Countryside Ranger Service organises a number of public activities, not only at the Millennium Centre but also in parks across the Borough. These take the form of free guided walks, talks, conservation activities and children's activities. All of these are seen as ways of promoting the Parks and Countryside Service, encouraging an interest in wildlife and nature conservation, and encouraging purposeful and healthy use of parks. Attendances at these activities have been steadily increasing year on year. To date, the only charges made have been to cover the cost of materials used, generally on children's activities.
- 4.9.2 Since opening, the Millennium Centre has provided a free recreation facility. The facility has been extensively used by the Borough's schools for practical sessions as part of the National Curriculum, for which an internal recharge has been made through a Service Level Agreement with the Council's Education Authority.

- 4.9.3 However, owing to the fact that the Education Department have delegated this budget to Schools, the Director of Education, Arts and Libraries will need to advise the schools on the mechanism for using the Millennium Centre in future and that the individual schools will be responsible for any costs associated with their use for 2005/06 onwards.
- 4.9.4 Feasibility work, as part of an ongoing development, in accordance with Green Flag criteria, will be carried out by Officers in 2005/06; this will include the exploration of new funding opportunities.
- 4.10 Leases and Licences
- 4.10.1 An income is received from various organisations, both commercial and non commercial, in the form of long-term leases / licences, on Council owned property which falls within Leisure and Community Services Asset Management register.
- 4.10.2 Initial terms and conditions are negotiated by the Property Services Group in the Asset Management and Development Division, or through them by the Council's appointed property agents. The aim is to achieve a full market rent, but this may be compromised by the voluntary nature of the organisation concerned, and the social, sporting or recreational benefits they bring to the community, rather than the full income that could be generated.
- 4.10.3 Nevertheless, it is important to maximise available income from these sources, particularly when agreements come up for renewal, or for a periodic rent review. Leisure and Community Services Division staff will therefore be monitoring closely the key stages of leases and licences, and working with Property Services colleagues to achieve re-lettings, renewals or reviews on the best available terms as they arise.

## **5. Financial Implications**

- 5.1 The current shortfall in income for Swimming Pool and Leisure Centres, and Cemeteries is a potential cause for concern for 2005/6 and future years. The proposed increases for the Swimming Pools and Leisure Centres have been set to try to increase usage, thereby increasing income in line with inflation. Barring this, in all other areas the proposed charges have generally been increased by 2.5%; which overall should enable the Leisure and Community Services Division to meet the budget estimates which have already been prepared for the financial year 2005/6.

## **6. Consultation**

### **6.1 Lead Members**

The following Lead Members have been advised of the proposals:

Raising Pride in the Borough (Public Facilities and Cemeteries), Councillor Wade.

Making the Borough Cleaner, Greener and Safer, Councillor McKenzie.

Developing Rights and Responsibilities with the Local Community and Providing Equal Opportunities and Celebrating Diversity (Income and Charging) Councillor H Collins.

Better Education and Learning for All, Councillor Alexander

6.2 The following Officers have been consulted and have raised no objections to the proposals.

DRE

Damien Parker, Acting Group Manager, Parks, Cemeteries & Security  
Teresa Parish, Group Manger, Leisure Community Services  
Elaine Bevis, Group Manager, Leisure Centre Services  
Simon Swift, Group Manger, Leisure Community Development  
Jacqui Hughes, PA / Administration Manager, Leisure and Community Services Division

Finance

David Waller, Interim Head of Finance, DRE  
Jason Payne, Senior Accountant, DRE  
Paul Pearson Head of Finance, DEAL  
Sue Burdon, Insurance Manager, FD

DEAL

Jane Hargreaves, Head of Literacy & Cultural Services

**Background Papers**

- Minutes of Scrutiny Management Board held on 20 November and 18 December 2002.
- Minute 167 (former General Purposes Committee), 31 May 1995 refers.
- Reports to the Assembly, 4 April and 6 July 2001 re: Charging Policy Commission Report and Fundamental Principles.
- Executive Minute 389, 19 March 2002 re: Leisure Charges 2002/03.
- Executive Minute 327, 11 March 2003 re: Leisure and Amenities Charges 2003/04.
- Executive Minute 316, 9 March 2004 re: Fees and Charges 2004/05 Leisure Activities, Cemeteries and Community Halls.
- Executive Minute 320, 9 March 2004 re: Future of Leisure Centres.
- Executive Minute 9, 7 September 2004 re: Citizenship Ceremonies
- Executive Minute 362 - 13 April 2004 re: Citizenship Ceremonies
- Minute 371, 27 April 2004 re: Fees and Charges: Births, Deaths and Marriage Registration Service
- Nationality, Immigration and Asylum Act 2002; Home Office Guidance on Citizenship Ceremonies for Local Authorities and Superintendent Registrars.



**LEISURE AND COMMUNITY SERVICES – LIST OF CHARGES**

**APPENDIX A (1 of 2)**

<b>SERVICE AND ACTIVITY AREA</b>	<b>Present Charge 2004/05</b>	<b>Proposed charge 2005/06</b>
<b>Birth Deaths and Marriages</b>		
Marriages		
<ul style="list-style-type: none"> <li>• Approved Premises Marriage Eastbury Manor House, City Limits</li> <li>• Monday to Saturday</li> <li>• Sunday and Bank Holidays</li> </ul>	<p>£270.00</p> <p>£340.00</p>	<p>£280.00</p> <p>£350.00</p>
	<b>2005/6 Fee as agreed 4/5/04</b>	<b>2005/6 Fee as from 1/10/05</b>
Marriages		
Approved Premises Marriage Arden House as from 1 October 2005		
<ul style="list-style-type: none"> <li>• Monday to Friday</li> <li>• Saturday up to 12.30</li> <li>• Saturday From 14.00</li> <li>• Sunday/ Bank Holidays</li> </ul>	<p>£34.00</p> <p>£60.00</p> <p>£130.00</p> <p>£240.00</p>	<p>£40.00</p> <p>£70.00</p> <p>£130.00</p> <p>£300.00</p>
	<b>Present Charge 2004/05</b>	<b>Proposed charge 2005/06</b>
Non Statutory Ceremonies, Baby Naming, Renewal of Vows, Commitment Ceremonies.		
<ul style="list-style-type: none"> <li>• Monday to Friday</li> <li>• Saturday</li> <li>• Sunday/ Bank holidays</li> </ul>	<p>£100.00</p> <p>£130.00</p> <p>£240.00</p>	<p>£50.00</p> <p>£130.00</p> <p>£240.00</p>
Individual Citizenship Ceremony	£100.00	£50.00

APPENDIX A/ Cont.(2 of 2)

SERVICE AND ACTIVITY AREA Birth Deaths and Marriages	Present Charge 2004/05	Proposed Charge 2005/06
<p><b><u>Approved Premises Application Fees</u></b></p> <ul style="list-style-type: none"> <li>• Non- Refundable fee for application for the initial three year approval (Excluding the cost of advertisement which will be the responsibility of the applicant)</li> <li>• Non- Refundable fee for renewal of application (Excluding the cost of advertisement which will be the responsibility of the applicant)</li> <li>• Fee for review by the Review Officer or Assembly following a refusal</li> </ul>	<p>£550</p> <p>£370</p> <p>£270</p>	<p>£570</p> <p>£385</p> <p>£280</p>

LEISURE AND COMMUNITY SERVICES – CEMETERY CHARGES

APPENDIX B (1 of 3)

SERVICE & ACTIVITY AREA CEMETERY CHARGES	Present Current 2004/05	Proposed Charge 2005/06
<b>Grave Fees (Exclusive Right of Burial)</b>		
A Grade Mounded (50 years)	£2,050.00	£2100.00
B Grade Mounded (50 years)	£1,745.00	£1785.00
Lawn (50 years)	£ 830.00	£850.00
Children's Corner (50 years) depth for one only.	£ 310.00	£310.00
Ashes only grave in Garden of Rest (25 years)	£ 180.00	£185.00
Ashes only above ground vault (25 years)	£ 820.00	£840.00
<b>NB Non-Parishioners are not permitted to purchase grave space.</b>		
<b>Internment Fees</b>		
*Private Grave	£ 540.00	£550.00
*Non-private Grave (excluding still-born)	£ 540.00	£550.00
*Additional Charge per Casket	£ 105.00	£107.00
*Additional Charge per body over depth of two	£ 90.00	£92.00
*Child in Non-private Grade (Aged between 3 weeks and 12 years)	£ 95.00	£97.00
*Child up to the age of 12 years old in Children's Corner (depth for 1 only)	£ 100.00	£102.00
*Still Born Babies & Children up to 3 weeks old in Non-private graves	£ 95.00	£97.00

**APPENDIX B /Cont. (2 of 3)**

<b>SERVICE &amp; ACTIVITY AREA CEMETERY CHARGES</b>	<b>Present Charge 2004/05</b>	<b>Proposed Charge 2005/06</b>
<b>Cremated Remains Fees</b>		
*Internment of child's cremated remains in Children's Corner	£100.00	£102.00
*Internment of cremated remains in Private Grave	£130.00	£135.00
*Internment of cremated remains in Ashes Grave in Garden of Rest	£130.00	£135.00
*Placing of cremated remains in Garden of Rest and two line inscription in Book of Remembrance (ONLY)	£130.00	£135.00
*Each additional line in the Book of Remembrance	£25.00 (+VAT)	£25.00 (+VAT)
*Second Internment of cremated remains in "above ground vault".	£55.00	£56.00
<b>Memorial Fees</b>		
*Right to place memorial on lawn & non-lawn type grave	£85.00	£87.00
*Right to place single or double memorial vase on any grave	£85.00	£87.00
*Right to place memorial book or plaque on non-lawn type of grave	£85.00	£87.00
*Right to add kerbs – landing	£85.00	£87.00
*Provision of soil in kerb sets	£35.00 (+VAT)	£35.00 (+VAT)
Adding inscription, levelling / straightening memorials, cleaning / restoration works	£30.00	£31.00
<b>Other Charges</b>		
Use of Cemetery Chapel	£65.00	£67.00
Registration of declaration regarding Non-production of Registrar's Certificate	£20.00(+VAT)	£21.00 (+VAT)
Surrender of Grave space – buy back at half the current fee	Buy back at half the current purchase fee.	Buy back at half the current purchase fee.
Transfer of Exclusive Right of Burial	£25.00	£25.00
Family Trace (per named entry)	£20.00	£20.00
Photocopies per A4 sheet	£1.00	£1.00

APPENDIX 3 Cont. (3 of 3)

SERVICE & ACTIVITY AREA CEMETERY CHARGES	Present Charge 2004/05	Proposed Charge 2005/06
<b>Grounds Maintenance Fees</b>		
Annual Maintenance – non-lawn type grave	£85.00 (+VAT)	£87.00 (+VAT)
Annual Maintenance – lawn type grave	£55.00 (+VAT)	£56.00 (+VAT)
<b>* Non-Parishioners are charged double fees</b>		

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LEISURE AND COMMUNITY SERVICES LIST OF CHARGES

APPENDIX C (1 OF 1)

SERVICE AND ACTIVITY AREA COMMUNITY HALLS HIRE	2004 – 05 charge			2005 – 06 Proposed charge		
	First four hours	Additional hours	Premium Charge 2300 hrs to midnight	First four hours	Additional hours	Premium Charge 2300hrs to midnight
<b>A</b> Saturday Fanshawe; Seabrook Ripple; Woodward	£170.00 £170.00	£34.00 £34.00	£51.00 N/A	£177.50 £177.50	£38.00 £38.00	£57.00 N/A
<b>Sunday</b> Ripple; Seabrook	£210.00	£42.50	N/A	£220.00	£48.00	N/A
<b>B</b> Marks Gate; Ted Ball; Thames View; Wantz, Abbey; Gascoigne; Hatfield; Heath Park; Teresa Green; River; Village	£132.50	£26.50	N/A	£137.50	£28.00	N/A
Local clubs, associations and charities receive:	12.5% discount	12.5% discount	12.5% discount	10% discount	10% discount	10% discount
Approved Hall Key-holder organisations receive:	40% discount	40% discount	40% discount	30% discount	30% discount	30% discount
<b>Notes:</b> <ul style="list-style-type: none"> <li>All bookings also pay 8% Public Liability Insurance, unless hirers already hold their own Public Liability Insurance (PLI) cover, plus £100 deposit against damage.</li> <li>A and B price bands, based on the size and capacity of the halls</li> </ul>						

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**LEISURE AND COMMUNITY SERVICES – LIST OF CHARGES**

**APPENDIX D (1 of 1)**

SERVICE AND ACTIVITY AREA EVENTS	Present charge 2004/05	Proposed charge 2005/06
<ul style="list-style-type: none"> <li>• Use of Park by a Community / Charity Group for a Funday or Event (per day or part day)</li> <li>• Charge for the Provision of Public Liability for a community Event in Park cover up to £ 2 Million</li> <li>• Use of Park for a commercial Event Base Level Category 1</li> <li>• Category 2</li> <li>• Category 3</li> <li>• Category 4</li> <li>• For Each Additional category 6 hours of Event section time</li> </ul>	<p>New Charge</p> <p>New Charge</p> <p>New Charge</p> <p>New Charge</p> <p>New Charge</p> <p>New Charge</p> <p>New Charge</p>	<p>£100.00</p> <p>£15.00 15% of Hire charge.</p> <p>£500</p> <p>£650</p> <p>£800</p> <p>£950</p> <p>£150</p>
<p>The Bandstand (Barking Town Centre).</p> <p>For use of The Bandstand for secular community, entertainment or Exhibition proposes</p>	<p>New Charge</p>	<p>£25</p>

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LEISURE AND COMMUNITY SERVICES – LIST OF CHARGES

APPENDIX E (1 of 5)

SERVICE AND ACTIVITY AREA PARK SPORTS	Present Charge 2004/05	Proposed Charge 2005/06
<b>Pitch and Putt</b> Annual Season Ticket  18 holes per round  Senior citizens  Junior (Monday to Friday only)  • Adult Smartcard member • Junior Smartcard member	£107.00  £4.00  £2.00  £2.00  £3.30 £1.65	£110.00  £4.50  £2.25  £2.25  £3.50 £1.75
<b>Tennis</b>  Central Park - Per court, per hour (all other parks sites free)	£2.00	£2.25
<b>Cricket</b>  • Adults, per game • Juniors, per game  Adults, per season (40 games). Includes use of pavilion and kitchen facilities	£56.50 £28.25  £2260	£58.00 £29.00  £2,320

<u>SERVICE AND ACTIVITY AREA – PARK SPORTS</u>	Present Charge 2004/05	Proposed Charge 2005/06
<b>Football</b>		
Fees include pitch, goalposts and, where available, dressing rooms and showers.		
<ul style="list-style-type: none"> <li>• Adults, per game</li> </ul>	£46.50	£48.00
<ul style="list-style-type: none"> <li>• Juniors, per game</li> </ul>	£23.25	£24.00
<ul style="list-style-type: none"> <li>• Mini-soccer, per game</li> </ul>	£11.50	£12.00
Adults, per season, every week – 30 games		
<ul style="list-style-type: none"> <li>• If paid in full by 1 October a discount of 15% will apply</li> </ul>	£1185.75	£1224.00
<ul style="list-style-type: none"> <li>• If paid by 1 February 2006 a discount of 5% will apply</li> </ul>	N/A	£1368.00
Adults, per season, alternate weeks – 15 games	£593.00	£612.00
<ul style="list-style-type: none"> <li>• If paid in full by 1 October a discount of 15% will apply</li> </ul>	N/A	£684.00
<ul style="list-style-type: none"> <li>• If paid by 1 February 2006 a discount of 5% will apply</li> </ul>		
Juniors, per season, every week – 30 weeks		
<ul style="list-style-type: none"> <li>• If paid in full by 1 October a discount of 15% will apply</li> </ul>	£593.00	£612.00
<ul style="list-style-type: none"> <li>• If paid by 1 February 2006 a discount of 5% will apply</li> </ul>	N/A	£684.00
Juniors, per season, alternate weeks – 15 games		
<ul style="list-style-type: none"> <li>• If paid in full by 1 October a discount of 15% will apply</li> </ul>	£287.00	£306.00
<ul style="list-style-type: none"> <li>• If paid by 1 February 2006 a 5% discount will apply</li> </ul>	N/A	£342.00
Football Training Permits(renewable annually)		
Up to 50 participants	New Fee	£25.00
Up to 200 participants	New Fee	£50.00

SERVICE AND ACTIVITY AREA PARK SPORTS	Present Charge 2004/05	Proposed Charge 2005/06
Football Clubs with Delegated Management / Lease Agreement on Changing Room Facilities		
Where delegated Management Agreements / Lease Agreements are successfully negotiated on the Changing Room Facilities, a discount of 30% will be applied to all football pitch lettings.	£287.00	
	£303.75	
<i>(NB At the time of preparing this report Valence United (Valence Park) and Euro-Dagenham FC (Maysbrook Park) are the only two clubs to have entered into these negotiations.)</i>	£11.50	
Adult Pitch, per game		£33.60
Junior Pitch, per game		£16.80
Mini-Soccer, per game		£8.40
Adults, per season, every week – 30 weeks	New Fee	£957.60
• If paid by 1 February 2006 a 5% discount will apply		
Juniors, per season, every week – 30 weeks	New Fee	£478.80
• If paid by 1 February 2006 a 5% discount will apply		
Adults, per season, alternate weeks – 15 games	New Fee	£478.80
• If paid by 1 February 2006 a 5% discount will apply		
Juniors, per season, alternate weeks – 15 games	New Fee	£239.40
• If paid by 1 February 2006 a 5% discount will apply		
Any ad hoc games for either Valence United or Euro-Dagenham FC will be charged:	New Fee	£33.60
Adult Pitch per game	New Fee	£16.80
Junior Pitch per game	New Fee	£8.40
Mini-Soccer per game	New Fee	£8.40

SERVICE AND ACTIVITY AREA	Present Charge 2004/05	Proposed Charge 2005/06
<p><b>PARK SPORTS</b></p> <p><b>Rugby</b> Fees include pitch, dressing rooms and showers Per game</p> <p>£46.50</p> <p>Per Season, every week, based on 30 games. If paid in full by 1 October a 15% discount will apply If paid by 1 February 2006 a 5% discount will apply</p> <p>£1185.75 New Fee</p> <p>£48.00</p> <p>£1,224.00 £1,368.00</p>		
<p><b>Hurling</b> Old Dagenham Park – per season</p> <p>£295.00</p>		£298.00
<p><b>Bowling Greens</b> Club rental price, per green</p> <p>£3,600.00</p> <p>Club Guest charge, per hour (kept by Bowls Club)</p> <ul style="list-style-type: none"> <li>• Adult £2.60</li> <li>• Junior / Senior Citizen £1.30</li> </ul>		

SERVICE AND ACTIVITY AREA	Present Charge 2004/05	Proposed Charge 2005/06
<p><b>PARK SPORTS</b></p> <p><b>Pavilion Hire Charges</b>  <i>The Leys, Old Dagenham, St Chad's.</i>                      Occasional lettings, minimum 4 hours,                      • Monday to Saturday</p> <p>• Sunday and Bank Holiday                      NB – The proposed charges reflect those of the Halls Lettings, Category B Hall.</p> <p>Regular lettings – (Per hour)</p> <p>• Band and Twirlers at Mayesbrook                      NB – <i>we are currently in the process of trying to accommodate these two organisations into more suitable alternative accommodation.</i></p>	<p>£124.00</p> <p>£144.00</p> <p>£6.00 (per hour)</p>	<p>£137.50</p> <p>£185.00</p> <p>£6.15 (per hour)</p>
<p><b>Athletics</b></p> <p>Licence agreement with Mayesbrook and Havering Athletics Association for their use of the Arena three times a week.</p> <p>Hourly charge for use of arena (ad-hoc usage)</p>	<p>£5004.48</p> <p>£15.00</p>	<p>£5300.00</p> <p>£15.40</p>

KEY

“Junior” = 16 years old and under  
 16 to 18 years old in full time education.

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LEISURE AND COMMUNITY SERVICES – LIST OF CHARGES

APPENDIX F (1 of 6)

SERVICE AND ACTIVITY AREA Leisure Centres and swimming pools	Present Charge 2004/05	Proposed Charge 2005/06
<b>Membership</b>		
LeisureSmart - offers discounted activity charges for regular users, plus booking benefits		
<ul style="list-style-type: none"> <li>• Adult</li> <li>• Junior</li> <li>• Family</li> <li>• Staff</li>   <li>• Joining fee – one-off payment</li> <li>• Replacement card</li> </ul>	<p>£27.00 £14.00 £61.00 £6.00</p> <p>£6.00 £6.00</p>	<p>£27.00 £14.00 £61.00 £6.00</p> <p>£6.00 £6.00</p>
LeisureActive - All-inclusive package of fitness activities		
<ul style="list-style-type: none"> <li>• Per month</li> <li>• Per year</li> <li>• Joining fee – one-off payment</li> <li>• Replacement swipe card</li> </ul>	<p>£37.00 £407.00</p> <p>£6.00 £4.00</p>	<p>£37.00 £407.00</p> <p>£6.00 £4.00</p>
LeisurePass - Concessionary scheme giving entitlement to reduced charges on certain activities at off-peak times		
<ul style="list-style-type: none"> <li>• Per year</li> </ul>	<p>£3.00</p>	<p>£3.00</p>
<b>Individual Activity Charges</b>		
<b>Fitness Gym</b>		
<ul style="list-style-type: none"> <li>• Adult, peak times</li> <li>• Adult, off-peak</li> <li>• LP, off-peak</li> <li>• Adult, induction</li> <li>• LP, induction</li> </ul>	<p>£4.50 £3.70 £1.80 £9.00 £5.00</p>	<p>£4.50 £3.70 £1.80 £9.00 £5.00</p>

SERVICE AND ACTIVITY AREA Leisure Centres and swimming pools	Present Charge 2004/05	Proposed Charge 2005/06
<p><b><u>Badminton Court</u></b></p> <ul style="list-style-type: none"> <li>• Adult, peak times, ½ hour</li> <li>• Adult, off-peak, ½ hour</li> <li>• Junior, peak times, ½ hour</li> <li>• Junior, off-peak, ½ hour</li> <li>• LP, ½ hour (off-peak only)</li> <li>• Adult, peak times 1 hour</li> <li>• Adult, off-peak, 1 hour</li> </ul>	<p>£5.00 £3.80 £4.50 £2.50 £2.00</p> <p>£8.60 £6.10</p>	<p>£5.00 £3.80 £4.50 £2.50 £2.00</p> <p>£8.60 £6.10</p>
<p><b><u>Badminton Court</u></b></p> <ul style="list-style-type: none"> <li>• Junior, peak 1 hour</li> <li>• Junior, off-peak 1 hour</li> <li>• LP, 1 hour (off-peak only)</li> </ul>	<p>£8.60 £4.30 £3.60</p>	<p>£8.60 £4.30 £3.60</p>
<p><b><u>Squash Court</u></b></p> <p>Per court, per 40 minutes</p> <ul style="list-style-type: none"> <li>• Adult, peak times</li> <li>• Adult, off-peak</li> <li>• Junior, peak times</li> <li>• Junior, off-peak</li> </ul>	<p>£6.70 £5.20 £6.20 £3.15</p>	<p>£6.70 £5.20 £6.20 £3.15</p>
<p><b><u>Table Tennis</u></b></p> <p>Per person, per hour</p> <ul style="list-style-type: none"> <li>• Adult, peak times</li> <li>• Adult, off-peak times</li> <li>• Junior, peak times</li> <li>• Junior, off-peak times</li> </ul>	<p>£3.20 £2.75 £2.55 £1.75</p>	<p>£3.20 £2.75 £2.55 £1.75</p>

SERVICE AND ACTIVITY AREA Leisure Centres and swimming pools	Present Charge 2004/05	Proposed Charge 2005/06
<u>Crèche</u>		
Per child, per hour	£2.00	£2.00
<u>Hire of Facilities</u>		
<u>5-a-Side Pitches</u>		
Outdoor synthetic 5-a-side pitch		
• Adult, peak time	£25.50	£25.50
• Adult, off-peak	£20.00	£20.00
• Junior, peak time	£15.50	£15.50
• Junior, off-peak	£10.00	£10.00
Outdoor tarmac 5-a-side pitch		
• Adult, peak time	£15.50	£15.50
• Adult, off-peak	£11.75	£11.75
• Junior, peak time	£8.50	£8.50
• Junior, off-peak	£6.50	£6.50
<u>Hall &amp; Room Hire</u>		
Exclusive use for amateur sports purposes. All prices are per hour.		
GLC (8 court hall)		
• Whole hall, peak times	£82.00	£82.00
• Whole hall, off-peak	£58.00	£58.00
• Half hall, peak times	£41.00	£41.00
• Half hall, off-peak	£34.00	£34.00
• Quarter hall, peak times	£20.50	£20.50
• Quarter hall, off-peak	£16.00	£16.00

SERVICE AND ACTIVITY AREA Leisure Centres and Swimming Pools	Present Charge 2004/05	Proposed Charge 2005/06
<b>Hall &amp; Room Hire</b>		
WLSC and ASC (four court hall each buildings) <ul style="list-style-type: none"> <li>• Whole hall, peak times</li> <li>• Whole hall, off-peak</li> <li>• Half hall, peak times</li> <li>• Half hall, off-peak</li> <li>• Quarter hall, peak times</li> <li>• Quarter hall, off-peak</li> </ul>	£41.00 £29.00 £20.50 £16.00 £10.25 £8.00	£41.00 £29.00 £20.50 £16.00 £10.25 £8.00
<b>Rifle Range</b> (authorised clubs, per hour) <ul style="list-style-type: none"> <li>• WLSC</li> </ul>	£16.00	£16.00
<b>Meeting Room Hire</b> <ul style="list-style-type: none"> <li>• Users with Public Liability Insurance</li> <li>• Users needing Public Liability Insurance</li> </ul>	£24.00 £27.00	£24.00 £27.00
<b>Swimming Charges</b>		
<ul style="list-style-type: none"> <li>• Adult                             <ul style="list-style-type: none"> <li>ASC &amp; DSP</li> <li>GLC</li> </ul> </li> <li>• Junior                             <ul style="list-style-type: none"> <li>ASC &amp; DSP</li> <li>GLC</li> </ul> </li> <li>• Family Ticket                             <ul style="list-style-type: none"> <li>ASC &amp; DSP</li> <li>GLC</li> </ul> </li> </ul>	£2.80 £3.60 £1.80 £2.00 £9.20 £10.80 - £3.00	£2.80 £3.60 £1.80 £2.00 £9.20 £10.80 -£3.00
<b>Discount for LeisureSmart family members</b> (Two adults + up to four children)	- £3.00	-£3.00

APPENDIX F (5 of 6)

SERVICE AND ACTIVITY AREA	Present Charge 2004/05	Proposed Charge 2005/06
<b>Leisure Centres and swimming pools</b>		
Book of 10 tickets Calculated at eight x swim		
• Adult	£22.40	£22.40
ASC & DSP	£28.80	£28.80
GLC	-	-
Discount per book for LeisureSmart members	-£8.00	-£8.00
• Junior	£14.40	£14.40
ASC & DSP	£16.00	£16.00
GLC	-	-
Discount per book for LeisureSmart junior members	-£4.00	-£4.00
Swimming courses		
Ten lessons, including badge and certificate	£45.00	£45.00
• Adult	-£15.00	-£15.00
Discount per course for LeisureSmart members	£34.00	£34.00
• Junior	-	-
Discount per course for LeisureSmart junior members	-£6.00	-£6.00
Recharge per pupil (School swimming lessons only)	£1.00	£1.00
<b>Swimming Pool Hire</b>		
Galas, per three hour session		
• ASC	£160.00	£160.00
• DSP	£250.00	£250.00
Over-run charge, per hour		
• ASC	£80.00	£80.00
• DSP	£95.00	£95.00

APPENDIX F (6 of 6)

SERVICE AND ACTIVITY AREA Leisure Centres and Swimming Pools	Present Charge 2004/05	Proposed Charge 2005/06
<b>Club hire, per hour</b>		
• ASC main pool	£38.00	£38.00
• DSP main pool	£44.00	£44.00
• DSP learner pool	£28.00	£28.00
• DSP diving bay	£34.00	£34.00

**KEY**

- DSP = Dagenham Swimming Pool
- WSLC = Wood Lane Sports Centre
- GLC = Goresbrook Leisure Centre
- AS = Abbey Sports Centre

“Junior” = 16 years old and under  
16 to 18 years old in full time education.

## THE EXECUTIVE

22 FEBRUARY 2005

### REPORT OF THE DIRECTOR OF CORPORATE STRATEGY

CALENDAR OF MEETINGS	FOR DECISION
<p><i>To seek the Executive's comments on the draft Calendar of meetings in accordance with the terms of the Constitution (Article 1 – paragraph 5).</i></p>	
<p><b>Summary</b></p> <p>This report sets out the draft Calendar of Meetings for the coming Municipal Year and requests the Executive to recommend it for approval for the Assembly in March 2005 as required by the Constitution. In so doing, to:</p> <ul style="list-style-type: none"> <li>• Re-affirm the basis of the Calendar, the principles around which have previously been set by the Assembly;</li> <li>• Note that in accordance with the appropriate Regulations it is necessary for the Assembly to sign off the Council's Annual Statement of Accounts, the deadline for which this year is 31 July 2005. For those reasons an additional meeting of the Assembly has been programmed for 27 July 2005;</li> <li>• Note that Citizenship Ceremonies have now been programmed fortnightly in the Diary;</li> <li>• Note with the exception of the February meeting of the Executive / TMT Strategy meeting where consideration will be given to budget issues, all other meetings of the joint meeting will in future be held after an Executive meeting. This frees up some dates in the diary which could be used for further Executive meetings if required;</li> <li>• Note that in addition to Member training sessions, it is proposed to continue with the Chief Executive briefings, but to discontinue with scheduled Departmental briefings, for them to be arranged as and when;</li> <li>• Note that the newly established Licensing and Regulatory Board is scheduled to meet fortnightly on Tuesdays and Wednesdays to deal with the expected high level of licence applications and appeals in the first year; and</li> <li>• Note that at the request of the Deputy Leader that the Resource Monitoring Group will now meet on Mondays as opposed to the existing Tuesday slot.</li> <li>• Dates for quarterly Liaison meetings with the Chamber of Commerce are currently being finalised and will be included in the final programme of meetings submitted to the Assembly in March 2005.</li> </ul>	
<p><b>Recommendation / Reason</b></p> <p>The Executive is asked to consider the content of the draft Calendar and, subject to any changes, recommend it to the Assembly for approval in accordance with the Council's Constitution.</p>	

<b>Contact Officer:</b> John Dawe	Democratic and Electoral Services Manager	Tel: 020 8227 2135 Fax: 020 8227 2171 Minicom: 020 8227 2685 E-mail: <a href="mailto:john.dawe@lbbd.gov.uk">john.dawe@lbbd.gov.uk</a>
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## 1. Calendar of Meetings

1.1 The draft Calendar (as circulated separately) sets dates for various meetings in the Council's political structure. The Calendar adopts the following principles:

- No meetings on Thursday evenings or all day Friday (other than Ceremonial Council);
- Mondays for Community Forums;
- Predominately Mondays and Tuesdays for Community Housing Partnerships
- Tuesdays for the Executive;
- Wednesdays for the Assembly (1<sup>st</sup> of the month, unless otherwise indicated) and Scrutiny Management Board (SMB);
- Tuesdays / Wednesdays for the Development Control Board (2 panels) and the Licensing and Regulatory Board;
- Provisional dates earmarked for the Executive and the SMB during August.

1.2 Where the venue has been determined this is shown in brackets as:

(B) = Town Hall Barking

(D) = Civic Centre Dagenham

## 2. Assembly

2.1 In accordance with the relevant Regulations it is necessary for the Assembly to sign off the Council's Annual Statement of Accounts by 31 July 2005. For that reason an additional meeting of the Assembly has been scheduled for 27 July 2005.

## 3. Executive

3.1 It is suggested that meetings of the Executive / TMT Strategy meeting will in future be held after an Executive meeting. This will free up some dates in the diary which could be used for further Executive meetings if required. The only exception to this will be the February meeting where consideration is given to budget issues.



#### **4. Members' Training / Departmental briefings**

- 4.1 Ongoing Members' Training will continue to be scheduled on a monthly basis. In view, however, of the timing and clashes with other member meetings, attendances at Departmental briefings have on average been low. It is proposed therefore not to schedule Departmental briefings, but to arrange them as and when. The planned 6 monthly briefings from the Chief Executive (May and November) will continue to be programmed.

#### **5. Citizenship Ceremonies**

- 5.1 Dates of Citizenship Ceremonies conducted by the Mayor / Deputy Mayor have this year been included in the programme on a fortnightly basis.

#### **6. Licensing and Regulatory Board**

- 6.1 The programme includes a fortnightly meeting of the newly established Licensing and Regulatory Board, to deal with the expected high level of licence applications and appeals in the first year of local authorities assuming a range of licensing functions from the Magistrates Courts under the terms of the Licensing Act 2003.

#### **7. Resource Monitoring Group**

- 7.1 At the request of the Deputy Leader, as the relevant Portfolio holder, meetings of the Resource Monitoring Group have been moved from Tuesdays to a Mondays.

#### **8. Other Meetings**

- 8.1 Other meetings such as Community Safety Strategic Partnership, Police Consultative Group, Employee Joint/Safety Consultative Committees, East London Waste Authority (ELWA), Barking and Dagenham Partnership, B.A.D. Youth Forum and Dagenham Village Partnership have been agreed at each relevant meeting and these have also been programmed into the Diary.
- 8.2 Dates for quarterly liaison meetings with the Chamber of Commerce are currently being finalised and will be included in the final programme of meetings presented to the assembly in March 2005
- 8.3 The Executive is also reminded that in terms of keeping Members informed generally, officers now log programmed and non-programmed meetings electronically onto the Members' Calendar, which can be accessed via the Outlook Public Folders.

#### **Background papers used in the preparation of this report:**

The Council's Constitution

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## THE EXECUTIVE

22 FEBRUARY 2005

## REPORT OF THE DIRECTOR OF FINANCE

<b>BUDGET REQUIREMENT FOR THE E-GOVERNMENT PROGRAMME</b>	<b>FOR DECISION</b>	
<p><i>Budget requirement for the delivery of the e-government programme as reported to the Executive in December 2004.</i></p> <p><b>Summary</b></p> <p>This report outlines the budgetary requirements to enable the delivery of the E-Government Programme across the Council. This will enable the proposed E-Government Programme Unit to establish and deliver the e-government projects that meet the Governments priority outcomes and the implementation of BVPI 157, which is focussed on delivering 100% of services electronically.</p> <p><b>Recommendations</b></p> <p>The Executive is asked to consider and approve the allocation of Capital budgets as identified in this report to enable the delivery of the E-Government Programme. With reference to the system replacement and new initiative project, bids to the Capital Programme will be made to seek funding.</p> <p><b>Reason</b></p> <p>The Council are required to deliver services electronically (100% by December 2005) and to achieve the Governments "e" priority outcomes (March 2006) to enable the Council to transform the way in which services and information is provided to our customers. Allocation of funding is required (details attached) to drive the e-agenda forward.</p>		
<p><b>Contact Officer</b> Sarah Bryant</p>	<p>Head of Information Management and Technology</p>	<p>Tel: 020 8227 2015 Fax: 020 8227 2060 Minicom: 020 8227 2685 E-mail <a href="mailto:sarah.bryant@lbbd.gov.uk">sarah.bryant@lbbd.gov.uk</a></p>

## 1. Background

1.1 A report went to Executive on 14<sup>th</sup> December 2004 outlining the current progress on the delivery of the E-Government Programme for BVPI 157 and the Office of the Deputy Prime Minister (ODPM) Priority Outcomes:

- BVPI 157 is currently 53.36% (due to be 100% by March 2006)
- The current status of the ODPM's Priority Outcomes are highlighted in Appendix 1

- 1.2 It is recognised that much of the previous IEG monies were directed towards the setting up of the Customer First initiative as this is the Council’s priority. Now that Customer First is up and running, the delivery of the remainder of BVPI 157 and the Priority Outcomes are a priority for the authority.
- 1.3 A comparison with several London Boroughs shows the London Borough of Barking and Dagenham to be in the lower quartile for achieving e-government targets (Appendix 2). However, extensive investment is needed to deliver on priority outcomes and BVPI 157.

## 2. Prioritisation of Requirements

- 2.1 There are a total of 28 “required” and 26 “good” projects in the Priority Outcomes Programme. 26 of these projects are due to be delivered out of existing allocated funds. A further 28 require funding. These have been prioritised into High, Medium and Low priority.

LBBB Priority	No of Projects	Value
High	16	£2,031,000
Medium	6	£473,000
Low	6	£84,000
Total	28	£2,588,000

- 2.2 The budget required for implementation of the e-government Programme is £2,353,000. As many of the costs are provisional at this stage, a further contingency of 10% will be added for unforeseen circumstances and to manage risk and therefore makes a total budget requirement of £2,588,000. Revenue costs are shown in Appendix 2 but are subject to further determination once project plans have been established and are therefore only estimates. It is expected that revenue costs will be funded from the efficiency savings made from transforming service provision via e-government.
- 2.3 The current IEG monies from the government total £350,000 from IEG3 and £150,000 from IEG4 (awaiting approval from ODPM), will fund delivery of all priority outcomes detailed in Appendix 3.
- 2.4 However, there are a number of projects that are included under the umbrella of e-government projects, but are considered replacement systems and new initiatives.
- 2.5 They are:
- Education: R12 Renewal and reservation of library books and catalogue search facilities. The Library System replacement (approx £275,000) is needed to replace the current system which is nearing the end of its useful life.
  - Social Services: G16 Systems to support joined-up working on children at risk across multiple agencies (£209,000)
  - Social Services: G17 Joint assessments of the needs of vulnerable people (children and adults), using mobile technology to support workers in the field (£550,000). These

- two projects are being driven by central Government.
  - General: G19 Electronic Documents Record Management. This is necessary to replace outdated paper filing systems. There will be efficiencies in storing these documents electronically. (An initial cost of £385,000 has been estimated to commence EDRM in some key areas across the Council).

The cost of these projects to meet 4 priority outcomes is £1,419,000.

### **3. Further Research is required on:**

- G4: Web Casting – currently this priority outcome is not being progressed. Other Councils have already implemented this and are already considering whether the investment should continue, therefore further progress will depend on research.
- Implementing a solution to e-procurement corporately to meet R9/G8/G9 - e-procurement / Creation of a single business account / Regional e-procurement co-operation (£683,000). Extensive research is being progressed to determine the way forward in developing the e-procurement solution. This will include:-
  - Investigation the e-procurement National Project and associated solutions
  - Joint working with partner boroughs in North East London
  - Possible savings to be identified
  - Research of IDeA Marketplace and OGC Buying Solutions

### **4. Conclusion**

4.1 Having researched the need to implement and drive forward the e-government agenda across the Council it is requested that TMT consider that:-

- Resources of £486,000 are allocated to achieve e-Government priorities as detailed in this report
- Resources of £2,102,000 for new initiatives and replacement systems be considered along with other priorities and projects, as part of the Capital Programme.

### **5. Consultation:**

Lead member - Councillor McCarthy

TMT

Trade Unions views are being sought

**Background papers:**

- IEG Statement
- Research on IEG Statements of London Boroughs
- ICT Strategy
- Local e-government National Projects (ODPM)
- Local Government News

Appendix 1 Priority Outcomes Current Status

Appendix 2 Comparison with London Boroughs on BVPI 157

Appendix 3 Priority Outcomes Gap Analysis

eGov Budget Report 1st February 2005: Appendix 1 Priority Outcomes Current Status

No.	Priority Area	Priority Outcome	ODPM Ref.	ODPM Priority	LBBB Priority	Lead LBBB Dept.	LBBB contacts	Current (May 2004) Status	Current progress (description)	Gap (description)	Required Development	Timescale	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Committed Capital Cost	Committed Revenue Cost	Estimated Capital Cost	Estimated Revenue Cost	Revenue Savings	Designated Officer	Funding opportunities	Relevant National Projects	Comment
1	Schools	Parents/guardians to apply online for school places for children for the 2007 school year.	R1	Required	High	DEAL	SP (0208270 4883)	Green	Pan-London Admissions project currently on target by date specified by ODPM.	New server required as the application now needs oracle 9	External project but requires new server hardware at Civic	By March 2005	Green	Green	Green	None	None	£5,000	None	None	Steve Power		School Admissions LAWS E-Citizen	Must migrate platform to oracle 9
1	Schools	Access to information about educational support services that seek to raise the educational attainment of Looked After Children.	R2	Required	Green	SS	Mary Farrinha (020 8227 2080)	Green	Joint work is underway with ED&SS to provide online information. The Children's directory is currently being compiled	Awaiting recruitment of Content Management post and work to be undertaken by ISA group	Information leaflets and processes to be designed. Research into examples of good practice	Complete in early 2005	Green	Green	Green	None	None	None	None	None	Tolis Vouyoukas	None	School Admissions LAWS E-Citizen	
1	Schools	Development of an Admissions Portal and/or e-enabled telephone contact centre to assist parents, carers and children in their choice of, and application to local schools	G1	Good	Green	DEAL	SP (0208270 4883)	Green	On track - all supporting web pages in place	Just awaiting Pan London Portal	None		Green	Green	Green	None	None	None	None	None	Steve Power		School Admissions LAWS E-Citizen	Comprehensive advice and guidance as web pages are available
1	Schools	Agreed baseline & targets for take-up of online schools admissions service and educational attainment of Looked After Children.	E1	Excellent				Excellent					Green	Green	Green								School Admissions LAWS E-Citizen	
2	Community Information	One stop direct access and deep linking to joined-up A-Z on all local authority services via website or shared telephone contact centre using the recognised taxonomy of the Local Government Category List	R3	Required	Green	DEAL	SL (0208270 4895)	Green	Mapping from APLAWS to LGCL nearly complete	n/a	n/a	By Dec 2004	Green	Green	Green	None	None	None	None	None	David Evans		Enterprise Workflow Knowledge Mgmt LAWS	
2	Community Information	Local authority and youth justice agencies to co-ordinate the secure sending, sharing of and access to information in support of crime reduction initiatives in partnership with the local community	R4	Required	Low	SS	Mary Farrinha (020 8227 2080)	Low	Awaiting confirmation from the Criminal Justice Boards as to the date for us to join the pilot	There may be IT infrastructure costs that the YJB are not able to identify at present, thus may need funding.	Youth Justice Board to re issues project plan.	Complete in early 2005	Green	Green	Green	None	None	£10,000	None	None	Tolis Vouyoukas	YJB Grant ?	RYOGENS	£10k reqd for RYogens
2	Community Information	Empowering and supporting local organisations, community groups and clubs to create and maintain their own information online, including the promotion of job vacancies and events	G2	Good	Low			Good					Green	Green	Green			£0				n/a		Technology in Place, but Owner required
2	Community Information	Agreed baseline & targets for customer satisfaction and efficiency savings between the supplying organisations on shared community information objectives	E2	Excellent				Excellent					Green	Green	Green								n/a	
3	Democratic Renewal	Public access to reports, minutes and agendas from past council meetings, including a future meetings diary updated daily	R5	Required	Green	Corporate Strategy	Jay Tailor Phone 0208 227 2695 Mobile 0797111698	Green	Provided under modern.gov system				Green	Green	Green	£30,000					John Dawe		e-Democracy electoral modernisation LAWS	
3	Democratic Renewal	Providing every Councilor with the option to have an easy-to-manage set of public web pages (for community leadership purposes) that is either maintained for them, or that they can maintain themselves.	R6	Required	Green	Corporate Strategy	Jay Tailor Phone 0208 227 2695 Mobile 0797111698	Green	Development work done by the Web Team				Green	Green	Green	£2,000					John Dawe		e-Democracy electoral modernisation LAWS	
3	Democratic Renewal	Citizen participation and response to forthcoming consultations and decisions on matters of public interest (e-consultation), including facility for citizens to sign-up for email and/or SMS text alerts on nominated topics	G3	Good	Low	Corporate Strategy	Jay Tailor Phone 0208 227 2695 Mobile 0797111698	Good	The online e-consultations is in use and available on the web, but does not have the facility for SMS texting.	No SMS texting, requires funding and resources			Green	Green	Green			£20,000			Naomi Goldberg		e-Democracy electoral modernisation LAWS	£20,000 for SMS
3	Democratic Renewal	Establishment of multimedia resources on local policy priorities accessible via public website (e.g. video & audio files)	G4	Good	Green	DEAL	SL (0208270 4895)	Good	None	Project needed but decisions need to be made on exactly what resources are needed. Conflicts with accessibility guidelines	Recording sessions needed	These can be incrementally added during the coming year	Green	Green	Green	None	None	£0	None		David Evans		LAWS	
3	Democratic Renewal	Establishment of multimedia resources on local policy priorities accessible via public website (e.g. video & audio files)	G4	Good	Low	Corporate Strategy	Jay Tailor Phone 0208 227 2695 Mobile 0797111698	Good	A decision needed on whether to pursue wecasting of meetings. Subject to funding will need both additional technical				Green	Green	Green				£35,000 per year		John Dawe		LAWS	
3	Democratic Renewal	Agreed baseline and targets for e-participation activities, including targets for citizen satisfaction	E3	Excellent				Excellent					Green	Green	Green									

No.	Priority Area	Priority Outcome	ODPM Ref.	ODPM Priority	LBB Priority	Lead LBB Dept.	LBB contacts	LBBD Current Status (May 2004)	Current progress (description)	Gap (description)	Required Development	Timescale	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Committed Capital Cost	Committed Revenue Cost	Estimated Capital Cost	Estimated Revenue Cost	Revenue Savings	Designated Officer	Funding opportunities	Relevant National Projects	Comment
4	Local Environment	Public reporting/applications, procurement and tracking of environmental services, including waste management and street scene (e.g. abandoned cars, graffiti removal, bulky waste removal, recycling)	R7	Required	High	DRE	Jack McKeown Phone 0208 227 3500; mobile 0797 1111 708	The public can report environment items on the Web, but not track them. There are plans to include this in our Customer First program which will link to the corporate GIS	A system needs to be written linking the Web to Customer First and the GIS systems & from there to the back-end systems	Development to the CRM, GIS Web, Synology, Fair & South Bank systems	This is a large project which needs to be started soon if it is to be delivered within the government deadlines	Requires funding	Requires funding	Requires funding	None	None	£60,000	Other than maintenance costs at say £15k pa, there should be no additional costs	None	Jack McKeown	eGov?	PARSOL Knowledge Management LAWS Planning Portal NLPG NLIS Local Environment	This requires funding. This has not been started and will require collaboration with H&H, Customer First & the GIS & Web groups. It will require specifying, etc. It can be combined with G5. A ballpark estimate in the region of £60k and will dovetail with what Customer First are doing with the CRM system.	
4	Local Environment	Receipt and processing of planning and building control applications	R8	Required	Green	DRE	Jack McKeown Phone 0208 227 3500; mobile 0797 1111 708	LBB has signed up for the Planning Portal for submission of planning applications. Docs systems is in place for document management. iDocs web is purchased, awaiting implementation. Submit-a-Plan purchased for submission of Building Control applications	This system requires the implementation of the Radius deployment system. This has been purchased by the Customer First group. This requires resources from the iDocs web is purchased, Customer First IT group. This can be paid for by the Planning division from the Planning Development Grant	The Planning department has developed the link to the Planning Portal.	Phase 1 is imminent. The full implementation requires allocation of resources from IT systems development.	A	A	£47,000	£20,000		Ongoing costs are being met from the Planning division budgets	None	Peter Wright	Planning Development Grant	PARSOL Planning Portal NLPG	This has been funded. eGov money to cover Capital costs. Planning Revenue Grant for revenue costs. It has been implemented & does not require additional resources		
4	Local Environment	Public Access to Geographic Information Systems (GIS) for map-based data presentation of property-related information	G5	Good	High	DRE	Jack McKeown Phone 0208 227 3500; mobile 0797 1111 708	LBB has a corporate GIS (ESRI). This is linked to the Planning & Land charges systems & the corporate Gazatteer Management System. There are 37 complete layers on the GIS. A project is required to explore which of these (& other layers) should be displayed on the Web.	See R7	LBB has a corporate GIS (ESRI). This is linked to the Planning & Land charges systems & the corporate Gazatteer Management System. There are 37 complete layers on the GIS. A project is required to explore which of these (& other layers) should be displayed on the Web.	As previous column	See R7	R - Planning		£0	£0	£21,000	Cost of ongoing data cleaning to be estimated	Nil	Jack McKeown	eGov?	PARSOL	This requires funding. This has not been started and will require collaboration with H&H, Customer First & the GIS & Web groups. It can be combined with R7. This links with the Customer First work and a ballpark estimate in the region of £30k is required with revenue costs of £5k pa.	
4	Local Environment	Sharing of Trading Standards data between councils for business planning and enforcement purposes	G6	Good	Low	Housing and Health (H and CS)	G Randall Phone 0208 227 5760	Watching the progress of the National project. This includes a link to the FLARE system that we use and we can implement.	Join National Project Purchase and implement the link between National project and FLARE. Clean our data.			Evaluate National project June 2005. Clean data	A - Implementing		£0	£0	£26,000	Cost of ongoing data cleaning to be estimated	None				High risk of being unable to clean data £21,000 (£1,000 for FLARE link; £20,000 for data cleaning). These are rough estimates based on advice from the National Project	
4	Local Environment	Use of technology to integrate planning, regulation and licensing functions (including Entertainment Licensing & Liquor Licensing) in order to improve policy and decision-making processes around the prevention of anti-social behaviour	G7	Good	High	Housing and Health (H and CS)	G Randall Phone 0208 227 5760	We have placed orders with the software supplier (FLARE) for the creation of a link to our web site and for consultancy to set up screens needed. We are looking for web based forms.	Design web forms. Specify and implement link from FLARE to web site. Install web server if needed. Configure FLARE and test. Train staff.	As for Gap	Implement on by February 2005	A - Implementing		£1,200	£1,200	£26,000	None. This system is designed to perform liquor licensing which is a new function for	None					PARSOL	This requires funding. This has not been started and will require collaboration with H&H, Customer First & the GIS & Web groups. It can be combined with R7. This links with the Customer First work and a ballpark estimate in the region of £30k is required with revenue costs of £5k pa.
4	Local Environment	Agreed baseline and targets for take-up of planning and regulatory services online, including targets for customer satisfaction and efficiency savings	E4	Excellent																				
5	E-Procurement	Appropriate e-procurement solutions in place, including as a minimum paperless ordering, invoicing and payment	R9	Required	High	Finance	Jay Taylor Phone 0208 227 2695 Mobile 0797111698																	Oracle E-procure module
5	E-Procurement	Establishment of a single business account (i.e. a cross-departmental account) run by the local authority whereby businesses are allocated a unique identifier that can be managed via a corporate CRM account facility supporting face-to-face, website and contact centre transactions	G8	Good	High	Finance	Jay Taylor Phone 0208 227 2695 Mobile 0797111698																	£100k for CRM/ORACLE link
5	E-Procurement	Regional co-operation on e-procurement between local councils	G9	Good	High	Finance	Jay Taylor Phone 0208 227 2695 Mobile 0797111698																	Participating in the NE London Group to share procure development See R3/G8
5	E-Procurement	Access to virtual e-procurement 'marketplace' established	E5	Excellent																				
5	E-Procurement	Inclusion of Small and Medium Enterprises (SMEs) in e-procurement programme, in order to promote the advantages of e-procurement to local suppliers and retain economic development benefits within local community	E6	Excellent																				



No.	Priority Area	Priority Outcome	ODPM Ref.	ODPM Priority	LBBB Priority	Lead LBBB Dept.	LBBB contacts	LBBB Current (May 2004) Status	Current progress (description)	Gap (description)	Required Development	Timescale	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Committed Capital Cost	Committed Revenue Cost	Estimated Capital Cost	Estimated Revenue Cost	Revenue Savings	Designated Officer	Funding opportunities	Relevant National Projects	Comment
5	E-Procurement	Agreed targets for efficiency savings by December 2006, including the % of undisputed invoices paid in 30 days (BVPI 8)	E7	Excellent																				
6	Payments	Payments to the council in ways that engender public trust and confidence in local government electronic solutions (e.g. email receipting/proof of payment, supply of automatic transaction ID numbers)	R10	Required	Green	Finance	Jay Tailor Phone 0208 227 2695 Mobile 07971111698	Live, more facilities in Radius i-pay software, funding required for the module.													Lee Phanco	e-Pay LAWS Valuebill SmartCards Government Gateway		
6	Payments	Delivery of 'added value' around online payment facilities, including ability to check Council Tax and Business Rate balances online via touch-tone telephone dialling.	R11	Required	High	Finance	Jay Tailor Phone 0208 227 2695 Mobile 07971111698	On-line & touch tone telephone payment facilities. This currently exists for all forms of payments i.e. Council Tax, Business Rates, Rent, Car, Parking fines, Home Loans and any invoices received from the Council. On-line Balances. This is	On-line balance enquiry facility for Business Rates will require upgrade to the present system at a cost of £50K.							£50,000					Lee Phanco	e-Pay LAWS Valuebill SmartCards Government Gateway	Upgrade to present system	
6	Payments	Demonstration of efficiency savings and improved collection rates from implementation of e-payments	G10	Good	Green	Finance	Jay Tailor Phone 0208 227 2695 Mobile 07971111698	Significant reduction in Cashiers establishment (approx 5 FTEs) costs over the past 4 to 5 years since the introduction of e-payment facilities. In addition, there has been an increase in DD payers on Clax over the past 2 years. (£15,000 in 2001/2 and now	Further increases in take up of DD and increased use of e-payment facilities by our customer base												Lee Phanco	e-Pay LAWS Valuebill SmartCards Government Gateway		
6	Payments	Registration for Council Tax and Business Rates e-billing for Direct Debt payers	G11	Good	High	Finance	Jay Tailor Phone 0208 227 2695 Mobile 07971111698	Not currently available for either Clax or Business Rates	Need to explore what can be done for Clax, but Business rate upgrade referred to in R11 above will deliver e-billing for Business Rates							£50,000					Lee Phanco	e-Pay Valuebill Government Gateway	Requested by Bola	
6	Payments	Provision of facilities for making credit or debit card payments via SMS text message for parking fines (mobile phone)	E8	Excellent		Finance	Jay Tailor Phone 0208 227 2695 Mobile 07971111698	Not currently available	Funding required															£20,000 Not included in bid as E projects not included
6	Payments	Adoption of smart cards as standard for stored payments (e.g. replacing swipe cards)	E9	Excellent		Finance	Jay Tailor Phone 0208 227 2695 Mobile 07971111698	Not currently available	Funding required															£20,000 Not included in bid as E projects not included
6	Payments	Agreed baseline and targets for reductions in unit costs of payment transactions	E10	Excellent		Finance	Jay Tailor Phone 0208 227 2695 Mobile 07971111698	Same as G10																
7	Libraries, Sports & Leisure	Renewal and reservation of library books and catalogue search facilities	R12	Required	High	DEAL	SL 0208270 4895	None	Library system to be replaced by end 2005 as the existing system will not be supported by this date, and does not meet the requirements for e-GIF, e-GMS and accessibility.	Library system to be replaced by end 2005 as the existing system will not be supported by this date, and does not meet the requirements for e-GIF, e-GMS and accessibility.	Evaluation and purchase of new library system with appropriate accessible web front-end.	Needed by end 2005			None		Funded		None	Trevor Brown	LAWS SmartCards		Up to £250,000 required - Includes G12	
7	Libraries, Sports & Leisure	Booking of sports and leisure facilities, including both direct and contracted out operations	R13	Required	Green	DRE	Jack McKeown Phone 0208 227 3500 Mobile 07971111708	Funds have been approved for online booking for Sports & Leisure facilities. LBBB are currently merging Leisure Centres onto a corporate system prior to making the system available on the Web & via a direct phone-booking system.	Funds have been approved for online booking for Sports & Leisure facilities. LBBB are currently merging Leisure Centres onto a corporate system prior to making the system available on the Web & via a direct phone-booking system.	Gladstone MRM, who supply the Sports Centre system, have been commissioned to implement Web & phone booking	Web bookings are due by March 2005, followed by phone booking.			20000 committed	3000 committed		Ongoing costs are being met from the Leisure centres budgets	None	None	Elaine Bevis	LAWS SmartCards		This has been funded. It is being implemented & does not require additional resources	
7	Libraries, Sports & Leisure	Integrated ICT infrastructure and support to ensure the consistent delivery of services across all access channels (e.g. Web, telephone, face-to-face) based on e-enabled backoffices and smartcard interfaces for Council library, sports and leisure services	G12	Good	High	DEAL	SL 0208270 4895		To be done as part of R12							£0						LAWS SmartCards		See R12 - To be included by SL when Library system is being replaced. - considering all Smartcard options with aim of developing a single card where possible. Considering the impact of the NHS card
7	Libraries, Sports & Leisure	Agreed baseline and targets for take-up of library, sports and leisure services online, including targets for customer satisfaction and efficiency savings	E11	Excellent																		LAWS SmartCards		

No.	Priority Area	Priority Outcome	ODPM Ref.	ODPM Priority	LBBB Priority	Lead LBBB Dept.	LBBB contacts	LBBB Current (May 2004) Status	Current progress (description)	Gap (description)	Required Development	Timescale	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Committed Capital Cost	Committed Revenue Cost	Estimated Capital Cost	Estimated Revenue Cost	Revenue Savings	Designated Officer	Funding opportunities	Relevant National Projects	Comment
8	Transport	The public to inspect local information via available including links to live systems for interactive journey planning.	R14	Required	Green	DRE	Jack McKeown phone 0208 227 3500; mobile 0797 1111 708	Green	The LBBB website is linked to the Transport for London (TFL) site which has these facilities	None	This has been delivered	Completed	Green	Green	Green	None	None	None	None	None	Mike Livesey	None	Transport Direct	This is completed in that we have a link to www.tfl.gov.uk
8	Transport	Public e-consultation facilities for new proposals on traffic management (e.g. controlled parking zones (CPZ's), traffic calming schemes), including publication of consultation survey results.	R15	Required	Green	DRE	Jack McKeown phone 0208 227 3500; mobile 0797 1111 708	Green	The online e-consultation system is in use on the web. It needs to be developed further for each of the areas that require consultation	This project is awaiting user resources. To generate the consultations. These are planned for to be in place following a reorganisation later in 2004.	The online e-consultation system is in use on the web. It needs to be developed further for each of the areas that require consultation	To be determined	Red	Red	Red	None	None	None	This project should be managed within current revenue budgets	None	Nick Kingham	None	n/a	This will be implemented when the Consultation officer is appointed in DRE
8	Transport	E-forms for parking contravention mitigation (i.e. appeal against the issue of a penalty charge notice), including email notification of form receipt and appeal procedures.	G13	Good	Medium	DRE	Jack McKeown phone 0208 227 3500; mobile 0797 1111 708	Medium	This project is awaiting resources, but could be delivered in late 2004.	The necessary Web Forms are to be designed.	This requires work by the Parking Manager & the Web team		Red	Red	Red	None	None	£20,000	This project should be managed within current revenue budgets	None	Nick Florence	None	n/a	This is being investigated by Nick Florence
8	Transport	GIS-based presentation of information on roadworks in the local area, including contact details and updated daily.	G14	Good	High	DRE	Jack McKeown phone 0208 227 3500; mobile 0797 1111 708	High	This project is planned for 2005, but requires resources.	Synology changes to the system	Synology have been commissioned to implement this project	Awaiting Government timescales	Red	Red	Red	£15,000	None	Funded from Street Works budget	None	None	Dick Ellom	None	n/a	This is being commissioned, but the implementation date keeps getting changed by central government. It will be funded by revenue
8	Transport	Agreed baseline and targets for customer satisfaction and efficiency savings.	E12	Excellent																				
9	Benefits	Enabled one stop resolution of Housing & Council Tax Benefit enquiries via telephone, contact centres, or via one-stop shops using workflow tools and CRM software to provide information at all appropriate locations and enable electronic working from front to back office.	R16	Required	Medium	Finance	Mike Mickleburgh	Medium	Decision to be made by the R&B Programme Board				Red	Red	Red			£0			R&B Project Board	None	Benefits project Enterprise Workflow CRM Government Gateway NOMAD (mobile technology)	Included in Customer First budgets
9	Benefits	Citizens or their agents to check their eligibility for and calculate their entitlement to Housing & Council Tax Benefit and to download and print relevant claim forms	R17	Required	Medium	Finance	Jay Tailor Phone 0208 227 2695 Mobile 07971111698	Medium	This facility is not currently available for Benefit claimants. E.gov requirements included in the spec for new systems, which are currently being implemented.	Plan to have this facility available via new systems			Red	Red	Red			£0			Amanda Stevens	None	Benefits project	Included in & financed by Revs & Bens project
9	Benefits	Mobile office service using technology to offer processing of Council Tax and Housing Benefit claims directly from citizens' homes	G15	Good	High	Finance	Jay Tailor Phone 0208 227 2695 Mobile 07971111698	High	This facility is not currently available for Benefit claimants. E.gov requirements included in the spec for new systems, which are currently being implemented.	Plan to have this facility available via new systems			Red	Red	Red			£0			Amanda Stevens	None	NOMAD	Included in & financed by Revs & Bens project
9	Benefits	Agreed baseline and targets for turnaround in processing of Council Tax and Housing Benefit claims (BVP1 78) and renewals	E13	Excellent																				
9	Benefits	Pre-qualification of Council Tax and Housing Benefit claimants for other eligible entitlements (e.g. school uniform grants, free school meals), including pre-filling of relevant claim forms	E14	Excellent																				
10	Support for vulnerable people	Comprehensive and dedicated information about access to local care services available over the web and telephone contact centres	R18	Required	Green	SS	Mary Fairhna 020 8227 2080	Green	Some information available on Web, current telephone contact centres have information available.	A-Z of all services to be produced - Childrens under development. Possible resources issues regarding deep linking of websites.	Recruitment of Content Management Officer post underway.	Early 2005	Green	Green	Green	None	None	None	None	None	Steven Forbes / Bruce Morris / Tolls Vouyoukas	None	FAME CRM National Project	
10	Support for vulnerable people	Remote web access or mediated access via telephone (including outside of standard working hours availability) for authorised officers to information about individual care packages, including payments, requests for service and review dates	R19	Required	Green	SS	Mary Fairhna 020 8227 2080	Green	Secure ID Card access to CTRIX being piloted across strategic areas of Social Services.	Corporate infrastructure expansions to meet the demand and resolution of Licensing issues.	GAP analysis needed and investigation into licensing issues.	March 2005	Green	Green	Green	£20,000	None	£10,000	None	None	Steven Forbes	eGov?	CRM	May link further to G16
10	Support for vulnerable people	Systems to support joined-up working on children at risk across multiple agencies	G16	Good	High	SS	Mary Fairhna 020 8227 2080	High	Project Manager recruited, ICS software being developed	Awaiting further DEFES/DOH guidance as Central Gov may decide to go with one system. Further information awaited on links into ICS and CAF Framework. Suppliers ability to deliver in time is guidance is produced later than expected. No current connection	Encrypted email required across Borough. Again code of Connection, Security Policies in line with BS7799 National guidance needs to be signed off.	Work needs to start early 2005.	Red	Red	Red	None	None	£50,000	None	None	Tolls Vouyoukas	eGov?	IRT	Will link further to G17 & R19. Includes cost of line.

No.	Priority Area	Priority Outcome	ODPM Ref.	ODPM Priority	LBBB Priority	Lead LBBB Dept.	LBBB contacts	LBBB Current (May 2004) Status	Current progress (description)	Gap (description)	Required Development	Timescale	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Committed Capital Cost	Committed Revenue Cost	Estimated Capital Cost	Estimated Revenue Cost	Revenue Savings	Designated Officer	Funding opportunities	Relevant National Projects	Comment
10	Support for vulnerable people	Joint assessments of the needs of vulnerable people (children and adults), using mobile technology to support workers in the field.	G17	Good	High	SS	Mary Farinha (020 8227 2080)	Red	Mobile working pilots underway in OPS services using tablet technology and Bluetooth/GS and Antie @ work mobile solutions	Depending on E-form which will be piloted under G16, how we proceed with the different options available. Costs of Tablets for each Social Worker.	Implementation of E-forms and set up of GS cards. Lack of IT and information staff time.	March 2005	Yellow	Yellow	Green	£200,000	?	£500,000	100,000 ?	Undetermined	Stephen Forbes / Tolis Vouyoukas	Possible part funding from DOH/DIES, Health Partners	NOMAD	400+ tablets need to be replaced regularly
10	Support for vulnerable people	Agreed baseline and targets for customer satisfaction, including improvement in numbers of users/carers who said that they got help quickly (BVPI 57)	E15	Excellent				Green														na		
11	Supporting new ways of working	Email and internet access provided for all Members and staff that establish a need for it.	R20	Required	Green			Green														na		
11	Supporting new ways of working	ICT support and documented policy for home/remote working (teleworking) for council members and staff	R21	Required	Green			Green														na		
11	Supporting new ways of working	Access to home/remote working facilities to all council members and staff that satisfy the requirements set by the Council's published home/remote working policy.	R22	Required	Medium		Mick Franklin	Yellow										£50,000				na	Estimated capital cost to convert existing ISDN connectivity to ADSL	
11	Supporting new ways of working	Establishment of e-skills training programme for council members and staff with recognised basic level of attainment (e.g. European Computer Driving Licence, British Computer Society Qualification "e-Citizen").	G18	Good	Medium		Ann Graveslock	Yellow										£10,000				na	Co-ordination of ECDL training development (£10,000 for Plick-Sarah)	
11	Supporting new ways of working	Agreed targets for baseline and efficiency savings arising from the introduction of new ways of working.	E16	Excellent																		na		
12	Accessibility of services	Self-service or mediated access to all council services outside standard working hours via the internet or telephone contact centres (i.e. available for extended hours outside of 9am-5pm Monday to Friday)	R23	Required	High	Customer First			In-house development of CMS underway	Elements of devolved content management already in place	Web team development time approx 3-4 months	beta testing by April 2005	Green	Green	Green	None	None	£0	None	None	Joe Havill		LAWIS E-Citizen	Included in Customer First budgets
12	Accessibility of services	Implementation of a content management system (CMS) to facilitate devolved web content creation and website management.	R24	Required	Green	DEAL	SL (0208270 4895)	Green										£0	None	None			LAWIS E-Citizen	
12	Accessibility of services	Adoption of ISO15489 methodology for Electronic Document Records Management (ERDM) and identification of areas where current records management policies, procedures and systems need improvement to meet the requirements of Freedom of Information (FOI) and Data Protection legislation (see <a href="http://www.pro.gov.uk/about/foi/map-local.rtf">www.pro.gov.uk/about/foi/map-local.rtf</a> ).	G19	Good	Medium	Corporate Strategy	Jay Tailor Phone 0208 227 2835 Mobile 0797111698	Red	Work has just starting on documents retention and disposal policies as a first stage of good records management across the Council.	Records management policies, procedures and systems are lacking. Once on air in place, the next stage will be to consider ERDM options.	Funding and resources required.		Red	Red	Red	None	£30,000	£30,000		Nina Clark		na	£300k + £50k project management (Estimates by Sarah Bryant)	
12	Accessibility of services	Conformance with level AA of W3C Web Accessibility Initiative (WAI) standards on website accessibility (see <a href="http://www.w3.org/WAI/">www.w3.org/WAI/</a> ).	G20	Good	Green	DEAL	SL (0208270 4895)	Green	Implemented	Ongoing development as more applications are enabled	Existing resources	ongoing	Green	Green	Green	None	None	£0	None	None	David Evans		LAWIS	
12	Accessibility of services	Compliance with Government Interoperability Framework (e-GIF), including the Government Metadata Standard (e-GMS)	G21	Good	Green			Green										£0					na	Email from SL on 02/11 stated as far as e-GMS on the web is concerned, the actual page content will be fully compliant by the end of Dec 2005. Downloads won't be, and there is no programme in place to apply metadata to existing council documents (whether for download or not) that I am aware of. eGIF being done as packages become XML compliant
12	Accessibility of services	Agreed baseline and targets around improved accessibility of services and information.	E17	Excellent																		na		
13	High take up of web-based transactional services	Publication of Internet service standards, including past performance and commitments on service availability	R25	Required	Green	Finance (IM&T)	John Bagley (0208227 2091)	Red	Implemented									£0	None	None	John Bagley		e-Citizen	
13	High take up of web-based transactional services	Monitoring of performance of corporate website, or regional web portal, between 2003/04 and 2005/06 in order to demonstrate rising and sustained use, as measured by industry standards including page impressions and unique users.	R26	Required	Green	DEAL	SL (0208270 4895)	Green	Implemented									£0	None	None	Joe Havill		LAWIS	

No.	Priority Area	Priority Outcome	ODPM Ref.	ODPM Priority	LBBB Priority	Lead LBBB Dept.	LBBB contacts	LBBB Current (May 2004) Status	Current progress (description)	Gap (description)	Required Development	Timescale	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Committed Capital Cost	Committed Revenue Cost	Estimated Capital Cost	Estimated Revenue Cost	Revenue Savings	Designated Officer	Funding opportunities	Relevant National Projects	Comment
13	High take up of web-based transactional services	Establishment of internal targets and measures for customer take-up of e-enabled access channels	G22	Good	Low	Corporate Strategy/ Customer First	Mike Mickleburgh - 020 8227 227	Green	Implemented							£25,000		£25,000		None	David Evans	LAWS		
13	High take up of web-based transactional services	Adoption of recognised guidelines for usability of website design (see www.laws-project.org.uk)	G23	Good	Green	DEAL	SL 0208270 4895									£0	None	£0	None			LAWS		
13	High take up of web-based transactional services	Agreed baseline and take-up targets for migration of local authority business to e-access channels (e.g. web, telephone contact centres, Interactive Digital TV, mobile telephone) by 2005/06, including efficiency savings.	E18	Excellent																		LAWS e-Citizen		
14	Making it easy for citizens to do business with the Council	Systems in place to ensure effective and consistent customer relationship management across access channels and to provide a 'first time fix' for citizen and business enquiries. i.e. using a common database, which holds customer's records, to deliver services across different channels, and enabling joined-up and automated service delivery	R27	Required	Green	Corporate Strategy/ Customer First	Mike Mickleburgh - 020 8227 227	Green								£0		£0	£0			CRM Working with Business NLPG	Phase 1 of Customer First Programme complete. Subsequent phases will address consistent approach - but only when full programme completion has been achieved can a 'Green' status be declared - No further budgets reqd	
14	Making it easy for citizens to do business with the Council	All email and web form acknowledgements to include unique reference number allocated to allow tracking of enquiry and service response	R28	Required	Green	Corporate Strategy/ Customer First	Mike Mickleburgh - 020 8227 227	Green								£0		£0	£0			CRM Working with Business NLPG	Same comments as above. Acknowledgements are through a mediated 'clearing house' type function provided by Call Centre - No further budgets reqd	
14	Making it easy for citizens to do business with the Council	100% of email enquiries from the public responded to within one working day, with documented corporate performance standards for both email acknowledgements and service replies.	R29	Required	Green	Corporate Strategy/ Customer First	Mike Mickleburgh - 020 8227 227	Green								£0		£0	£0			CRM	documented standards can be easily achieved. Issue of responding to emails within 1 working day as this is not the case for conventional postage - so equality of service/social inclusion issues to be resolved - No further budgets reqd	
14	Making it easy for citizens to do business with the Council	Integration of customer relationship management systems with back office activity through use of enabling technology such as Workflow to create complete automation of business process	G24	Good	Green	Corporate Strategy/ Customer First	Mike Mickleburgh - 020 8227 227	Green								£0		£0	£0			CRM	Phased implementation of CRM enabled contact centre using CRM with integration links to back office systems. Overall programme runs for a further 3 years into 2006/7. - No further budgets reqd	
14	Making it easy for citizens to do business with the Council	Facilities to support the single notification of a change of address, i.e. a citizen should only have to tell the council they have moved on one occasion and the council should then be able to update all records relating to that person to include the new address.	G25	Good	High	Corporate Strategy/ Customer First	Mike Mickleburgh - 020 8227 227	High								£25,000		£25,000	£0			CRM NLPG	Dependant on roll-out of Customer First programme as noted above.	
14	Making it easy for citizens to do business with the Council	Agreed baseline and improvement targets for the percentage of public enquiries about council services resolved at first point of contact and efficiency savings resulting from investment in customer relationship management and workflow technology.	E19	Excellent																		CRM		

Total  
High  
Medium  
Low  
E priority

Required 29 38%  
Good 26 35%  
Excellent 19 26%  
Total 74

£2,353,000  
£1,847,000  
£430,000  
£76,000  
£0  
£2,353,000

No.	Priority Area	Priority Outcome	ODPM Ref.	ODPM Priority	LBBB Priority	Lead LBBB Dept.	LBBB contacts	LBBB Current (May 2004) Status	Current progress (description)	Gap (description)	Required Development	Timescale	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Committed Capital Cost	Committed Revenue Cost	Estimated Capital Cost	Estimated Revenue Cost	Revenue Savings	Designated Officer	Funding opportunities	Relevant National Projects	Comment
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## Appendix 2

### Analysis of IEG Statements

	Actual 2003/04	Forecast 2004/05	Forecast 2005/06	CPA Rating 2004
<b>From London Connects website</b>				
Barking & Dagenham	53.00%	90.22%		Fair
Bromley	53.98%	100.00%	100.00%	Good
Camden	49.96%	78.63%	100.00%	Excellent
Corporation of London	43.97%	89.88%	100.00%	Excellent
Croydon	84.78%	96.61%	100.00%	Good
Greenwich	89.96%	95.82%	100.00%	Good
Hackney	28.57%	66.37%	97.43%	Weak
Harrow	39.14%	73.16%	100.00%	Fair
Hillingdon	67.26%	85.73%	100.00%	Weak
Islington	67.30%	81.50%	100.00%	Good
Kensington	83.59%	97.34%	100.00%	Excellent
Kingston	92.44%	98.67%	100.00%	Poor
Newham	91.41%	94.80%	94.80%	Good
Sutton	83.63%	93.51%	100.00%	Good
Tower Hamlets	67.33%	67.33%	67.33%	Good
Transport for London	80.00%	90.00%	100.00%	N/A
Westminster	69.73%	100.00%	100.00%	Excellent
<b>From Emails</b>				
Brent	74.67%	87.29%	100.00%	Good
Wandsworth	61.91%	82.59%	95.00%	Excellent
Haringey		83.00%		Fair
Lewisham		99.96%		Good
Hammersmith & Fulham		61.00%		Excellent
Richmond	70.00%	50.00%		Good
Average	67.63%	85.37%	97.48%	

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# eGov Budget Report 1st February 2005: Appendix 3 Priority Outcomes Gap Analysis

No.	Priority Outcome	ODPM Ref.	LBBB Priority	Lead LBBB Dept	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Estimated Capital Cost	Estimated Revenue Cost
1	Parents/guardians to apply online for school places for children for the 2007 school year.	R1	High	DEAL	Yellow	Yellow	Green	£6,000	
2	Local authority and youth justice agencies to co-ordinate the secure sending, sharing of and access to information in support of crime reduction initiatives in partnership with the local community	R4	Low	SS	Yellow	Green	Green	£10,000	
2	Empowering and supporting local organisations, community groups and clubs to create and maintain their own information online, including the promotion of job vacancies and events	G2	Low		Yellow	Yellow	Yellow	£0	
3	Citizen participation and response to forthcoming consultations and decisions on matters of public interest (e-consultation), including facility for citizens to sign-up for email and/or SMS text alerts on nominated topics	G3	Low	Corporate Strategy	Yellow	Yellow	Yellow	£20,000	
3	Establishment of multimedia resources on local policy priorities accessible via public website (e.g. video & audio files)	G4	Low	Corporate Strategy	Red	Red	Red		

## eGov Budget Report 1st February 2005: Appendix 3 Priority Outcomes Gap Analysis

No.	Priority Outcome	ODPM Ref.	LBBB Priority	Lead LBBB Dept	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Estimated Capital Cost	Estimated Revenue Cost
4	Public reporting/applications, procurement and tracking of environmental services, including waste management and street scene (e.g. abandoned cars, graffiti removal, bulky waste removal, recycling)	R7	High	DRE	Requires funding	Requires funding	Requires funding	£60,000	
4	Public Access to Geographic Information Systems (GIS) for map-based data presentation of property-related information	G5	High	DRE				£60,000	
4	Sharing of Trading Standards data between councils for business planning and enforcement purposes	G6	Low	Housing and Health (H and CS)	R - Planning	A - Implementing	G - Live	£21,000	Cost of ongoing data cleaning to be estimated
4	Use of technology to integrate planning, regulation and licensing functions (including Entertainment Licensing & Liquor Licensing) in order to improve policy and decision-making processes around the prevention of anti-social behaviour	G7	High	Housing and Health (H and CS)	R - Planning	A - Implementing	G - Live	£26,000	

## eGov Budget Report 1st February 2005: Appendix 3 Priority Outcomes Gap Analysis

No.	Priority Outcome	ODPM Ref.	LBBB Priority	Lead LBBB Dept	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Estimated Capital Cost	Estimated Revenue Cost
5	Appropriate e-procurement solutions in place, including as a minimum paperless ordering, invoicing and payment	R9	High	Finance				£530,000	£20,000
5	Establishment of a single business account (i.e. a cross-departmental 'account' run by the local authority whereby businesses are allocated a unique identifier that can be managed via a corporate CRM account facility supporting face-to-face, website and contact centre transactions	G8	High	Finance				£100,000	£10,000
6	Delivery of 'added value' around online payment facilities, including ability to check Council Tax and Business Rate balances online via touch-tone telephone dialling.	R11	High	Finance				£50,000	
6	Registration for Council Tax and Business Rates e-billing for Direct Debit payers	G11	High	Finance				£50,000	

## eGov Budget Report 1st February 2005: Appendix 3 Priority Outcomes Gap Analysis

No.	Priority Outcome	ODPM Ref.	LBBB Priority	Lead LBBB Dept	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Estimated Capital Cost	Estimated Revenue Cost
7	Renewal and reservation of library books and catalogue search facilities	R12	High	DEAL				£250,000	
7	Integrated ICT infrastructure and support to ensure the consistent delivery of services across all access channels (e.g. Web, telephone, face-to-face) based on e-enabled backoffices and smartcard interfaces for Council library, sports and leisure services	G12	High	DEAL				£0	
8	E-forms for 'parking contravention mitigation' (i.e. appeal against the issue of a penalty charge notice), including email notification of form receipt and appeal procedures.	G13	Medium	DRE				£20,000	
8	GIS-based presentation of information on roadworks in the local area, including contact details and updated daily.	G14	High	DRE		A - Likely delivery, but depends on government timescales		£0	

# eGov Budget Report 1st February 2005: Appendix 3 Priority Outcomes Gap Analysis

No.	Priority Outcome	ODPM Ref.	LBBB Priority	Lead LBBB Dept	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Estimated Capital Cost	Estimated Revenue Cost
10	Systems to support joined-up working on children at risk across multiple agencies	G16	High	SS	Red	Yellow	Green	£190,000	£50,000
10	Joint assessments of the needs of vulnerable people (children and adults), using mobile technology to support workers in the field.	G17	High	SS	Yellow	Yellow	Green	£500,000	£100,000
11	Access to home/remote working facilities to all council members and staff that satisfy the requirements set by the Council's published home/remote working policy.	R22	Medium		Green	Green	Green	£50,000	
11	Establishment of e-skills training programme for council members and staff with recognised basic level of attainment (e.g. European Computer Driving Licence, British Computer Society Qualification "e-Citizen").	G18	Medium		Green	Green	Green	£10,000	
12	Adoption of ISO15489 methodology for Electronic Document Records Management (ERDM) and identification of areas where current records management policies, procedures and systems need improvement to meet the requirements of Freedom of Information (FOI) and Data Protection legislation (see <a href="http://www.pro.gov.uk/about/foi/map-local.rtf">www.pro.gov.uk/about/foi/map-local.rtf</a> ).	G19	Medium	Corporate Strategy	Red	Red	Yellow	£350,000	£30,000

## eGov Budget Report 1st February 2005: Appendix 3 Priority Outcomes Gap Analysis

No.	Priority Outcome	ODPM Ref.	LBBB Priority	Lead LBBB Dept	Forecast status at 31/03/2005	Forecast status at 31/12/2005	Forecast status at 31/03/2006	Estimated Capital Cost	Estimated Revenue Cost
13	Establishment of internal targets and measures for customer take-up of e-enabled access channels	G22	Low	Corporate Strategy/ Customer First				£25,000	
14	Facilities to support the single notification of a change of address, i.e. a citizen should only have to tell the council they have moved on one occasion and the council should then be able to update all records relating to that person to include the new address.	G25	High	Corporate Strategy/ Customer First				£25,000	
<p><b>10% contingency to be added to the figures above to give a total of £2,588,300</b></p>									

Total	£2,353,000
High	£1,847,000
Medium	£430,000
Low	£76,000
	£0
Total	£2,353,000
Contingency	£235,300
<b>Grand Total</b>	<b>£2,588,300</b>

## THE EXECUTIVE

22 FEBRUARY 2005

## REPORT FROM THE DIRECTOR OF FINANCE

<b>ESTABLISHMENT OF THE E-GOVERNMENT PROGRAMME UNIT</b>	<b>FOR DECISION</b>	
<p><i>This report details the establishment of a temporary e-government programme unit to deliver the e-government agenda across the Council.</i></p> <p><b>Summary</b></p> <p>This report outlines the need to establish an e-government programme unit which will drive forward the e-government agenda across the Council. The unit will be responsible for establishing and delivering e-government projects that meet the Governments priority outcomes and the implementation of BVPI 157, which is focussed on delivering 100% of services electronically by December 2005.</p> <p><b>Recommendations</b></p> <p>The Executive is asked to approve the following:</p> <ol style="list-style-type: none"> <li>1. The establishment of an e-government programme unit in the Information Management and Technology (IM+T) Division, funded from existing budgets; and</li> <li>2. The use of temporary staff for a period not exceeding 18 months to undertake the tasks set out in paragraph 2.6 of the report.</li> </ol> <p><b>Reason</b></p> <p>Executive are asked to consider and approve the establishment of the programme unit to drive forward the e-government agenda across the Council.</p>		
<p><b>Contact Officer</b> Sarah Bryant</p>	<p>Head of Information Management and Technology</p>	<p>Tel: 020 8227 2015 Fax: 020 8227 2060 Minicom: 020 8227 2685 E-mail <a href="mailto:sarah.bryant@lbbd.gov.uk">sarah.bryant@lbbd.gov.uk</a></p>

**1. Background**

- 1.1 The delivery of the e-government agenda across the Council has been mainly driven by Departmental IT Managers, working with Departments on projects identified within each department.
- 1.2 A full review across the Council of e-government was completed in December which stated that the Council has achieved 53.36% e-enabling of processes and services against The Office of the Deputy Prime Minister (ODPM's) criteria for achieving BVPI 157.

1.3 This along with achieving 'Green Status' on the delivery of the Governments priority outcomes (as detailed in IEG Statement Dec 04) has become critical to our success in transforming the provision of services and information electronically to our customers and communities.

## **2. E-Government**

2.1 E-Government is about transforming services by being citizen focussed. It is about re-thinking everything from a citizen's point of view, improving access to services, changing our business, developing new approaches to government. IT requires imagination, innovation and an approach to managing risk. (SOCITM IT trends 2004/05).

2.2 To enable this Council to drive the e-government agenda forward it is recognised that the Council has much work to do over the next 15 months and that appropriate, clearly defined roles and responsibilities are essential for the effective and efficient management of the e-government agenda.

2.3 A comparison of other Councils has been undertaken (Appendix 1) which shows that we are in the lower range of Councils achieving BVPI 157.

2.4 At present there is no programme unit within the Council. IM+T Officers are managing the e-government agenda alongside operational and strategic duties. Therefore it is now critical that a programme unit is created and is up and running immediately to manage the e-government agenda in its entirety, otherwise there is a risk to not moving forward on e-government, and not moving forward on transforming our services, both back and front office, to our customers.

2.5 The IEG Statement provides the foundation on which the funding and priorities have been determined. A separate report details the budget required to deliver projects identified, but a team is required to implement and complete the projects.

2.6 It is therefore proposed that a team is established for a period of 18 months to:

1. Determine progress and electronic processes to meet BVPI 157 in a co-ordinated, cohesive manner;
2. Provide effective project management of corporate 'e' projects ensuring business and system integration to meet the government's e-priority outcomes;
3. Provide the management of the programme for e-government including raising the profile of and awareness of learning and development of the e-agenda;
4. Awareness of local e-government National projects;
5. Realise service improvements by working together corporately;
6. Monitor, analyse, report on and review progress against IEG Statement;
7. Work with other local authorities.

## **3. E-Government Programme Manager**

3.1 In a letter from the ODPM to the Chief Executive in June 2004, it was recommended that a post for an e-government programme manager was created.

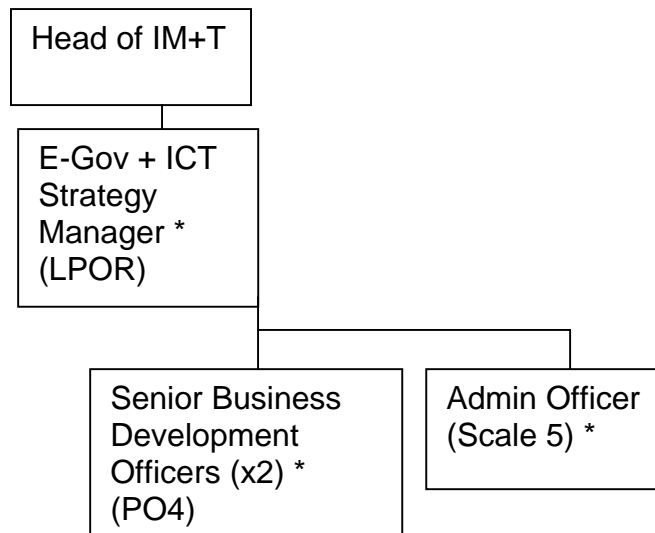


The ODPM stated:-

“In order to ensure the delivery of this programme and the necessary business, organisational, and technical change. We expect each local authority to establish an e-Delivery Board operating under Prince2 principles (and Corporate Management Group (which is TMT) sponsorship), and with a full time programme manager who will report directly to the Chief Executive and the Mayor/Leader of the Council. We would also expect this post to be full time for the period until March 2006 and may be funded from a top slice of capital projects and IEG monies within the e-delivery programme. The e-Delivery Board will need to ensure that progress is made across the local authority in all service and activity areas.”

- 3.2 In recognising that effective project management is critical to the delivery of the e-government programme the support of Business Developers and back office support of an Administrative Officer has been determined in the proposed structure. The programme Unit will work to Prince II project management principles to ensure a consistent approach to all projects.
- 3.3 The Admin Officer will also provide support on procurement, project files, BVPI 157 and undertake research and development on e-government.
- 3.4 The cost of the unit is approximately £150,000 p/a and it is proposed that the funding of this unit is made from the existing budget of IM+T, Business and Strategy Development Team.
- 3.5 The Job Descriptions and Person Specifications are currently with Human Resources undergoing Job Evaluation (Job descriptions will be made available to Members on request).

The proposed structure of the team is:



\* All new posts

- 3.6 It is therefore recommended that the proposed structure and posts be approved for a temporary 18 month period.

#### **4. Consultation:**

Lead member - Councillor McCarthy

The Management Team

Trade Unions views are being sought

#### **Background papers:**

- IEG Statement (4)
- Research on IEG Statements of London Boroughs
- ICT Strategy
- Local e-government National Projects (ODPM)

**Analysis of IEG Statements**

	Actual 2003/04	Forecast 2004/05	Forecast 2005/06	CPA Rating 2004
<b>From London Connects website</b>				
Barking & Dagenham	53.00%	90.22%		Fair
Bromley	53.98%	100.00%	100.00%	Good
Camden	49.96%	78.63%	100.00%	Excellent
Corporation of London	43.97%	89.88%	100.00%	Excellent
Croydon	84.78%	96.61%	100.00%	Good
Greenwich	89.96%	95.82%	100.00%	Good
Hackney	28.57%	66.37%	97.43%	Weak
Harrow	39.14%	73.16%	100.00%	Fair
Hillingdon	67.26%	85.73%	100.00%	Weak
Islington	67.30%	81.50%	100.00%	Good
Kensington	83.59%	97.34%	100.00%	Excellent
Kingston	92.44%	98.67%	100.00%	Poor
Newham	91.41%	94.80%	94.80%	Good
Sutton	83.63%	93.51%	100.00%	Good
Tower Hamlets	67.33%	67.33%	67.33%	Good
Transport for London	80.00%	90.00%	100.00%	N/A
Westminster	69.73%	100.00%	100.00%	Excellent
<b>From Emails</b>				
Brent	74.67%	87.29%	100.00%	Good
Wandsworth	61.91%	82.59%	95.00%	Excellent
Haringey		83.00%		Fair
Lewisham		99.96%		Good
Hammersmith & Fulham		61.00%		Excellent
Richmond	70.00%	50.00%		Good
Average	67.63%	85.37%	97.48%	

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## THE EXECUTIVE

22 FEBRUARY 2005

## REPORT OF THE DIRECTOR OF CORPORATE STRATEGY

PERFORMANCE MONITORING		FOR DISCUSSION
<p>To update the Executive on 2004/05 3<sup>rd</sup> Quarter and end of year projections (where available) for the following performance indicators:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Best Value Performance Indicators (statutory)</li> <li><input type="checkbox"/> Council Scorecard Performance Indicators</li> <li><input type="checkbox"/> PSA targets</li> </ul> <p><b>Summary</b></p> <p>This report:</p> <ul style="list-style-type: none"> <li>• Provides background information on the monitoring of the Statutory and Council Scorecard Performance Indicators detailed in Futures, Barking &amp; Dagenham's Performance Plan together with our LPSA targets.</li> <li>• Presents a series of graphs reporting performance on a number of Performance Indicators highlighted by TMT for your consideration.</li> </ul> <p><b>Recommendation</b></p> <p>The Executive is asked to discuss performance as highlighted by the performance indicators presented.</p>		
<p><b>Contact:</b> Laura Nicholls</p>	<p>Policy and Review Officer</p>	<p>Tel: 020 8227 2517 Fax: 020 8227 2806 Minicom: 020 8227 2685 E-mail: <a href="mailto:laura.nicholls@lbbd.gov.uk">laura.nicholls@lbbd.gov.uk</a></p>
<p>Naomi Goldberg</p>	<p>Head of Policy and Performance</p>	<p>Tel: 020 8227 2248 Fax: 020 8227 2806 Minicom: 020 8227 2685 E-mail: <a href="mailto:naomi.goldberg@lbbd.gov.uk">naomi.goldberg@lbbd.gov.uk</a></p>

## 1. Background

- 1.1 In June 2004, Barking & Dagenham Council published its annual Performance Plan – Futures 2004/2005 - setting out how the Authority aims to improve its services over the next 12 months. The document was published on the Council's website on 30 June 2004 and also issued to all Members, Directors and Heads of Service in the *Managing the Council* folder.

- 1.2 The Statutory Performance Indicators are National Indicators which have been determined by ODPM (Office of the Deputy Prime Minister – the Government department overseeing Best Value) and the Audit Commission.
- 1.3 The Council is required by law to collect and publish this information. In the process of developing the scorecards, services have identified key indicators for measuring improvement. This year's plan lists the Council Scorecard Performance Indicators for 2004/05 (Chapter 2 – Managing the Council). Internal Audit has again carried out an audit of all the Council Scorecard Indicators to ensure they are robust and collectable.
- 1.4 A central system has been established to monitor each Performance Indicator, which is updated by departments on a quarterly, and in some cases monthly basis. TMT have again selected a number for your consideration for 3<sup>rd</sup> Quarter 2004/2005.
- 1.5 The basket of performance indicators that will be presented contain statutory Best Value Performance Indicators, Council Scorecard Performance Indicators and progress on our LPSA targets.
- 1.6 For presentational purposes, each Performance Indicator is being reported in a graphical format, which allows performance to be shown over time and compared with other Local Authorities. PI headings are traffic light colour-coded and "smiley faces" have been added to clearly express how we are performing.
- 1.7 Those indicators in the CPA basket and those that are considered High Risk are highlighted with a red tab at the top left hand of the graph. From 2005, a number of performance indicators in the CPA basket now have special rules applied to them. The performance weighting of these PIs is higher than the rest in the CPA basket and poor performance of these PIs will result in a lower service block score. These PIs have been designated as 'CPA Killer PIs' on the graphs.
- 1.8 For the national indicators, neighbouring Borough information is shown as vertical bars on the graphs. Top 25% National and London target lines have now been removed from the graphs. This has been replaced with horizontal bands of colour. These bands show the National top 25% (green), middle 50% (amber) and bottom 25% (red). The graphs now clearly show how far performance is into or away from the bandings. *(Please note it is only possible to compare our performance with the previous year's top quartile targets as these are only released in the December of each year following the outturns for that year).* This will not be possible for the majority of Council Scorecard PIs, as they are unique to Barking & Dagenham.
- 1.9 For Social Services performance information, comparison is not made with top quartile data. Comparison is made with Performance Assessment Framework (PAF) performance targets for England. The "smiley faces" will not be shown on Social Services graphs. Instead we have used the "blobs" to indicate whether performance is good or bad. i.e. ● = poor performing ●●●●● = high performing. The Social Services graphs also show horizontal bandings of colour. These bandings show:

● and ●● = red banding

●●● = amber banding

●●●● and ●●●●● = green banding

- 1.10 The notes section underneath the graph enables Chief Officers to be consistent in the way they report the PI's performance. (See *headings below*).

### **Headings**

Improvement / Deterioration since last reported

Further action planned at last quarter

Progress of action since last quarter

Further action planned for next quarter

Additional Information

Corporate Impact

- 1.11 For the majority of Council Scorecard PIs this is the third year of reporting. Targets have been set for the next three years for the majority of these and are presented on the graphs.
- 1.12 The annual deadline for the publication of Futures, Barking and Dagenham's Performance Plan is 30 June. It is still a requirement that a summary of performance information should be published by 31 March. Our summary of performance information for 2004/05 will be published in the March 2005 Citizen.
- 1.13 The Government have specified 96 Best Value (statutory) PIs for 2004/05 compared to 98 in 2003/04 and 97 specified for 2002/03. 94 have been specified for 2005/06.

## **2. Quarterly Monitoring**

- 2.1 Each Performance Indicator contained in the Performance Plan is being monitored on a quarterly basis where possible. Some indicators can only be calculated on an annual basis and this is shown on the individual graphs. As the majority of the Council Scorecard PIs are strategic, they will only be reported annually unless otherwise stated.
- 2.2 Quarterly monitoring allows the Council to identify problem areas at an early stage and take remedial action to improve performance. It also identifies areas of good practice within the Council so that it can be shared throughout the organisation. The graphs are a useful visual aid to enable Members of the Executive to challenge Chief Officers on poor performance. The changes to the notes section should further assist Members in performing this role.
- 2.3 This quarterly process is now being used to monitor our Local Public Service Agreement (LPSA) targets which were agreed with Government in 2003. From April 2003 the following council scorecard indicator, **CS17b: Percentage of LPSA targets met on an annual basis** will be used to monitor its progress.

### **3. Comparing Performance**

- 3.1 Guidance from the ODPM advises each Authority to compare performance with other Local Authorities. The monitoring system established allows the comparison of performance across a number of levels. National indicators provide the greatest opportunity for comparing performance as each Local Authority is collecting and reporting identical information.
- 3.2 *Neighbouring Boroughs* – Research undertaken by the Audit Commission has identified that people are particularly interested in comparing the performance of their Local Authority with neighbouring areas.  
Barking and Dagenham compare their performance with the neighbouring boroughs of Redbridge, Havering and Newham.
- 3.3 *Top 25% of performing Councils* – It is a requirement under Best Value that each Council must aim to perform within the top 25% of Councils within 5 years. For indicators relating to the quality of services, comparison should be made with the top 25% of Councils across the country.  
For indicators relating to the cost of the service, comparison should be made with the top 25% in London. The ODPM have determined that in most cases, a low service cost is preferable.
- 3.4 *Local targets* – For the majority of Council Scorecard Performance Indicators comparisons can be made both over time and against the target set. These are identified on the relevant graphs.

### **4. Conclusion**

- 4.1 This is the latest report on the monitoring of Futures 2004/2005 Barking and Dagenham's Performance Plan. Subsequent reports to both TMT and the Executive will follow after each quarter and at year-end.

#### **Background papers used in the preparation of the report**

- Best Value Performance Indicators 2003/2004 (burgundy book)
- Futures 2004/2005 – Barking & Dagenham's Performance Plan
- Consultation on Best Value Performance Indicators for 2005/06.



## THE EXECUTIVE

22 FEBRUARY 2005

### REPORT OF THE DIRECTOR OF FINANCE

CAPITAL PROGRAMME 2005/06 TO 2008/09	FOR DECISION
<p><i>This report deals with the formation of a proposed Capital Programme for the consideration by the Assembly.</i></p>	
<p><b>Summary</b></p>	
<ul style="list-style-type: none"> <li>• The Council currently has an identified capital programme which totals £212.9m for the financial years 2005/06 to 2008/09 (paragraph 7.1).</li> <li>• Funding proposals for this programme have identified that £92.2m could be funded from external sources requiring the Council to fund the balance of £120.7m.</li> <li>• It is currently anticipated that around £150.2m of capital receipts will be available to support the 2005/06 to 2008/09 capital programme leaving a balance of £29.5m available to fund any future schemes (paragraph 6.2).</li> <li>• During 2004/05 all service departments were asked to consider their potential new capital investment requirements from 2005/06 onwards. As a result fifty seven new capital submissions were received totalling £131.5m of which £125.9m required funding directly from the Council (paragraph 7.2).</li> </ul>	
<p>Approval of all the identified capital schemes would therefore exceed the projected available capital receipts by £96.4m and would require the authority to return to borrowing sooner than expected. In addition a programme of this size would have significant implications on the Council's revenue budgets.</p>	
<ul style="list-style-type: none"> <li>• It is clear that a further review and re-assessment of the future capital programme is required in order to determine those priority schemes. The Executive is therefore recommended to consider the following course of action:             <ol style="list-style-type: none"> <li>a) That a capital programme for 2005/06 to 2008/09 be approved to include only the following schemes:                 <ul style="list-style-type: none"> <li>• Schemes that the Council are already financially or legally committed to undertake</li> <li>• Schemes in 2005/06 that have secured full external funding;</li> <li>• Schemes that the Council has already made a full commitment to undertake</li> </ul> </li> <li>b) That all other schemes be reconsidered through the Capital Programme Management Office (CPMO) process. This will include both schemes previously included in the capital programme where there is currently no financial or binding commitment and new submissions received in 2004/05.</li> </ol> </li> </ul>	

- The position of the current year's programme is also commented upon, which identifies a revised programme of £87.9 million.

## Recommendations

The Executive is recommended to:

1. Note the position of the 2004/05 capital programme as set out in paragraph 5.2 and Appendix A;
2. Propose a capital budget for 2005/06 to 2008/09 to be met from the Council's usable capital receipts to Assembly on 2<sup>nd</sup> March 2005, as set out in Appendix B;
3. Approve a programme of schemes for 2005/06 to 2008/09 to be met from external resources as included in Appendix B;
4. Note the forecasted capital receipt position for 2005/06 to 2008/09 as set out in paragraph 6;
5. Agree that those schemes outlined in paragraph 7.4 and Appendix C, along with all new submissions and any further identified capital projects, are reviewed and are reported back to the Executive with recommendations on which schemes should be included in a future programme;
6. Note the current capital arrangements and prudential capital guidelines as set out in section 3; and
7. Note the Prudential Indicators for the Authority as set out in Appendix D.

## Reason

It is necessary for the Executive to agree a final proposed Capital Programme to the Assembly for its consideration.

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## 1. Background

- 1.1. The Council is required to review its capital spending plans each year and set a Capital Programme. A key consideration when setting the programme is the projected level of available capital resources.

- 1.2. A variety of resources are available to local authorities to fund capital investment. The primary one is borrowing. However due to the Council's existing levels of capital receipts and its projected generation of future capital receipts, the Council does not currently utilise this type of resource to fund the Capital Programme.
- 1.3. A second source of funding is Capital Receipts which arise from the sale of assets such as surplus land and the sale of council dwellings. The amount of capital receipts generated varies from year to year, however, in order to maintain a consistent Capital Programme level it is necessary to plan the use of these receipts.
- 1.4. Thirdly, capital grants, issued by Government departments and agencies, which are allocated on a competitive bidding basis for specified purposes. Many of these require local authorities to make a financial commitment to the running costs of the schemes.
- 1.5. The basis of the formulation of the revised programme for 2004/05 to 2008/09 needs to take account of:
  - the approved programme agreed in the 2004/05 budget;
  - any new approvals, deletions or re-profiling of schemes throughout 2004/05;
  - identification of any capital requirements for 2005/06 and beyond.
- 1.6. The purpose of this report is to enable the Executive to propose a capital programme for consideration by Assembly on 2<sup>nd</sup> March 2005.

## **2. Capital Programme Planning**

- 2.1. An important part of planning is for the Council to have a Capital Strategy and Asset Management Plan in place. In addition, there are other Service Capital Plans that are required by Government Departments and they need to link clearly to the overall Capital Strategy and Asset Management Plan. Specific ones are for Housing and Education.
- 2.2. The Council's Asset Management Plan (AMP) for 2003 was approved by the Executive on 22<sup>nd</sup> July 2003 prior to it being submitted to the Government office for London (GoL). The Authority did not need to submit a Capital Strategy in 2003 as it received a rating of good in 2002 and was therefore exempt from submitting one this year. The overall assessment of the Council's corporate plans has improved from that of the previous year.
- 2.3. The Capital Strategy and the Asset Management Plan are integral to the Council's future capital investment planning process. The Capital Strategy links policies and priorities to capital investment and provides a framework for the operational work of asset management. The Asset Management Plan, which covers all of the Council's assets, provides essential information in determining Capital Investment needs.
- 2.4. The formulation of the 2005/06 – 2008/09 Capital Programme has taken account of the Council's Capital Strategy and Asset Management Plan and consequently capital schemes are assessed and approved on the basis of this strategy.

### 3. Capital Accounting Arrangements

#### Introduction

- 3.1 The enabling legislation for the current capital regime is set out in the Local Government Act 2003 which came into force on the 1/4/04. Authorities are now empowered with greater freedoms to borrow providing they can meet the revenue costs of the borrowing and the running costs of the resultant capital scheme.

The capital system now provides for a more integrated approach to capital investment decision making with an authority having to take account the following when setting its prudential indicators:

- Affordability;
- its asset management plans;
- the implications for external borrowing;
- value for money through options appraisal and its strategic plans.

The aim is to bring together revenue and capital resources to meet service delivery objectives.

- 3.2 Prior to April 2004 the previous capital control system used in the main, the issue of annual Credit approvals by Central Government. These approvals allowed local authorities to either borrow or enter into other long-term credit arrangements up to an approved level. The use of this system effectively allowed the Government to control Council's borrowing and prevent local government from generating unsustainable levels of debt.
- 3.3 Instead of the use of Credit approvals, the current system places reliance on a series of prudential indicators that must be determined by each local authority for the forthcoming year and the following two years. These indicators will assist Council's in determining an appropriate level of borrowing and to provide benchmarks against which they can monitor their borrowing levels.
- 3.4 In simple terms the Council is now able to borrow at whatever levels it feels are necessary so long as any borrowing is affordable, prudent and sustainable.
- 3.5 These prudential guidelines requires the Council to set out various indicators on its Capital plans, investments and projected Council Tax increases, although being debt free reduces the extent of these.
- 3.6 In addition local authorities are also now required to pool their housing capital receipts in the following way:

	<u>Retained by Council</u>	<u>Paid into National Pool</u>
Right to Buy Receipts	25%	75%
Other Housing Receipts	50%	50%

3.7 However transitional arrangements were approved for debt free Councils which will allow 75%, 50% and 25% of pooled receipts to be retained over a three year period 2004/05 to 2006/07 providing they are used for housing purposes. Over this three period the pooling arrangements are estimated to cost the Council about £31.3 million of usable capital receipts that would have previously been available to the Council. This analysis is summarised as follows:

	<u>Retained By Council</u>	<u>Paid into National Pool</u>
	<u>£m</u>	<u>£m</u>
2004/2005	19.1	6.4
2005/2006	10.8	10.8
2006/2007	4.7	14.1
2007/2008	0	16.1

3.8 The criteria for both the pooling of housing receipts and the transitional arrangements applying to debt free authorities is as follows:

- Right to buy receipts including proceeds from sales to existing tenants or occupiers and mortgage payments by past tenants to the authority will be subject to a pooling rate of 75%. Transitional arrangements will mean that this will be phased in over a three year period with a pooling rate of 25% in 2004/05, 50% in 2005/06 and 75% in 2006/07 - subject to the difference between this and the 75% pooling amount in 2004/05 and 2005/06 being used for affordable housing.
- Large and small scale voluntary transfer will not be pooled and may be used for any capital purpose.
- All other housing capital receipts will be subject to pooling at a rate of 75% for dwellings and 50% for land, commercial and other HRA property – unless they are used for affordable housing or regeneration where the poolable part of the receipt may be reduced to zero in accordance with the ‘in and out’ rules. Poolable receipts include the disposal of mortgage portfolios and payments made to redeem landlords share.

In summary, over the next 5 years the amount that can be retained by the authority for both its allowable element and its transitional relief is likely to be:

	<u>£m</u>
• 2004/2005	27.5
• 2005/2006	17.9
• 2006/2007	11.0
• 2007/2008	5.4
• 2008/2008	5.4

This has been factored into the Council’s capital plan.

- 3.9 These pooling arrangements have been allowed for in the Council's Capital Plan. The Capital Plan will need to be reviewed to ensure that these resources are allocated for its prescribed purpose. These requirements mean that in the medium term the Council will need to reappraise its ability to fund its capital programme solely from capital receipts and external funding without the need to borrow.
- 3.10 It is possible that a failure to secure funding for parts of the capital programme could generate a need to borrow even earlier. Given the size of the capital programme and its dependence on external funding for success, failures to secure funding at an early stage could result in an earlier loss of debt-free position and a need to borrow within the prudential guidelines.

#### Debt Free Status

- 3.11 At the 31<sup>st</sup> March 2004 the Council was classified as being a debt free authority. The introduction of new Capital regulations on the 1<sup>st</sup> April 2004 made this debt free position less attractive. In particular the regulations now require Council's to pay a proportion of their housing capital receipts into a national pool.
- 3.12 There is however a transitional arrangement for Council's that were debt free on the 31<sup>st</sup> March 2004. These transitional arrangements permit those authorities which were debt free at the 31<sup>st</sup> March 2004 to retain a proportion of its housing capital receipts it would have otherwise had to be pooled and foregone. These transitional arrangements exist for a period of three years (2004/05 to 2006/07).
- 3.13 The estimated transitional relief available to the Council for the next two years as a result of it being debt free at the 31<sup>st</sup> March 2004 is as follows:
- 2005/06 £10.8m
  - 2006/07 £4.7m

#### Prudential Capital Guidelines

- 3.14. The prudential code for Capital finance was introduced in April 2004 and is based upon a prudential system of borrowing. Authorities now have greater freedoms to borrow providing that they can meet the necessary capital and interest repayments from revenue accounts. Even though the Council is not projecting to cease to be debt free at present, the requirements of the code fall within the three year horizon for capital and revenue forecasting. This will mean that the Council will need to implement the code in full even though those elements relating to borrowing limits and affordability will only apply in the final of the three years.
- 3.15 The prudential system provides a more integrated approach to capital investment decision making with an authority having to take account the following when setting its prudential indicators:
- Affordability;
  - its asset management plans;
  - the implications for external borrowing;
  - value for money through options appraisal and its strategic plans.

The aim is to bring together revenue and capital resources to meet service delivery objectives.

- 3.16 These compulsory prudential indicators are referred to in the Local Government Act 2003 and are embodied in the CIPFA Prudential Code.

The requirements of the prudential system are based around some clear fundamental principles including:

- A three year rolling capital programme and revenue forecast is to be prepared and maintained with estimates of the council tax and/or average housing rent for each year.
- Capital spending decisions must be both affordable and within sustainable limits in relation to the levels of Council Tax and HRA rent required to support these plans over the medium term
- When considering the affordability of capital decisions the Council will need to take into account all the available resources, both in terms of its capital payments and receipts, and its revenue income and expenditure
- All authorities must adopt the treasury management code.
- Authorities should not borrow for revenue purposes (except in the short-term)

- 3.17 The prudential system places reliance on a series of prudential indicators that must be determined by each local authority for the forthcoming year and the two following financial years.

These indicators can be grouped into the following categories:

- Affordability
- Prudence
- Capital Expenditure
- External Debt
- Treasury Management

Although there are 5 key prudential indicator headings, they should not be looked at in isolation as they all have inter-relationships with one another.

The prudential indicators can be summarised as follows:

#### Affordability

These indicators compare the cost of all the authority's external borrowing with its overall expenditure. They also identify the increase in both Council Tax and HRA rents that will result from any additional borrowing.

The indicators for affordability are:

- Estimated/actual ratio of financing costs to net revenue stream for HRA and general fund.
- Estimates of the incremental impact of capital investment decisions on both the Council Tax and housing rents

## Prudence

This indicator is designed to ensure that medium term borrowing is only used for capital purposes. The indicators for prudence are:

- Net borrowing and Capital Financing requirement

## Capital Expenditure

These indicators look at estimated and actual capital expenditure and the Capital financing requirement. The indicators for capital expenditure are

- Estimated/actual capital financing requirement (i.e. borrowing) for HRA and general fund.
- Estimated/actual capital expenditure for HRA and general fund.

## External Debt

These indicators set out the limits for external borrowing and are set in the context of the authority's Treasury Management Policy and strategy.

The indicators for external debt are:

- Authorised limit for external debt i.e. the authorised limit for borrowing plus the authorised limit for other long term liabilities.
- Operational boundary for external debt i.e. total external debt gross of investments separately identifying borrowing from other long term liabilities.
- Actual external debt as at 31<sup>st</sup> March of previous year

## Treasury Management

These indicators address treasury management issues such as the amount of debt at fixed rates, the amount at variable rates and the period over which the money is borrowed. The indicators for Treasury Management are:

- Adoption of CIPFA Code of Practice for Treasury Management in the Public Services
- Upper limit on fixed interest rate exposure
- Upper limit on variable interest rate exposure
- Upper and lower limits for the maturity structure of borrowing
- Prudential limits for principal sums invested for longer than 364 days

- 3.18 The code also places specific responsibilities on the Chief Finance Officer to ensure that matters required to be considered when setting and revising prudential limits are reported to the decision making body and to ensure that appropriate monitoring and reporting arrangements are put in place to assess performance against all the forward-looking indicators.
- 3.19 Detailed work has been undertaken on the relevant Prudential Indicators required for the Authority and these are set out at Appendix D. If the capital programme changes then these indicators will need to be updated and reported back to the Executive.



#### 4. Capital Appraisal System

- 4.1 A review of the management of the Capital Programme was undertaken by KPMG in 2001/02. The review looked at both Strategic Programme Management and Individual Project Management and the resultant report made a number of recommendations to improve both these aspects.
- 4.2 As a result a staged approach to the implementation of Capital Programme Management, led by Scott Wilson Kirkpatrick, was adopted to achieve the following:
- Establishment of a Programme Management function for Capital Programmes
  - Development of a programme management process
  - Establishment of a project appraisal process
  - Development of a programme assembly process
- 4.3 This new approach led to the establishment of the Capital Programme Management Office (CPMO). The process is Green Book compliant and was recently recognised as good practice by both the I&DeA and Audit Commission. In future all proposed capital projects will be appraised by the CPMO and scored in terms of:
- Strategic fit
  - Financial implications
  - Deliverability & procurement
  - Benefits plan
- 4.4 These appraisals involve a challenging process to departmental programme managers and concentrate on issues such as risks to the authority, revenue implications, deliverable benefits and measured outcomes to the community.
- 4.5 The appraisal process has become a cornerstone to the construction, approval and delivery of the Council's Capital plans.

#### 5. Capital Programme 2004/05 – latest position

- 5.1. The Capital Programme is being managed by the Capital Programme Management Office (CPMO) team in the Regeneration and Environment department alongside the scheme managers in the relevant Departments. Support from the Finance Department is also provided to assist with the financial monitoring of the overall Programme.
- 5.2 The revised Capital Programme for 2004/05 totals £87.87m and reflects the following adjustments from the original budget as follows:

	<u>£m's</u>
<b>Original 2004/05 capital programme</b>	91.772
Carry forwards from 2003/04	17.189
New Funding – Externally Funded	1.653
Executive Decisions (reprofiling to future years)	(20.866)
Deletion of Schemes	(1.878)
<b>Total revised capital programme 2004/05</b>	<u><u>87.870</u></u>

5.3 The full breakdown of the revised Capital Programme scheme by scheme for 2004/05 is shown in Appendix A.

5.4 As at the end of January approximately £45.1 million of this year's programme has been spent out of an overall revised budget for the year of £87.87 million. This revised programme reflects the likely outturn position for 2004/05 following a report to the Executive in December 2004 where a number of schemes were re-profiled into later years. In addition to this 'physical' spend there are a great number of schemes which have commitments to spend before the year end. It is quite usual for the majority of spending on capital schemes to occur in the latter part of the year as a result of tender exercises, consultation etc.

## 6. Capital Resource Position

6.1 Capital receipts arising from the sale of assets contribute to the resources available and these currently are applied wholly to support the Capital Programme.

6.2 It is anticipated that around £150.2 million of capital receipts will be available to support the 2005/06 to 2008/09 Capital Programme and is summarised as follows:

	<u>£m</u>
Estimated Opening Balance 2005/06	88.2
RTB Receipts	39.7
Land Disposal Receipts	22.3
Available Capital Receipts	150.2

Various assumptions have been made regarding the generation of capital receipts in 2005/06 and for later years particularly around land disposals and 'Right to Buy' receipts. This position will therefore need to be closely monitored over the relevant years.

6.3 There are in addition a range of external sources of capital funding that are potentially available to support the capital programme. These include those arising from regeneration programmes, Transport grants, Disabled Facilities grants, a number of Education grants e.g. seed challenge, Lottery, European Funds and other specific Government programmes. These will also need to be kept under review by relevant spending departments throughout the year to ensure their full use and access to further availability of such external funds.

## 7. Proposed Capital Budget 2004/05 – 2008/09

7.1. The current Capital programme for the financial years 2005/06 to 2008/09 Council is summarised as follows:

	<u>Budget</u> <u>£'000</u>	<u>Funding</u>		
		<u>Internal</u> <u>£'000</u>	<u>External</u> <u>£'000</u>	<u>Total</u> <u>£'000</u>
2005/06	103,155	54,931	48,224	103,155
2006/07	57,682	36,215	21,467	57,682
2007/08	50,943	29,503	21,440	50,943
2008/09	1,107	0	1,107	1,107
	212,887	120,649	92,238	212,887

7.2. During 2004/05 all service departments were asked to consider their potential new capital investment requirements from 2005/06 onwards. As a result fifty seven new capital submissions were received totalling £131.5m of which £125.9m requested funding directly from the Council.

7.3. When added to the current capital programme for 2005/06 to 2008/09 this would result in a new 2005/06 to 2008/09 programme of £344.4m of which Council funding required amounts to £246.6m. A programme of this size would exceed projected available capital receipts by £96.4m and would require the authority to return to borrowing sooner than expected. In addition a programme this size would have significant implications on the Council's revenue budgets.

7.4. It is clear that a further review and re-assessment of the future capital programme is required in order to determine those priority schemes. The Executive is therefore recommended to agree to the following course of action:

- a) That a capital programme for 2005/06 to 2008/09 be approved to include only the following schemes:
- Schemes that the Council are already financially or legally committed to undertake
  - Schemes in 2005/06 that have secured full external funding;
  - Schemes that the Council has already made a full commitment to undertake

A programme based on the above criteria would result in the following approved programme:

	<u>Budget</u> <u>£'000</u>	<u>Funding</u>		
		<u>Internal</u> <u>£'000</u>	<u>External</u> <u>£'000</u>	<u>Total</u> <u>£'000</u>
2005/06	80,189	45,120	35,069	80,189
2006/07	35,178	14,822	20,356	35,178
2007/08	28,565	10,650	17,915	28,565
2008/09	1,107	0	1,107	1,107
Total	145,039	70,592	74,447	145,039

Attached at Appendix B is a full list of these capital schemes including details of their sources of funding.

- b) That all other schemes be reconsidered through the CPMO process. This will include both schemes previously included in the capital programme where there is currently no financial or binding commitment (these are shown at Appendix C) and those new submissions received.

In addition there is some significant work being undertaken that may require the Council to consider further capital projects in the longer term. These include Housing Futures, projects designed to meet the Council's regeneration agenda, One Stops shops etc.

The Director of Finance will report back to the Executive on proposals to progress the future capital programme.

## **8. Revenue Implications of the Capital Programme**

- 8.1 The cost of funding a Capital Programme in 2005/06 for this authority relates to the revenue implications arising from each scheme and the loss of investment interest arising from reducing capital receipts.
- 8.2 Where revenue costs of capital schemes are not included in the budget options for 2005/06 they will need to be funded from within existing Service budgets. There are currently no capital financing costs to the authority as the Council is currently debt free. However, even though we are debt free the Authority's Formula Spending Share reflects an element for capital financing costs.  
It is important to note that when we move from debt free status the capital financing costs to the Capital Programme will be need to be incorporated in the Council's revenue budget.
- 8.3. Future revenue commitments (excluding capital finance costs) that may flow from capital expenditure schemes will need to be incorporated in Service revenue growth/savings options and budgets that are considered each year when the Council Tax is set.
- 8.4. Apart from external funding the remainder of the capital programme is funded directly from the Council's capital receipts, As these receipts are used this will reduce the amount of capital reserves available to invest and accrues investment income. Currently income from the investment of capital receipts is used to support the revenue budget, therefore as this income falls its loss will need to be incorporated into future revenue budget pressures.

## **9. Consultation**

The Director of Finance – Julie Parker  
Head of Financial Services – Joe Chesterton  
Head of Finance – Lee Russell

**Background Papers**

- RTB Projections - Working papers
- Land Disposal Projections – Working papers
- Approved Capital programme 2004/05 to 2007/08
- Capital Bid Submissions – Working papers
- CIPFA - The Prudential Code for Capital Finance in Local Authorities
- CIPFA – Treasury Management in the Public Services
- The Council's Asset Management Plan
- The Council's Capital strategy
- Local Government Act 2003

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# 2004/2005 CAPITAL PROGRAMME

# APPENDIX A (i)

No	DETAIL	2004/05 BUDGET	FUNDING		
			External Sources	Capital Receipts	TOTAL
		£'000	£'000	£'000	£'000
<b>EDUCATION, ARTS &amp; LIBRARIES</b>					
<b><u>PRIMARY SCHOOLS</u></b>					
1	RIPPLE INFANTS - Reception Area	100		100	100
2	MONTEAGLE PRIMARY- Internal Alterations	11		11	11
3	PARSLOES PRIMARY - Reception Area	157		157	157
4	VALENCE INFANTS - Replace Kitchen	528		528	528
5	RODING & ST.TERESA PRIMARY - Replace Kitchen	256		256	256
6	JOHN PERRY PRIMARY - Demountable Nursery	36		36	36
7	GRAFTON JUNIORS - Art Room & Music Facilities	379	379		379
8	WILLIAM FORD & VILLAGE INFANTS - Sports Hall	796	796		796
<b><u>SECONDARY SCHOOLS</u></b>					
9	BARKING ABBEY - New Teaching Accommodation	1,780		1,780	1,780
10	DAGENHAM PRIORY - Art & Technology Block	1,250		1,250	1,250
11	DAGENHAM PARK - Sports Hall etc	200		200	200
12	THE JO RICHARDSON CSS - Cannington Road	10		10	10
13	WARREN SECONDARY - Science Block	400		400	400
14	PFI: - Jo Richardson & Eastbury	3,571		3,571	3,571
15	SYDNEY RUSSELL - Technology Block	1,702		1,702	1,702
16	EASTBROOK CITY LC - Extension & ICT Equipment	406	406		406
17	ROBERT CLACK - Sports Hall & Floodlit Pitches	114		114	114
<b><u>OTHER SCHEMES</u></b>					
18	VARIOUS SCHOOLS - Playground Reconstruction	199		199	199
19	ADULT COLLEGE - Reception & Conference Area	280		280	280
20	BEACON YOUTH CENTRE	979		979	979
21	DDA ACCESS COSTS	122		122	122
22	SCHOOLS REBOILER PROGRAMME	403		403	403
23	EDUCATION SHAPE UP - VARIOUS SCHOOLS	450		450	450
24	MAJOR REPAIRS - LEA Liability	201		201	201
25	PRE-SCHOOL ACORNS 2	84		84	84
26 (a)	SURE START THAMES VIEW (SEAGULLS)	1,107	971	136	1,107
26 (b)	SURE START ABBEY - New Building	1,122	1,122		1,122
26 (c)	SURE START MARKS GATE (ROSE LANE)	1	1		1
26 (d)	SURE START MARKS GATE - Nursery	36	36		36
26 (e)	SURE START MARKS GATE - Outdoor Play Area	70	70		70
26 (f)	SURE START WELLGATE FARM	2	2		2
26 (g)	John Perry CC - Nursery Wrap Round Care	474	402	72	474
26 (h)	Gascoigne Children Centre	125		125	125
26 (i)	William Bellamy Children Centre	100	100		100
26 (j)	Becontree Children Centre	95	95		95
27	ST GEORGES - B&D Training Unit	50		50	50
28	School Modernisation Fund	45	45		45
29	NOF3 - Stage 2 Lottery Submissions Dev Costs	56	56		56
<b><u>ARTS &amp; LIBRARIES</u></b>					
30	BROADWAY THEATRE - Redevelopment	2,251	1,121	1,130	2,251
31	A13 ARTSCAPE - Lottery Grant	752	522	230	752
32	EASTBURY MANOR HOUSE - Repairs Plan	171		171	171
33	NEW DAGENHAM LIBRARY	90		90	90
34	VALENCE SITE REDEVELOPMENT	120		120	120
35	MUSIC & PERFORMING ARTS - Adult College	130		130	130
<b>TOTAL EDUCATION ARTS &amp; LIBRARIES</b>		<b>21,211</b>	<b>6,124</b>	<b>15,087</b>	<b>21,211</b>

# 2004/2005 CAPITAL PROGRAMME

# APPENDIX A (ii)

No	DETAIL	2004/05 BUDGET
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FUNDING		
External Sources	Capital Receipts	TOTAL

## HOUSING

£'000

£'000

£'000

£'000

### *HRA*

36	DISABLED ADAPTATIONS	600
37	CAPITALISED REPAIRS - Shape Up for Homes	6,500
38	MAJOR CAPITAL WORKS	24,410

	600	600
	6,500	6,500
24,410		24,410

### *Non HRA*

39	HOUSE RENOVATION GRANTS - DFG'S	1,093
40	THAMES VIEW ESTATE - Soil Quality etc	66
41	SITE INVESTIGATION - Harts Lane/Whiting Ave	409
42	CONTAMINATED LAND - Inspection	317
43	TRAVELLERS SITE - Refurbishment	160
44	HOUSING OFFICE & HEALTH CENTRE	1,350
45	PRIVATE SECTOR HOUSING - Renovation Grants	964
46	PRIVATE SECTOR HOUSING	671
47	NEW DEPOT - WANTZ ROAD	185

420	673	1,093
	66	66
	409	409
	317	317
	160	160
	1,350	1,350
	964	964
	671	671
	185	185

### TOTAL HOUSING

36,725

24,830 11,895 36,725

## REGENERATION & ENVIRONMENT

### *TECHNICAL*

48	TRAFFIC MANAGEMENT & SAFETY SCHEMES	959
49	STREET LIGHTING - Replacement of Columns	220
50	STREET LIGHTING - Upgrade Residential Lighting	275
51	RESIDENTS PARKING - Amenity Greens	96
52	HIGHWAYS STRUCTURAL REPAIRS	1,511
53	BRIDGE STRENGTHENING	10
54	MANAGEMENT OF TRAFFIC - reduction/congestion	168
55	HOME ZONE SCHEME	438
56	HIGHWAYS MAINTENANCE - Principal Roads	1,406
57	PARKING RESTRICTIONS - Carriageway Markings	79
58	ACCESSIBILITY - Local Area & Bus Stops	220
59	20MPH ZONES	113
60	GREEN TRAVEL	165
61	LONDON BUS PRIORITY NETWORK	990
62	INTERCHANGES	250
63	LONDON CYCLE NETWORK	100
64	PARKING RESTRICTIONS - Parking Signs	58
65	RADIO SYSTEM FOR PARKING	12
66	DAGENHAM ROAD - HIGHWAY IMPS	25
67	DETRUNKING OF OLD A13	20
68	A1306 ENVIRONMENTAL IMP (TGLP)	300

559	400	959
	220	220
	275	275
	96	96
	1,511	1,511
10		10
	168	168
	438	438
1,406		1,406
	79	79
220		220
113		113
165		165
990		990
250		250
100		100
	58	58
	12	12
	25	25
	20	20
300		300

### TOTAL R&E - TECHNICAL

7,415

4,113 3,302 7,415

### *Non-TECHNICAL*

69	OFFICE ACCOMMODATION - Civic Centre	389
70	OFFICE ACCOMMODATION - Town Hall	625
71	CCTV - Expansion of Monitoring Accommodation	38
72	CCTV - Extension of Barking Town Centre	84
73	REWARD PILOT SCHEME - Energy Saving	56
74	FRIZLANDS DEPOT - Refurbishment	42
75	BARKING BARRAGE - Telemetry	60
76	CEMETERIES - New Cemetery site	1,486
77	PLAYGROUND UPGRADE	86
78	GOESBROOK LC - Repair Filtration Plant	225
79	BEAM VALLEY - Dagenham Hospital	148
80	GREEN SPACE STRATEGY	256
81	TANTONY GREEN	63
82	ASBESTOS REMOVAL	989
83	CURFEW TOWER (Abbey) - Repairs & Upkeep	156
84	STATE OF THE LAKES	25
85	MAJOR REPAIRS PROGRAMME	1,010

	389	389
	625	625
	38	38
8	76	84
	56	56
	42	42
	60	60
	1,486	1,486
	86	86
	225	225
81	67	148
93	163	256
63		63
	989	989
106	50	156
	25	25
	1,010	1,010

### TOTAL R&E - NON-TECHNICAL

5,738

351 5,387 5,738



# 2004/2005 CAPITAL PROGRAMME

# APPENDIX A (iii)

No	DETAIL	2004/05 BUDGET	FUNDING		
			External Sources	Capital Receipts	TOTAL
<b><u>Regeneration</u></b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
86	BARKING TOWN CENTRE PARTNERSHIP	186		186	186
87	SCHEME ON THE GREEN - Phase 2	63	63		63
88	MADE IN LONDON SRB - Industrial Estates	13	13		13
89	BARKING TOWN CENTRE - Lifelong Learning	2,334	2334		2,334
90	BARKING TOWN CENTRE - Public Realm	1,245	1245		1,245
91	BTC & LINTONS REDEVELOPMENT (ODPM)	1,240	1,240		1,240
92	DAGENHAM DOCK INTERCHANGE (ODPM)	120	120		120
TOTAL R&E - REGENERATION		5,201	5,015	186	5,201
TOTAL ALL R&E		18,354	9,479	8,875	18,354
<b><u>SOCIAL SERVICES</u></b>					
93	GRAYS COURT - Nursing & Day Care Facilities	4,031	180	3,851	4,031
94	DAY CARE REPROVISION - Learning Disabilities	988		988	988
95	YOUTH OFFENDING - New Building	5		5	5
96	ACCOMMODATION - FIT FOR PURPOSE	261		261	261
97	SHAPE UP (VARIOUS) - Social Services	405		405	405
98	BARKING HOSPITAL SITE	10		10	10
TOTAL SOCIAL SERVICES		5,700	180	5,520	5,700
<b><u>FINANCE DEPARTMENT</u></b>					
99	REVENUE SERVICES - Accommodation Imps	300		300	300
100	REVENUE SERVICES - Replace IT System	778	778		778
101	ICT - Infrastructure Renewal & Enhancements	851	66	785	851
TOTAL FINANCE		1,929	844	1,085	1,929
<b><u>CORPORATE STRATEGY DEPARTMENT</u></b>					
102	ST GEORGES COMPLEX - New Building	26		26	26
<b><u>Customer First</u></b>					
103	FOUNDATION CONTACT CENTRE	1,714	200	1,514	1,714
104	OFFICE ACCOMMODATION	969		969	969
TOTAL CORPORATE STRATEGY		2,709	200	2,509	2,709
TOTAL LBBD SCHEMES		86,628	41,657	44,971	86,628
<b><u>ACCOUNTABLE BODY</u></b>					
105	HoTG - Ferry Lane & Coldharbour Lane	347	347		347
106	HoTG - Industrial Estates Revitalisation	275	275		275
107	LRL - 'Public Art Roundabouts	50	50		50
108	LRL - UTC Green Links (Rainham-Purfleet Path)	100	100		100
109	LRL - Mardyke Youth & Community Hall	220	220		220
110	LRL - A1306 - Ballards to Beam River	250	250		250
TOTAL ACCOUNTABLE BODY SCHEMES		1,242	1,242	0	1,242
TOTAL SCHEMES		87,870	42,899	44,971	87,870

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# PROPOSED 5 YEAR CAPITAL PROGRAMME SUMMARY

Internal funding	External funding	5 Year TOTAL
£'000	£'000	£'000

DETAIL	2004/05	2005/06	2006/07	2007/08	2008/09	5 Year Total
	£'000	£'000	£'000	£'000	£'000	£'000

## EDUCATION ARTS & LIBRARIES

### PRIMARY SCHOOLS

1	RIPPLE INFANTS - Reception Area	100				100	100			100
2	MONTEAGLE PRIMARY - Internal Alterations	11				11				11
3	PARSLOES PRIMARY - Reception Area	157				157				157
4	VALENCE INFANTS - Replace Kitchen	528	8			536				536
5	RODING & ST. TERESA PRIMARY - Replace Kitchen	256	603			859			70	859
6	JOHN PERRY PRIMARY - Replace Demountable Nursery	36				36				36
7	GRAFTON JUNIORS - 'Art Room and Music Facilities	379				379			379	379
8	WILLIAM FORD & VILLAGE INFS - Sports Hall & Music Facilities	796				796			796	796

### SECONDARY SCHOOLS

9	BARKING ABBEY PHASE 4 - New Teaching Accommodation	1,780	86			1,866				1,866
10	DAGENHAM PRIORY - New Art & Technology Block	1,250	70			1,320				1,320
11	DAGENHAM PARK '4 Court Sports Hall	200				200				200
12	JO RICHARDSON - Temporary School Cannington Road	10	-			10				10
13 <sup>01</sup>	WARREN SECONDARY - Science Block	400	2,292			2,692				2,692
14 <sup>01</sup>	PFI: ACCOMMODATION SERVICES - Jo Richardson & Eastbury	3,571	2,225			5,796				5,796
15 <sup>01</sup>	SYDNEY RUSSELL - Technology Block	1,702	1,103			2,805				2,805
16 <sup>00</sup>	EASTBROOK CITY LEARNING CENTRE - Extension & ICT Equipment	406				406			406	406
17 <sup>01</sup>	ROBERT CLACK PHASE 5 (FINAL) - Sports Hall & Floodlit Pitches	114				114				114

# PROPOSED 5 YEAR CAPITAL PROGRAMME SUMMARY

## APPENDIX B (ii)

Internal funding	External funding	5 Year TOTAL
£'000	£'000	£'000

DETAIL	2004/05	2005/06	2006/07	2007/08	2008/09	5 Year Total
	£'000	£'000	£'000	£'000	£'000	£'000

### EDUCATION, ARTS & LIBRARIES

#### OTHER SCHEMES

18	VARIOUS SCHOOLS - Playground Reconstruction	199				199	199			
19	ADULT COLLEGE - Reception & Conference Area	280				280	280			
20	BEACON YOUTH CENTRE	979				979	979			
21	DDA ACCESS COSTS	122				122	122			
22	SCHOOLS REBOILER PROGRAMME	403				403	403			
23	EDUCATION SHAPE UP - VARIOUS SCHOOLS	450				450	450			
24	MAJOR REPAIRS - LEA Liability	201				201	201			
25	PRE-SCHOOL ACORNS 2	84				84	84			
26 (a)	SURE START THAMES VIEW (SEAGULLS)	1,107	127			1,234	1,234			
26 (b)	SURE START ABBEY - New Building	1,122				1,122	1,122			
26 (c)	SURE START MARKS GATE (ROSE LANE)	1				1	1			
26 (d)	SURE START MARKS GATE - Nursery	36				36	36			
26 (e)	SURE START MARKS GATE - Outdoor Play Area	70				70	70			
26 (f)	SURE START WELLGATE FARM	2				2	2			
26 (g)	John Perry CC - Nursery Wrap Round Care	474	945			1,419	1,419			
26 (h)	Gascoigne Children Centre	125				125	125			
26 (i)	Jo Richardson Children Centre	1,000	1,000			1,000	1,000			
26 (j)	William Bellamy Children Centre	100	1,240	300		1,640	1,640			
26 (k)	Becontree Children Centre	95	1,157	250		1,502	1,502			
27	ST GEORGES - B&D Training Unit	50				50	50			
28	School Modernisation Fund	45				45	45			
29	NOF3 - Stage 2 Lottery Submissions Dev Costs	56				56	56			

#### ARTS & LIBRARIES

30	BROADWAY THEATRE - Redevelopment	2,251				2,251	2,251			
31	A13 ARTSCAPE - Lottery Grant	752	1,229			1,981	1,981			
32	EASTBURY MANOR HOUSE - Repairs Plan	171	106	50		327	327			
33	NEW DAGENHAM LIBRARY	90				90	90			
34	VALENCE SITE REDEVELOPMENT	120	871	870		1,861	1,861			
35	MUSIC & PERFORMING ARTS - Adult College	130	870			1,000	1,000			

#### TOTAL EDUCATION ARTS & LIBRARIES

21,211	13,932	1,470	0	0	0	36,613
25,491	11,122					36,613

# PROPOSED 5 YEAR CAPITAL PROGRAMME SUMMARY

Internal funding	External funding	5 Year TOTAL
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DETAIL	2004/05	2005/06	2006/07	2007/08	2008/09	5 Year Total
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HOUSING	£'000	£'000	£'000	£'000	£'000	£'000
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<i>HRA</i>	£'000	£'000	£'000	£'000	£'000	£'000
36	600	600				1,200
37	6,500	2,000				8,500
38	24,410	32,935	20,700	20,600		98,645

**Non HRA**

39	1,093	850	850	850		3,643
40	66					66
41	409					409
42	317	642				959
43	160					160
44	1,350					1,350
45	964	600	600	600		2,764
46	671	1,000	1,000	1,000		3,671
47	185					185

TOTAL HOUSING	36,725	38,627	23,150	23,050	0	121,552
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10 11 12 13 14

# PROPOSED 5 YEAR CAPITAL PROGRAMME SUMMARY

Internal funding	External funding	5 Year TOTAL
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DETAIL	2004/05	2005/06	2006/07	2007/08	2008/09	5 Year Total
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### REGENERATION & ENVIRONMENT

	£'000	£'000	£'000	£'000	£'000	£'000
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#### TECHNICAL

48	TRAFFIC MANAGEMENT & SAFETY SCHEMES	959	1,125	1,125	1,125	4,334	1,600	2,734	4,334
49	STREET LIGHTING PROGRAMME	495	495	220	220	1,430	1,430		1,430
50	RESIDENTS PARKING - Amenity Greens	96				96	96		96
51	HIGHWAYS STRUCTURAL REPAIRS	1,511	1,000			2,511	2,511		2,511
52	BRIDGE STRENGTHENING	10				10	10		10
53	MANAGEMENT OF TRAFFIC - reduction/congestion	168	200			368	368		368
54	HOME ZONE SCHEME	438				438	438		438
55	HIGHWAYS MAINTENANCE - Principal Roads	1,406	600	600		3,206		3,206	3,206
56	PARKING RESTRICTIONS - Carriageway Markings	79				79	79		79
57	ACCESSIBILITY - Local Area & Bus Stops	220	120	120	150	610	610	610	610
58	20MPH ZONES	113	120	120	120	473		473	473
59	FREIGHT - Restriction of HGVs in Residential Areas			35	40	115		115	115
60	GREEN TRAVEL	165	50	60	60	335		335	335
61	LONDON BUS PRIORITY NETWORK	990				990		990	990
62	INTERCHANGES	250	200	200		850		850	850
63	LONDON CYCLE NETWORK	100	175			275		275	275
64	PARKING RESTRICTIONS - Parking Signs	58				58	58		58
65	RADIO SYSTEM FOR PARKING	12				12	12		12
66	DAGENHAM ROAD - HIGHWAY IMPS	25				25	25		25
67	DETRUNKING OF OLD A13	20				20	20		20
68	A1306 ENVIRONMENTAL IMP (TGLP)	300				300	300	300	300
<b>TOTAL R&amp;E - TECHNICAL</b>		<b>7,415</b>	<b>4,120</b>	<b>2,485</b>	<b>2,515</b>	<b>16,535</b>	<b>6,637</b>	<b>9,898</b>	<b>16,535</b>

# PROPOSED 5 YEAR CAPITAL PROGRAMME SUMMARY

## APPENDIX B (v)

Internal funding	External funding	5 Year TOTAL
£'000	£'000	£'000

DETAIL	2004/05	2005/06	2006/07	2007/08	2008/09	5 Year Total
	£'000	£'000	£'000	£'000	£'000	£'000

### REGENERATION & ENVIRONMENT

Internal funding	External funding	5 Year TOTAL
£'000	£'000	£'000

#### Non-TECHNICAL

	£	£	£	£	£	£
69 RELOCATION OF EASTBROOK GARAGE		803				803
70 OFFICE ACCOMMODATION - Civic Centre	389					389
71 OFFICE ACCOMMODATION - Town Hall	625					625
72 CCTV - Expansion of Monitoring Accommodation	38					38
73 CCTV - Extension of Barking Town Centre	84					84
74 REWARD PILOT SCHEME - Energy Saving	56					56
75 FRIZLANDS DEPOT - Refurbishment	42					42
76 BARKING BARRAGE - Telemetry	60					60
77 CEMETERIES - New Cemetery site	1,486					1,486
78 PLAYGROUND UPGRADE	86					86
79 GORESBROOK LC - Repair Filtration Plant	225					225
80 BEAM VALLEY - Dagenham Hospital	148	320				468
81 GREEN SPACE STRATEGY	256	837	3,000	1,000		5,093
82 TANTONY GREEN	63					63
83 ASBESTOS REMOVAL	989	993	203			2,185
84 CURFEW TOWER (Abbey) - Repairs & Upkeep	156					156
85 STATE OF THE LAKES	25					25
86 MAJOR REPAIRS PROGRAMME	1,010	410				1,420
87 MARITIME HOUSE		160				160
<b>TOTAL R&amp;E - NON-TECHNICAL</b>	<b>5,738</b>	<b>3,523</b>	<b>3,203</b>	<b>1,000</b>	<b>-</b>	<b>13,464</b>

#### Regeneration

88 BARKING TOWN CENTRE PARTNERSHIP	186					186
89 SCHEME ON THE GREEN - Phase 2	63					63
90 MADE IN LONDON SRB - Industrial Estates	13					13
91 BARKING TOWN CENTRE - Lifelong Learning	2,334	2,854	400			5,588
92 BARKING TOWN CENTRE - Public Realm	1,245	1,910				3,155
93 BTC & LINTONS REDEVELOPMENT (ODPM)	1,240	2,785				4,025
94 DAGENHAM DOCK INTERCHANGE (ODPM)	120	2,880				3,000
95 BARKING TOWN CENTRE PUBLIC REALM	-	2,000	3,000	2,000	1,107	8,107
<b>TOTAL R&amp;E - REGENERATION</b>	<b>5,201</b>	<b>12,429</b>	<b>3,400</b>	<b>2,000</b>	<b>1,107</b>	<b>24,137</b>
<b>TOTAL ALL R&amp;E</b>	<b>18,354</b>	<b>20,072</b>	<b>9,088</b>	<b>5,515</b>	<b>1,107</b>	<b>54,136</b>

Internal funding	External funding	5 Year TOTAL
£'000	£'000	£'000

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£'000	£'000	£'000

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# PROPOSED 5 YEAR CAPITAL PROGRAMME SUMMARY

Internal funding	External funding	5 Year TOTAL
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DETAIL	2004/05	2005/06	2006/07	2007/08	2008/09	5 Year Total
	£'000	£'000	£'000	£'000	£'000	£'000

## SOCIAL SERVICES

96	GRAYS COURT - Nursing & Day Care Facilities	4,031	821			4,852	4,672	180	4,852
97	DAY CARE REPROVISION - Learning Disabilities	988	1,465			2,453	2,453		2,453
98	YOUTH OFFENDING - New Building	5				5	5		5
99	ACCOMMODATION - FIT FOR PURPOSE	261	200			461	461		461
100	SHAPE UP (VARIOUS) - Social Services	405	200			605	605		605
101	BARKING HOSPITAL SITE	10				10	10		10
	<b>TOTAL SOCIAL SERVICES</b>	<b>5,700</b>	<b>2,686</b>	<b>-</b>	<b>-</b>	<b>8,386</b>	<b>8,206</b>	<b>180</b>	<b>8,386</b>

## FINANCE DEPARTMENT

102	REVENUE SERVICES - Accommodation Imps	300				300	300		300
103	REVENUE SERVICES - Replace IT System	778	1,516			2,294	539	1,755	2,294
104	ICT - Infrastructure Renewal & Enhancements	851	300			1,151	1,085	66	1,151
	<b>TOTAL FINANCE</b>	<b>1,929</b>	<b>1,816</b>	<b>0</b>	<b>0</b>	<b>3,745</b>	<b>1,924</b>	<b>1,821</b>	<b>3,745</b>

## CORPORATE STRATEGY DEPARTMENT

105	ST GEORGES COMPLEX - New Building	26	250	800		1,076	1,076		1,076
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### *Customer First*

106	FOUNDATION CONTACT CENTRE	1,714	1,811	669		4,194	3,994	200	4,194
107	OFFICE ACCOMMODATION	969	995			1,964	1,964		1,964
	<b>TOTAL CORPORATE STRATEGY</b>	<b>2,709</b>	<b>3,056</b>	<b>1,469</b>	<b>0</b>	<b>7,234</b>	<b>7,034</b>	<b>200</b>	<b>7,234</b>

## TOTAL LBBD SCHEMES

<b>115,562</b>	<b>116,104</b>	<b>231,666</b>
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## ACCOUNTABLE BODY

108	HoTG - Ferry Lane & Coldharbour Lane	347				347		347	347
109	HoTG - Industrial Estates Revitalisation	275				275		275	275
110	LRL - 'Public Art Roundabouts	50				50		50	50
111	LRL - UTC Green Links (Rainham-Purfleet Path)	100				100		100	100
112	LRL - Mardyke Youth & Community Hall	220				220		220	220
113	LRL - A1306 - Ballards to Beam River	250				250		250	250
	<b>TOTAL ACCOUNTABLE BODY</b>	<b>1,242</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,242</b>	<b>0</b>	<b>1,242</b>	<b>1,242</b>

## TOTAL SCHEMES

<b>115,562</b>	<b>117,346</b>	<b>232,908</b>
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# 4 YEAR CAPITAL PROGRAMME - EXISTING SCHEMES TO BE REVIEWED

DETAIL	2005/06				2007/08				2008/09				4 Year Total		FUNDING	
	£'000				£'000				£'000				£'000		£'000	

## EDUCATION

### PRIMARY SCHOOLS

1	LYMINGTON -New Primary School	350	3,300	2,060	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710
2	BARKING REACH - 'Primary (1)	350	3,300	2,060	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710
3	BARKING REACH - 'Primary (2)			2,620	2,620	2,620	2,620	2,620	2,620	2,620	2,620	2,620	2,620	2,620	2,620	2,620	2,620
4	EASTBURY INFANTS Site Rationalisation	200	2,500	4,800	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
5	BARKING CENTRAL AREA - New Primary School	350	3,300	2,060	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710
6	PFI CONTINGENCY		500		500	500	500	500	500	500	500	500	500	500	500	500	500

### SECONDARY SCHOOLS

7	BARKING ABBEY PHASE 5 - Alterations (Sandringham Rd)	572			572	572	572	572	572	572	572	572	572	572	572	572	572
8	DAGENHAM PARK - Sports Hall etc	3,000	1,260		4,260	4,260	4,260	4,260	4,260	4,260	4,260	4,260	4,260	4,260	4,260	4,260	4,260
9	BARKING ABBEY PHASE 6 - Alterations (Longbridge Rd)	2,490	300		2,790	2,790	2,790	2,790	2,790	2,790	2,790	2,790	2,790	2,790	2,790	2,790	2,790
10	BARKING ABBEY	4,116			4,116	4,116	4,116	4,116	4,116	4,116	4,116	4,116	4,116	4,116	4,116	4,116	4,116

### OTHER SCHEMES

11	PLAYGROUND RECONSTRUCTION	200	200	200	600	600	600	600	600	600	600	600	600	600	600	600	600
12	SCHOOLS REBOILER PROGRAMME	300	300		600	600	600	600	600	600	600	600	600	600	600	600	600
13	EDUCATION SHAPE UP	425	425	1,375	2,225	2,225	2,225	2,225	2,225	2,225	2,225	2,225	2,225	2,225	2,225	2,225	2,225
14	MAJOR REPAIRS /FAIR FUNDING	150	150	150	450	450	450	450	450	450	450	450	450	450	450	450	450
15	NURSERY WRAP ROUND CARE (LBBD Contribution)	-	533	1,000	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533	1,533
16	GASCOIGNE CHILDRENS CENTRE	1,211	206		1,417	1,417	1,417	1,417	1,417	1,417	1,417	1,417	1,417	1,417	1,417	1,417	1,417
17	ST GEORGES COMPLEX - 'B&D Training Unit	700			700	700	700	700	700	700	700	700	700	700	700	700	700
18	SCHOOL MODERNISATION FUND	45			45	45	45	45	45	45	45	45	45	45	45	45	45

### ARTS & LIBRARIES

19	NEW DAGENHAM LIBRARY	2,310			2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310	2,310
20	SOUTH DAGENHAM ARTS COMPLEX	2,000			2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000

### TOTAL EDUCATION

		18,769	15,774	16,825	0	51,368	51,368	51,368	51,368	51,368	51,368	51,368	51,368	51,368	51,368	51,368	51,368
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## HOUSING

### Non HRA

21	CONTAMINATED LAND PROGRAMME		765	568	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333
	TOTAL HOUSING	0	765	568	0	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333

**APPENDIX C (i)**

# 4 YEAR CAPITAL PROGRAMME - EXISTING SCHEMES TO BE REVIEWED

DETAIL	2005/06	2006/07	2007/08	2008/09	4 Year Total	FUNDING	
	£'000	£'000	£'000	£'000	£'000	Internal funding £'000	External funding £'000

## REGENERATION & ENVIRONMENT

### TECHNICAL

22	HIGHWAYS STRUCTURAL REPAIRS - Annual Programme	900	1,900	1,900	4,700	4,700		4,700
23	TfL SCHEMES	1,325			1,325		1,325	1,325
24	CYCLING ROUTE (non LCN)	35	40	40	115		115	115

### Non-TECHNICAL

25	WASTE MINIMISATION - Recycling		490	250	740	740		740
26	DAGENHAM SWIMMING POOL - Refurbishment	297			297	297		297
27	REFURBISHMENT UNDER URBAN PARKS PROGRAMME		1,095	1,095	2,190	460	1,730	2,190
28	CAPITALISED MAJOR REPAIRS PROGRAMME	690	1,100	1,100	0	2,890		2,890
<b>TOTAL R&amp;E</b>		<b>3,247</b>	<b>4,625</b>	<b>4,385</b>	<b>-</b>	<b>12,257</b>	<b>3,170</b>	<b>12,257</b>

10  
11  
12

## SOCIAL SERVICES

29	ACCOMMODATION - FIT FOR PURPOSE		200	200	400	400		400
30	SERVICE REFURBISHMENT - Social Services	200	400	400	1,000	1,000		1,000
31	BARKING HOSPITAL SITE - OP & MH Services	750	740		1,490	1,490		1,490
<b>TOTAL SOCIAL SERVICES</b>		<b>950</b>	<b>1,340</b>	<b>600</b>	<b>-</b>	<b>2,890</b>	<b>-</b>	<b>2,890</b>

## TOTAL LBBD SCHEMES

		22,966	22,504	22,378	0	67,848	50,057	17,791	67,848
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## ACCOUNTABLE BODY SCHEMES

		-	-	-	-	-	-	-	-
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## TOTAL SCHEMES

		22,966	22,504	22,378	0	67,848	50,057	17,791	67,848
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APPENDIX C (ii)

## THE EXECUTIVE

22 FEBRUARY 2005

## REPORT OF THE DIRECTOR OF FINANCE

TREASURY MANAGEMENT ANNUAL STRATEGY STATEMENT, PRUDENTIAL INDICATORS AND ANNUAL INVESTMENT STRATEGY	FOR DECISION	
<p><i>This report deals with the Treasury Management Annual Strategy Statement, Prudential Indicators and Annual Investment Strategy for consideration by the Assembly.</i></p> <p><b>Summary</b></p> <p>The production and approval of a Treasury Management Annual Strategy Statement and Annual Investment Strategy are requirements of the Council under Section 15(1) of the Local Government Act 2003. It is also a requirement of the act to set an authorised borrowing limit for the forthcoming financial year.</p> <p>The Local Government Act 2003 also requires the Council to have regard to the Prudential Code, and to set prudential indicators which take into account the Council's capital investment plans for the next 3 years.</p> <p><b>Recommendation</b></p> <p>Members are asked to consider and refer the following to the Assembly on 2<sup>nd</sup> March 2005 for approval:</p> <ol style="list-style-type: none"> <li>1. The Treasury Management Strategy Statement for 2005/06 (this document);</li> <li>2. The authorised borrowing limit of £10 million for 2005/06, which will be the statutory limit determined under section 3(1) of the Local Government Act 2003 (section 2);</li> <li>3. The Annual Investment Strategy for 2005/06, which states the investments that the Council may use for the prudent management of its investment balances (section 7); and</li> <li>4. The Prudential Indicators for 2005/06 (appendix A).</li> </ol> <p><b>Reason</b></p> <p>It is necessary for the members to approve this report due to the requirements of the Local Government Act 2003 as stated above.</p>		
<p><b>Contact Officer</b> Lee Russell</p>	<p>Head of Corporate Finance</p>	<p>Tel: 020 8227 2966 Minicom: 020 8227 2413 E-mail <a href="mailto:lee.russell@lbbd.gov.uk">lee.russell@lbbd.gov.uk</a></p>

## 1. Introduction

- 1.1 The Local Government Act 2003 requires the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.
- 1.2 The Act therefore requires local authorities to set out their treasury strategy for borrowing and to prepare an Annual Investment Strategy. This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 1.3 The Office of the Deputy Prime Minister (ODPM)'s investment guidance was issued too late for the Annual Investment Strategy to be included in the Treasury Strategy Statement for 2004/05. However, the guidance did state that in future years, authorities could combine the Treasury Strategy Statement and Annual Investment Strategy into one report; the Council has adopted that suggestion and the Annual Investment Strategy is therefore included as paragraph 7.
- 1.4. The suggested strategy for 2005/06 in respect of the following aspects of the treasury management function is based upon officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury advisor. The strategy covers:
  - Treasury limits in force which will limit the treasury risk and activities of the Council;
  - Prudential Indicators;
  - The current treasury position and borrowing requirement;
  - Prospects for interest rates;
  - The borrowing strategy;
  - The investment strategy;
  - End of year investment report; and
  - Any extraordinary treasury issues, such as the implications of a Large Scale Voluntary Transfer (LSVT) or Arms Length Management Organisation (ALMO).

## 2. Treasury Limits for 2005/06 to 2007/08

- 2.1 It is a statutory duty under S.3 of the Local Government Act 2003 and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the "Affordable Borrowing Limit".
- 2.2 The Council must have regard to the Prudential Code when setting the Affordable Borrowing Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax and council rent levels is 'acceptable'.
- 2.3 Whilst termed an "**Affordable Borrowing Limit**", the capital plans to be considered for inclusion incorporate financing by both external borrowing and other forms of liability, such as credit arrangements. The affordable borrowing limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years. It is proposed that this be set at **£10m**. This limit would only be for **short term** borrowing for cashflow purposes, rather than to enter into long term loan arrangements.

- 2.4 The “Affordable Borrowing Limit” has been increased from £5m set in 2004/05, to £10m for the three years from 2005/06 through to 2007/08. This has been done on the advice of the Council’s treasury advisors to enable greater flexibility over potential short term borrowing. This limit is set as a precaution. In practice, it is very unlikely that the limit will need to apply. Borrowing against this limit would be for short term purposes, and in setting this limit, members delegate this power to the Director of Finance.
- 2.5 Further details on the Council’s treasury indicators have been included in **Appendix A** to this document.

### **3. Prudential Indicators for 2005/06 to 2007/08**

- 3.1 The prudential indicators are relevant for the purposes of setting an integrated treasury management strategy. The setting of prudential indicators by local authorities is a requirement of the Local Government Act 2003. These indicators take into account the authority’s capital investment plans to measure the affordability, prudence and sustainability. As a debt free authority, the Council currently funds the capital programme from the Council’s own reserves, capital receipts and external funding, without needing to borrow externally. As such, the prudential indicators do not show the Council’s capital expenditure plans to be unaffordable, imprudent or unsustainable. However, certain calculations are relevant to the Council, such as the cost to the Council of spending on the capital programme rather than generating interest receipts from investments.
- 3.2 The prudential indicators are summarised as follows:

**Capital Expenditure:** This indicator requires the Council to set out planned capital expenditure over the next 4 years.

**Financing costs:** This indicator looks at the impact that the capital expenditure has on revenue expenditure in the HRA and General Fund. For example, the opportunity cost of capital expenditure is a loss in interest receipts on the capital.

**Impact of Capital Expenditure on Council Tax and Housing Rents:** This indicator calculates the effect that the capital programme has on levels of Council Tax and Housing Rents.

**Capital Financing Requirement:** This indicator calculates the underlying “debt” that the Council needs to finance its capital programme. As the Council is in a debt free position, the only items that the Council needs to finance on a year-on-year basis are capital creditors.

- 3.3 Further details on the Council’s prudential indicators, along with a summary of the impact that this new capital financing regime is having on the authority, have been included in **Appendix A** to this document.

#### 4. Current Portfolio Position

4.1 The Council's treasury portfolio position at 31/12/2004 comprised:

	31 March 2004	31 December 2004	Rate of Return
	£ Million	£ Million	%
Council in House Team	79	84	4.61
Scottish Widows	27	28	4.55
Investec Guinness Flight	78	80	4.86
Borrowing	nil	nil	-
Total	184	192	4.71

4.2. The table also shows the rates of return that have been realised for the 9 months to 31<sup>st</sup> December 2004 (latest figures available).

4.3 The benchmark and objective is set for each fund manager as follows:

	Benchmark	Investment Objectives
Investec Guinness Flight	7 Day L.I.B.I.D Rate in Financial Times	Security of the Fund is of paramount importance and the Manager's priority will be to minimise risk to capital values. The Manager's objective will be to optimise returns commensurate with the containment of risk.
Scottish Widows	The 7 Day Local Authority Deposit Rate compounded weekly from Datastream	To outperform the benchmark by 1% per annum (net of fees) over a rolling three year period.

4.3 The Council currently has no borrowing. While this position is not expected to change throughout 2005/06, due to the internal resources (capital receipts) currently available, there may be instances where short term borrowing is advantageous from an overall treasury management point of view.

#### 5. Prospects for Interest Rates

5.1 The level of, and fluctuations in, interest rates, are a key consideration for any treasury management strategy. The Council invests its portfolio throughout the year, and the level of interest rates determines the interest receipts that are generated to support ongoing revenue expenditure.

5.2 To arrive at an expectation of interest rates for 2005/06, and beyond, involves making a number of judgements and assumptions, and involves a degree of uncertainty.

5.2 The Council has appointed Sector Treasury Services as treasury adviser to the Council and part of their service is to assist the Council to formulate a view on interest rates. **Appendix B** draws together a number of current City forecasts for short term or variable and longer fixed interest rates.

## **6. Borrowing Strategy**

6.1 A borrowing limit of £10m has been set per paragraph 2.3. This limit would apply to short term use of borrowing, and would be used (if at all) to address cashflow issues. However, there may be instances in the longer term where a strategy of borrowing would be advantageous to the Council's overall objectives.

6.2 There are some significant programmes being undertaken that may require the Council to consider funding options in the longer term. They include Housing Futures, and also projects designed to meet the Council's regeneration agenda.

6.3 Similarly, there may be instances where there may be a business benefit of borrowing. For example, the construction of a car park could be financed by a loan, while the longer term income received on this asset would make the borrowing economically beneficial.

6.4 The Council will move away from being in a debt free position at some point in the next few years. As this point approaches, or should any situation arise in the mean time where it would be beneficial for the Council to borrow, the Director of Finance would report the relevant proposals to members.

## **7. Annual Investment Strategy**

### **Investment Policy**

7.1 The Council must have regard to the ODPM's Guidance on Local Government Investments ("the Guidance") issued in March 2004 and the Chartered Institute of Public Finance Accountants (CIPFA)'s Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities are: -

- (a) the security of capital and
- (b) the liquidity of its investments.

The Council will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

7.2 The Annual Investment Strategy states which investments the Council may use for the prudent management of its treasury balances during the financial year under the heads of Specified Investments and Non-Specified Investments. It is a requirement to report these investments to the Executive for approval. These are listed in Appendix C. It also sets out :

- The procedures for determining the use of each asset class (advantages and associated risk), particularly if the investment falls under the category of "non-specified investments"; and

- The maximum periods for which funds may be prudently committed in each asset class.

### **Investment Objectives**

- 7.3 All investments will be in sterling. The general policy objective for this Council is the prudent investment of its treasury balances. The Council's investment priorities are the security of capital and liquidity of its investments. The council will aim to achieve the optimum return on its investments commensurate with the proper levels of security and liquidity.
- 7.4 The ODPM maintains that the borrowing of monies purely to invest or on-lend and make a return is unlawful and the Council will not engage in such activity.

### **Security of Capital: The use of Credit Ratings**

- 7.5 Barking and Dagenham relies on credit ratings published by Fitch Ratings to establish the credit quality of counterparties (issuers and issues) and investment schemes. The Council has also determined the minimum long-term, short-term and other credit ratings it deems to be "high" for each category of investment.
- 7.6 Monitoring of credit ratings :
- All credit ratings will be monitored monthly. The Council has access to Fitch credit ratings and is alerted to changes through its use of the Sector website.
  - If a counterparty's or investment scheme's rating is downgraded with the result that it no longer meets the Council's minimum criteria, the further use of that counterparty /investment scheme as a new investment will be withdrawn immediately. The Council will also immediately inform its external fund managers of the withdrawal of the same.
  - If a counterparty is upgraded so that it fulfils the Council's criteria, its inclusion will be considered and put to the Director of Finance for approval.
  - The Council will establish with its fund managers their credit criteria and the frequency of their monitoring of credit ratings so as to be satisfied as to their stringency and regularity.

### **Investment balances / Liquidity of investments**

- 7.7 The sum invested broadly represents the capital receipts that the Council has not yet re-invested into capital projects, financial reserves and provisions, together with the impact of any difference between the collection of income and council expenditure.
- 7.8 It is difficult to forecast with any certainty predicted changes in the levels of funds available due to variations in the rate of capital expenditure and uncertainties over the level of capital receipt income.



- 7.9 Based on its cash flow forecasts, the Council anticipates its fund balances in 2005/06 to be approximately £140 million which is based upon the 2005/06 capital programme expenditure profile (including a prudent allowance for slippage) and the already committed use of reserves and other balances.
- 7.10 The Council may permit its external fund managers to use instruments such as gilts, bonds and other longer-dated instruments. Limits will have to be established in the use of such instruments to ensure that the Council can have access to its investments to finance the capital programme. These Treasury Management limits can be set as either a £ amount or percentage.
- 7.11 Giving due consideration to the Council's level of balances over the next 3 years, the need for liquidity, its spending commitments and provisioning for contingencies, the Council has determined that £60m of its overall fund balances can be prudently committed to longer term investments (i.e. those with a maturity exceeding a year).

### **Investments defined as capital expenditure**

- 7.12 The acquisition of share capital or loan capital in any body corporate is defined as capital expenditure under Section 16(2) of the Local Government Act 2003. Such investments will have to be funded out of capital or revenue resources and will be classified as 'non-specified investments'.
- 7.13 A loan or grant by this Council to another body for capital expenditure by that body is also deemed by regulation to be capital expenditure by this Council. It is therefore important for this Council to clearly identify if the loan has made for policy reasons (e.g to the registered social landlord for the construction/improvement of dwellings) or if it is an investment for treasury management purposes. The latter will be governed by the framework set by the Council for 'specified' and 'non-specified' investments.

### **Provisions for Credit-related losses**

- 7.14 If any of the Council's investments appeared at risk of loss due to default, (i.e. this a credit-related loss, and not one resulting from a fall in price due to movements in interest rates) the Council will make revenue provision of an appropriate amount.
- 7.15 Investment instruments identified for use in the financial year are listed below under the 'Specified' and 'Non-Specified' Investments categories. Counterparty limits will be as set through the Council's Treasury Management Practices.
- 7.16 The Council's external fund managers will comply with the Annual Investment Strategy. The agreements between the Council and the fund managers also stipulate guidelines on duration and other limits in order to contain and control risk.

## **8. Investment Strategy**

- 8.1 The demands placed on the Council's treasury management activities remain broadly unchanged from previous years. The Council remains in a debt free position, and expects to continue to be so throughout 2005/06. For this reason the principles of the proposed strategy for 2005/06 continue those adopted in recent years and are:

- The weighting of the funds between the different fund managers will be kept under constant review in order to ensure that an adequate spread of risk is maintained within the smaller portfolio; and
- External investments will be managed in accordance with the policy guidelines set out in the management agreements with each of the fund managers. These demand the securing the highest rate of return commensurate with the maintenance of the capital value of the investment.

8.2 The strategies of the fund managers will be determined in the light of market conditions and the actual movement of interest rates during the year. This will require the Director of Finance to review the investments made by the Council to determine the limits for Specified and Non-Specified Investments (**Appendix C**)

8.3 **Interest Rate Outlook:** The Council's treasury management advisors are forecasting base rates to be on a falling trend from 5.00% in Q1 and Q2 2005 to 4.50% in Q1 & 2 of 2006. The Council will therefore seek to lock in longer period investments at higher rates before this fall starts for some element of its investment portfolio which represents its core balances.

8.4 For its cash flow generated balances, the Council will seek to utilise its business reserve accounts and short-dated deposits (1-3 months) in order to benefit from the compounding of interest.

8.5 **Fund Managers' Outlook:** £108m of the Council's funds are externally managed on a discretionary basis by Investec and Scottish Widows.

Investec provide the Council with a periodic outlook on interest rates. In their most recent update, their "central scenario" saw interest rates as having peaked at 4.75%, but that they will remain unchanged at this level for many months. Beyond this, they see the potential for a rise in rates to 5% at some point in 2005-06.

Scottish Widows also provide the Council with an outlook on interest rates. Their central position is also to see a rise in interest rates to 5% at some point in 2005.

## 9. End of year Investment Report

9.1 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

## 10 Extraordinary Treasury Issues

10.1 There are no extraordinary treasury issues to report.

## 11. Consultation:

- Julie Parker – Director of Finance
- Joe Chesterton – Head of Financial Services
- Lee Russell – Head of Corporate Finance
- John Hooton – Assistant Head of Corporate Finance

**Background Papers:**

- Local Government Act 2003
- CIPFA – The Prudential Code for Capital Finance in Local Authorities
- CIPFA – Treasury Management in the Public Services
- Approved capital programme 2004/05 to 2007/08
- Capital programme – working papers
- Interest receipts projections – working papers
- Medium Term Financial Strategy
- Land Disposals Programme

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### The Prudential Code for Capital Investment in Local Authorities

#### 1. Introduction.

- 1.1. This statement sets out in detail the implications of the new framework for local authority investment based on a Prudential Code. It includes the series of financial indicators which must be produced as part of these new arrangements. As a debt free authority, the current impact of this new capital financing regime on The Council is limited, but it will become of increasing importance as the time approaches when the Council may have to renew borrowing in order to finance capital investment.

#### 2. The Framework for Local Authority Capital Investment

- 2.1. The Prudential Code for Capital Investment allows each council to form its own judgment as to the amount it should borrow to finance capital investment. On the 1<sup>st</sup> April 2004, this prudential borrowing system replaced the existing complex system of central Government control over council borrowing, although the Government has retained reserve powers of control which it may use in exceptional circumstances.
- 2.2. To enable councils to establish whether their proposed borrowing is affordable and prudent the *Chartered Institute of Public Finance and Accountancy* (CIPFA) has produced *The Prudential Code for Capital Finance in Local Authorities*. This identifies a range of indicators which must be considered by the Council when it makes its decisions about its future capital programme and sets its budget.
- 2.3. For the Council, the impact of the present system of capital expenditure controls has been reduced by its debt-free status. In the new system there are no special incentives for local authorities to become or remain debt free.
- 2.4. In the longer term the prudential system gives the Council more freedom to determine when, and by how much, it may become necessary to borrow to finance capital investment. The starting point for the production of the Council's capital programme is its Asset Management Plan and Capital Strategy. They seek to balance the requirement to renovate and enhance the Council's assets against the requirement for any borrowing to be both prudent and affordable.

### **3. The Pooling of Capital Receipts**

- 3.1. For the Council the most immediate impact of the framework for capital investment has been the accompanying introduction of a new system of pooling capital receipts.
- 3.2. In the previous system local authorities have to set aside a proportion of their housing capital receipts for the repayment of debt. By taking these set asides into account when it calculates the borrowing limit for each local authority, the Government has effectively redistributed capital receipts between local authorities.
- 3.3. The Council was, however, excluded from the previous system of pooling capital receipts. Special regulations for debt free authorities enabled the Council to spend on capital investment the sums which, in other authorities, were set-aside for the repayment of debt. As a consequence the Council was able to re-invest all its capital receipts in its own capital programme.
- 3.4. Debt free authorities such as this Council are now not exempt from the new system of pooling capital receipts that was introduced in April 2004. In this new system the redistribution of receipts is achieved more directly by requiring council's to pay up to 75% of their **Housing Revenue Account** capital receipts into a national pool for redistribution to other authorities. **General Fund** capital receipts do not have to be pooled in the new arrangements.
- 3.5. The starting point for the calculation of the Council's contribution to the national receipts pool is 75% of dwelling sales and 50% of housing sites. The regulations permit the contribution to the national pool to be reduced to the extent that the Council invests in regeneration or social housing. In future years this incentive to invest in social housing or regeneration will need to be taken account in the preparation of the Council's Capital Strategy.
- 3.6. For the first three years of this system the impact of capital receipts pooling on debt free authorities is rebated. They are reimbursed 75% of their contribution to the national capital receipts pool in 2004/05, 50% in 2005/06 and 25% in 2006/07.
- 3.7. These arrangements stipulate that the rebates are earmarked for the use of the HRA. Since, however, the proposed use of capital receipts by the HRA is currently in excess of these rebated amounts, this does not represent a constraint to the formulation of the Council's capital programme.

#### **4 Government Financial Support for Capital Expenditure**

- 4.1. At present the Government gives financial support to the cost of borrowing to finance local authority capital investment through Revenue Support Grant and Housing Revenue Account Subsidy. The Government also pays capital grants for all or part of the cost of some types of capital schemes.
- 4.2. The use of capital grants has, in the past, been associated with the “ring-fencing” of government support to particular capital schemes. The Local Government Act 2003 gave ministers the power to pay capital grants to local authorities in a non-ring-fenced form.
- 4.3. The new framework for local authority capital investment does not itself require any change in the way in which Government support for capital expenditure is provided. In the short term, the existing arrangements will continue, with the majority of resources being distributed by means of the “Single Capital Pot”.
- 4.4. For the longer term the Government is reviewing the relative merits of capital grants or of supporting borrowing through the Revenue Support Grant mechanism.

#### **5. The Prudential Indicators**

- 5.1. Regulations issued under the Local Government Act 2003 require local authorities to have regard to the CIPFA Prudential Code for Capital Finance when determining the amount of borrowing it is prudent and affordable to undertake.
- 5.2. This Code in turn sets out the information that each Council must consider when making its decisions about future borrowing and investment. This takes the form of a series of “Prudential Indicators” and well as a description of the broader issues that much must be considered when making these decisions.
- 5.3. The Code is a formal statement of good practice that has been developed to apply to all authorities regardless of their local circumstances. For this reason this statement has to include all the required prudential indicators even though some of them are not of direct relevance to debt free authorities. It is therefore important to focus on the overall picture that they present of the Council’s financial circumstances rather than to concentrate on individual indicators.

## 6. Capital Expenditure

- 6.1. The first prudential indicator asks authorities to forecast **capital expenditure** both for the General Fund, and Housing Revenue Account Expenditure, over the next 3 years. These figures are shown, set against actual capital expenditure for 2003/04, in table 1:

Table 1: Capital Expenditure (Prudential Indicator)

	2003/04 Actual	2004/05 Probable outturn	2005/06 Estimate	2006/07 Estimate	2007/08 Estimate
	£'000	£'000	£'000	£'000	£'000
HRA	46,785	31,510	35,535	20,700	20,600
General Fund	42,485	56,360	44,654	14,478	7,965
Total	89,270	87,870	80,189	35,178	28,565

*Note: This table includes externally and internally financed expenditure. These figures incorporate the proposed capital programme as at the 22<sup>nd</sup> February 2005. This will be revised to include new bids and reassessed bids for 2005/06, and the indicators will be adjusted accordingly.*

## 7. Financing Costs

- 7.1. For an authority that has debt, the prudential indicator for its financing costs is calculated based on the interest and repayment of principle on borrowing. Conversely, for an authority without debt, it is the interest and investment income from its investments. This income contributes to the financing of the Council's revenue budget. When, however, capital receipts are used to finance the capital programme the amount of interest earned will be reduced. The use of capital receipts to finance the capital programme, rather than to raise interest receipts is therefore a cost to the Council.
- 7.2. Since the authority does not borrow there is no Minimum Revenue Provision ("repayment of principle") in the General Fund financing costs. For the HRA there is, however, a charge for depreciation based on the Major Repairs Allowance. This is included in the financing costs of the authority although in practice it is matched by an equivalent amount in HRA Subsidy.
- 7.3. Since it may be imprudent for an authority to place excessive reliance on investment income to finance its revenue budget the Prudential Code requires council's to take into account the ratios of these financing costs to its net revenue streams. This is done separately for the General Fund and the Housing Revenue Account in Table 2.
- 7.4. The ratio for the General Fund shows the impact of the decline in investment income as a consequence of the use of capital receipts to



finance the capital programme. The ratio is much higher for the Housing Revenue Account because it includes depreciation.

- 7.5. Table 2 shows the Council's Net Revenue Streams for both the General Fund and the Housing Revenue Account, Financing Costs for these two funds and the ratio of Net Revenue Streams to Financing Costs, based on the capital programme shown in Table 1. Outturn figures are given for 2003/04, and future years are estimated. The use of capital receipts for capital investments results in a loss of interest and investment income but this may be offset by the interest on new capital receipts.

Table 2: Financing Costs (Prudential Indicator)

	2003/04 Actual	2004/05 Probable outturn	2005/06 Estimate	2006/07 Estimate	2007/08 Estimate
	£'000	£'000	£'000	£'000	£'000
<b>Net Revenue Stream</b>					
HRA	58,162	57,400	58,700	58,700	58,700
General Fund	218,071	220,168	232,252	246,585	259,490
<b>Financing Costs</b>					
HRA	14,268	23,710	14,356	12,998	12,898
General Fund	(4,505) %	(5,114) %	(5,284) %	(3,890) %	(3,116) %
<b>Ratio</b>					
HRA	24.53	39.56	24.46	22.14	21.97
General Fund	(2.07)	(2.32)	(2.28)	(1.58)	(1.20)

*This table may change as a consequence of changes to the capital programme and in the planned use of reserves and provisions.*

*Note: The payments made as part of the present (and any future) PFI schemes are not included in the calculation of financing costs.*

- 7.6. The ratio for the General Fund shows the impact of the decline in investment income as a consequence of the use of capital receipts to finance the capital programme. The ratio is much higher for the Housing Revenue Account because it includes depreciation.
- 7.7. Ultimately, the decision as to whether the Council's capital programme is affordable will depend on its impact on Housing Rents and the Council Tax. For this reason the Code requires the Council to consider the implications of the proposed **changes** to their capital programmes on the Council Tax and Housing Rents (table 3). This estimate excludes the impact of the re-phasing of existing capital schemes and of the site disposal programme and right to buy sales. It concentrates on the impact of adding or deleting capital schemes since it focuses on those aspects of the capital programme on which a decision is required.

Table 3: The Impact of Capital Programme on the Council Tax and Housing Rents (Prudential Indicator)

	2004/05 Estimate £'million	2005/06 Estimate £'million	2006/07 Estimate £'million	2007/08 Estimate £'million
	£	£	£	£
For Band D Council Tax	17.97	47.17	89.58	79.20
For average weekly Housing rents	0	0	0	0

- 7.8. These figures show the potential effect that new schemes could have on Council Tax, if all other factors remained the same. New schemes are defined as additional schemes added to the programme throughout the year, and annual programmes, such as housing major capital works.
- 7.9 These figures reflect the additional loss of interest costs of financing new capital investment. They also reflect the growth items (increase in revenue costs) that have resulted from capital projects, such as for Customer First.
- 7.10 As a consequence of the absence of debt and the Government's policy on rent restructuring the capital programme will have a minimal impact on future rents. There are no borrowing costs and the revenue contribution to capital expenditure will be set according to the rent levels that are established by the rent restructuring regulations.

## **8. Capital Financing Requirement**

- 8.1. The Prudential Code requires the Council to measure its underlying need to borrow for capital investment by calculating its **Capital Financing Requirement**. This is calculated in table 4 below. The capital financing requirement identifies the level of capital assets on an authority's balance sheet, and compares this to the capital reserves to see how much of these assets have been "funded". The difference is the level of debt that the authority has to repay in the future – or the "capital financing requirement".

Table 4: Capital Financing Requirement (Prudential Indicator)

	2003/04 Actual £'million	2004/05 Estimate £'million	2005/06 Estimate £'million	2006/07 Estimate £'million	2007/08 Estimate £'million
Housing Revenue Account (HRA)	(28,833)	(26,653)	(23,535)	(21,355)	(21,355)
General Fund	48,164	26,501	23,383	21,203	21,203
<b>Capital Financing Requirement</b>	<b>19,331</b>	<b>(152)</b>	<b>(152)</b>	<b>(152)</b>	<b>(152)</b>
Adjust for capital creditors	(19,483)				
	<b>(152)</b>				

- 8.2. The Council's capital financing requirement is positive for 2003/04, due to the fact that £19,483k of capital creditors remained "unfinanced" at the balance sheet date. This gives the impression that the Council has "debt" for the purposes of this calculation – as it owes nearly £20m at that point. However, as this is simply funded by capital receipts in 2004/05, rather than through any loan arrangements, so the capital financing requirement reverts to being negative for 2004/05, as the table shows.
- 8.3 The Council's overall capital financing requirement is negative because it has no underlying need to borrow for capital investment. Given the scale of the Council's financial transactions this figure is for practical purposes zero. The figure is negative rather than zero because it is not possible to completely separate capital and revenue items in local authority balance sheets.
- 8.4. A separate HRA capital financing requirement is calculated for the purpose of allocating interest costs and receipts within the Council. The negative HRA capital financing requirement means that the HRA receives the benefits of interest on HRA capital receipt set aside before the Council became debt free.
- 8.5. Even in the future, when the Council may have an underlying need borrow to finance capital expenditure; it may still not necessarily borrow externally. Sound treasury management may demand that it makes temporary use of internal funds not immediately required for the purposes for which they are maintained.

## **9. External Debt**

- 9.1. In the medium term local authorities only have the power to borrow for capital purposes. The current position is that The Council has no plans to embark on long term borrowing.
- 9.2. External borrowing and investment arises as a consequence of all the financial transactions of the Council and not simply those arising from capital spending. In accordance with best professional practice the Council does not associate borrowing with particular items or types of expenditure. This means that in day to day cash management no distinction can be drawn between revenue or capital funds nor, similarly, between Housing Revenue Account and the General Fund.
- 9.3. For the management of this borrowing on a day to day basis the Council is recommended to approve an operational limit of zero for its external debts for the next three years. This is the formal expression of the Council's existing treasury management policy of not borrowing unless it proves essential for managing cash flow according to best professional practice.
- 9.4. At any point in time there are a number of cash flows in and out of the Council's bank account which are caused by the differential timing of payments and receipts from the Council. It is possible that an unanticipated cash movement could lead to a requirement for temporary

borrowing. For this reason the Council is also recommended to approve the authorised limits set out in Table 5.

**Table 5: Authorised Borrowing Limits (Prudential Indicator)**

	2004/05 £'million	2005/06 £'million	2006/07 £'million	2007/08 £'million
<b>Operational Limit</b> on Borrowing	0	0	0	0
Margin for Unforeseen Cash Flow Movements	5.0	10.0	10.0	10.0
<b>Authorised Limit</b>	5.0	10.0	10.0	10.0

- 9.5. These limits give the Director of Finance authority to undertake borrowing for cash flow purposes. For this reason, in taking its decisions on this budget report, the Council is asked to note that the authorised limit for 2005/06 will be the statutory limit determined under section 3 (1) of the Local Government Act 2003 (unchanged from the limit approved in 2004/05).
- 9.6. The authorised limit for temporary borrowing is small in comparison with the scale of the Council's investments. It is therefore consistent with the Council's existing financial strategy and approved treasury management policy statement and practices. While borrowing within these authorised limits would therefore be neither imprudent nor unaffordable, a continuing need to borrow beyond the operational limit of zero would indicate to the Director of Finance that the Council's financial position should be re-evaluated.

## **10. Treasury Management Indicators of Prudence**

- 10.1 The authority has an integrated treasury management strategy and has adopted the *CIPFA Code of Practice for Treasury Management in the Public Sector*. The new *Prudential Code for Capital Finance in Local Authorities* supplements this by requiring council's to calculate specific indicators to demonstrate the prudence of its treasury management policies. There are three treasury management indicators of prudence, detailed below:

### *Interest Rate Exposure*

The Council will not be exposed to any interest rate risk since all its borrowing will be at known overdraft rates (if this occurred) and fixed rates.

### Maturity Structure of Borrowing

All the Council's borrowing will be for a period of less than one year.

### Total Principle Sums Invested

The overriding objective of the investment strategy is to ensure that funds are available on a daily basis to meet the Council's liabilities. The risk inherent in the maturity structure of the Council's investments is that it may be forced to realise an investment before it reaches final maturity and thus at a time when its value may be dependent on market conditions that cannot be known in advance. Taking into account the current level of investments, and future projections of capital expenditure, the following limits will be applied to sums invested:

Table 6: Principle Sums Invested (Prudential Indicator)

	2005/06 £'million	2006/07 £'million	2007/08 £'million
<b>Total Investments (average)</b>	140	120	95
Maximum invested over 1 year	105	68	23
Maximum invested over 2 years	68	23	0
Maximum invested over 3 years	23	0	0

These limits are derived from current projections on interest receipts and spending on the capital programme. They also include a level of contingency to take into account an element for new capital bids, and potential shortfalls in receipts from the disposals programme.

## 11. Options for the Capital Programme

- 11.1 In considering its programme for capital investment, the Code requires the Council to have regard to:

### Affordability

The affordability of the capital programme is measured, in the prudential indicators, by its implications for the Council Tax and Housing rents.

### Prudence and sustainability

The prudence of the capital programme is revealed by its compatibility with the Council's financial strategy of not borrowing

### Value for money

The value for money offered by the capital programme has been enhanced by the introduction of new procedures to ensure that each amendment to the approved capital programme is fully appraised and documented before inclusion in the baseline.

### Stewardship of Assets

The capital programme supports the Corporate Asset Management Plan which sets out how the Council will manage its operational and investment properties (excluding the housing stock and schools). The Capital Programme also takes into account the requirements of the *Department for Education and Skills* Asset Management Plan and the Housing Revenue Account Business Plan.

### Service Objectives

The capital programme will support the Council in delivering the community priorities set out in the Barking and Dagenham Balanced Scorecard Strategy.

### Practicality

The capacity of the Council to deliver the proposed capital programme has been enhanced by the adoption of a partnership approach.

## **12. Summary Assessment**

- 12.1 Considered together the Prudential Indicators confirm that the proposed capital programme, with its associated revenue implications, is both affordable and prudent.

The Council needs to confirm it is happy with the current arrangements, whereby the Director of Finance authority, in exceptional circumstances, an authorised limit to borrow up to £10 million. It is anticipated that in practice that such borrowing is unlikely to be necessary.

It is necessary to stress that this assessment reflects the impact of the proposed capital programme for 2004/05 to 2007/08 proposed in the Executive report dated 22<sup>nd</sup> February 2005.

The situation will have to be regularly monitored should any new schemes or changes to the capital programme be made for the remainder of 2004/05 and into 2005/06. As this occurs, the prudential indicators will be recalculated.

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## Appendix B

### **INTEREST RATE FORECASTS**

Sector Treasury Services have compiled some forecasts on interest rates that are key considerations for the Council's treasury management strategy. The data below shows a variety of forecasts published by a number of institutions. The first three are individual forecasts including those of UBS and Capital Economics (an independent forecasting consultancy). The final one represents summarised figures drawn from the population of all major City banks and academic institutions.

The forecast within this strategy statement has been drawn from these diverse sources and officers' own views.

#### **1. INDIVIDUAL FORECASTS**

**Sector View** interest rate forecast – November 2004

	Q/E1 2005 %	Q/E2 2005 %	Q/E3 2005 %	Q/E4 2005 %	Q/E1 2006 %	Q/E2 2006 %	Q/E3 2006 %	Q/E4 2006 %	Q/E1 2007 %	Q/E2 2007 %	Q/E3 2007 %
<b>Base Rate</b>	5.00	5.00	4.75	4.75	4.50	4.50	4.25	4.25	4.25	4.50	4.50
<b>5 yr Gilt Yield</b>	4.75	4.75	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.75	4.75

**UBS** Economic interest rate forecast (for quarter ends) - November 2004

	Q/E4 2004 %	Q/E1 2005 %	Q/E2 2005 %	Q/E3 2005 %	Q/E4 2005 %
<b>Base Rate</b>	4.75	5.00	5.00	5.00	5.00

**Capital Economics** interest rate forecast – November 2004

	Q/E4 2004 %	Q/E1 2005 %	Q/E2 2005 %	Q/E3 2005 %	Q/E4 2005 %	Q/E1 2006 %
<b>Base Rate</b>	4.75	5.00	5.00	4.75	4.50	4.25
<b>5yr gilt yield</b>	5.00	4.90	4.80	4.60	4.50	4.40

## **2. SURVEY OF ECONOMIC FORECASTS**

**HM Treasury** – 21.10.04 summary of forecasts of 28 City and 14 academic analysts for Q4 2004 and 2005. (2006 – 2008 are as at August 2004 but are based on 11 forecasts)

	Quarter ended		annual average repo rate		
	Q4 2004 %	Q4 2005 %	ave. 2006 %	ave. 2007 %	ave. 2008 %
<b>Indep. forecasters BoE Base Rate</b>	4.89	4.94	5.08	4.88	4.64
<b>Highest base rate</b>	5.13	5.75	6.00	6.00	5.70
<b>Lowest base rate</b>	4.75	4.25	4.50	4.05	3.83

### **Economic background**

Sector Treasury Services also provide the Council with economic information to support their views on interest rates, It is important that the Council's treasury management annual strategy is informed by such information. This section summarises some of the key developments.

#### **UK**

- Above trend GDP robust, but indications of weakening activity ahead.
- Slowdown in household spending and weakening housing market.
- Benign inflation at present, may rise in 2005 as high street competition cannot sustain the current situation against the effect of rising oil prices.
- Sterling expected to remain at \$1.80 or above against the dollar.

#### **International**

- US - measured interest rate raising by the Federal Reserve; weak trend employment data
- Consumer slowdown shows no signs of abating and this will be compounded by high oil prices, rising interest rates, the fading effects of past tax cuts and a faltering labour market.
- US inflation benign.
- European Central Bank has held repo rate at 2.00% since June 2003.
- Weak domestic demand/export led growth indicates an economy about to suffer as world economy expected to slow.

**Interest rate forecast**

- The base rate is expected to rise to 5.00% in Q1 2005, but is nearing the peak of the cycle, and is consequently expected to fall back in 2005.

**Long term 25 year PWLB rate:**

- Expected to remain around 4.75%
- Housing market to weaken from fast market increases causing consumers to feel the pinch.
- Slower global growth driven by weakness in the US

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## **Appendix C**

### **Specified Investments:**

(All such investments will have maturities up to maximum of 1 year, meeting the minimum 'high' rating criteria where applicable)

	<b>Minimum Credit Criteria</b>	<b>Use</b>
Debt Management Agency Deposit Facility	Govt Backed-Not Credit Rated	In-house
Term deposits – UK government	Govt Backed-Not Credit Rated	In-house
Term deposits – other LAs	High Security – although not Credit rated	In-house
Term deposits – banks and building societies	Short-term F1, or equivalent, Support 1,2 or 3	In-house and fund managers
Certificates of deposits issued by banks and building societies	Short-term F1, or equivalent, Support 1,2 or 3	Fund managers
Money Market Funds	AAA	In- house
UK Government Gilts	AAA	Fund Managers
Gilt Funds and Bond Funds	long-term AA	Fund Managers
Treasury Bills	Govt Backed-Not Credit Rated	Fund Managers

## Non-Specified Investments:

A maximum of 75% will be held in aggregate in non-specified investments

	<b>Minimum Credit Criteria</b>	<b>Use</b>	<b>Max % of total investments</b>	<b>Max. maturity period</b>
Term deposits – UK government (with maturities in excess of 1 year)	Govt Backed-Not Credit Rated	In-house	25%	5 Years
Term deposits – other LAs (with maturities in excess of 1 year)	High Security – although not Credit rated	In-house	25%	5 Years
Term deposits – banks and building societies (with maturities in excess of 1 year)	Short-term F1, or equivalent, Support 1,2 or 3	In-house	25%	5 Years
Certificates of deposits issued by banks and building societies	Short-term F1, or equivalent, Support 1,2 or 3	Fund managers	75%	5 Years
UK Government Gilts with maturities in excess of 1 year	AAA	Fund Managers	75%	10 Years
Bonds issued by multilateral development banks	AAA	In-house on a 'buy-and-hold' basis. Also for use by fund managers	75%	10 Years
Bonds issued by a financial institution which is guaranteed by the UK government		In-house on a 'buy-and-hold' basis. Also for use by fund managers	75%	10 Years
Sovereign bond issues (i.e. other than the UK govt)	AAA	Fund Managers	75%	10 Years

## THE EXECUTIVE

22 FEBRUARY 2005

## REPORT FROM THE DIRECTOR OF REGENERATION AND ENVIRONMENT

LONDON RIVERSIDE INDUSTRIAL AREAS SIGNAGE AND IDENTITY STRATEGY	FOR DECISION	
<p><i>This report is presented to the Executive as it relates to the intention to seek tenders for a contract with a projected value in excess of £200,000.</i></p>		
<p><b>Summary</b></p>		
<p>This report sets out the background to the production of the draft London Riverside Industrial Areas Signage and Identity Strategy together with its main conclusions. It also raises the intention to seek tenders for a contract with a projected value in excess of £200,000.</p>		
<p><b>Wards Affected</b> – Thames</p>		
<p><b>Recommendations</b></p>		
<p>The Executive is asked to:</p>		
<ol style="list-style-type: none"> <li>1. Adopt the London Riverside Industrial Areas Signage and Identity Strategy as a non statutory Council Strategy;</li> <li>2. In accordance with Contract Rules 3.6 to note Officers' intention to seek tenders through the OJEU process and decide whether Members should be involved in the subsequent evaluation and award of contract;</li> <li>3. Note that if the Executive are content with the Head of Regeneration and Implementation proceeding without direct Member input into the packaging and specification and evaluation of the tender, a further report will be presented in due course advising Members of the results of the tender evaluation process and requesting approval to appoint the successful contractor; and</li> <li>4. Agree to site signage on Council land if required (subject to agreement with the Traffic and Road Safety section and any planning permission required).</li> </ol>		
<p><b>Reason</b></p>		
<p>The project supports the 'revitalisation of industrial estates' a key element of <i>Regenerating the local community</i>. Approving the tender process and use of land will enable the first phase of implementation to progress.</p>		
<p><b>Contact Officer:</b> David Harley</p>	<p>Principal Regeneration Officer – Economic Development</p>	<p>Tel: 020 8227 5316 Fax: 020 8227 5326 E-mail: <a href="mailto:david.harley@lbbd.gov.uk">david.harley@lbbd.gov.uk</a></p>

## **1. Background and Introduction**

- 1.1 London Riverside's employment areas consist of Creekmouth to Castlegreen (River Road, Thames Road and the A13), Dagenham Dock, Beam Reach, Ferry Lane and Fairview Industrial Estate (the final three being in Havering). The need to promote a clearer identity for these employment areas and raise awareness of the regeneration agenda has been established in a number of recent studies of the local economy. In particular the need for clear identifiable signage was highlighted.
- 1.2 A team of consultants consisting of DSDHA, Gail Mellows and Sans + Baum were appointed in September 2004 to produce a Strategy for Signage and Identity for London Riverside's employment areas. The strategy has now been produced in draft form setting out a family of signs.
- 1.3 A Steering Group consisting of representatives from LBBD, LBH, Gateway to London, LDA, London Riverside Ltd and the GLA's AUU have guided the project.

## **2. Purpose and Objectives of the Strategy**

2.1 The objectives of the Strategy included:

- To help create a visual identity and assist in creating a sense of place for London Riverside's employment areas.
- Aid with directions/awareness of employment areas. Many businesses report deliveries having difficulty locating them therefore the project will result in reduced traffic movements/improved competitiveness.
- Help businesses feel part of a wider employment area – it is recognised the problems of crime and security are substantially minimised where local businesses work together. The signage work will complement work to encourage Business Associations.
- Assist inward investment opportunities. Clear signage will support inward investment programmes and encourage existing businesses to invest by highlighting the regeneration commitment to employment areas.
- The Strategy complements existing masterplans/strategies and those in preparation.

2.2 In producing the Strategy the consultants were required to seek the views of local businesses on signage and identity issues. These views have informed the strategy and are summarised within the Strategy.

## **3. Strategy Conclusions**

3.1 The draft Strategy presents a reasoned process resulting in a hierarchy of signage with a 'frame' system (page 22 of the appended strategy). The hierarchy consists of gateway signage, directional signage, estate directories individual site/business signage. This was chosen as it presents clear, simple and flexible modular system. The Steering group felt the 'frame' system was the most unique and striking and



would complement the advanced manufacturing vision for the area whilst still being practical (minimal maintenance) and flexible. The frame concept recognises the evolving nature of the area and the different character of the industrial sites. Business names on estate directories have been designed to enable them to be updated when required with ease. Changes will be made by the business estate owners.

- 3.3 The strategy sets out an indicative budget for each of the signs based on discussion with three manufacturers on a quantity of sixty signs. The full tender process required for implementation may result in slightly different costs.
- 3.4 The Strategy sets out indicative locations for the signage in Ferry Lane and Dagenham Dock. It recommends signage should be logo free concentrating on the existing, recognised names for employment areas. The strong design statement of the signage itself will create a consistency across the London Riverside area without creating confusion.

#### **4. Next Stages**

- 4.1 To progress a first phase of implementation more detailed work is required on securing the location for the signage which will include both privately owned land and Council land. It is likely that most Gateway signage will be located on Council owned land and these locations will be agreed with relevant planning and highways permissions sought. In replacing existing estate/business signs with the new signage businesses/land owners will be required to contribute towards the costs and take on maintenance/updating.
- 4.2 Executive approval is required for the tender process in accordance with Contract rules paragraph 3.6. Around £200K of capital funding allocated in the London Riverside SRB Delivery plan for detailed design/prototyping and a first phase of implementation of signage covering both LBBB and Havering. It is hoped that successful implementation will lead to further funding coming from bodies such as the UDC for future phases of implementation. Given the scope of the signage requirement and the funding available the OJEU tender process be need to be used.
- 4.3 In order to gain the SRB capital funding, a Project Appraisal will be required. The project will also go through the Council's CPMO process (and Havering's equivalent).
- 4.4 Whilst the signage is identified for London Riverside industrial areas there is no reason why it could not apply to other industrial areas in the Borough such as Sterling Industrial Estate/Wanzt Road and Freshwater Road should funding become available.

#### **5. Community Priorities and Funding Issues**

- 5.1 The project addresses the Community Priorities of 'Regenerating the Local Economy' and 'Raising General Pride in the Borough'. The CPMO appraisal process will address funding issues in detail covering maintenance issues and potential for further implementation phases. All funding will be secured from external sources.

## **6. Consultation**

- 6.1 This report has gone through the Regeneration Board. The production of the strategy involved consultation with various businesses.

### **Background Papers**

None

Appendix 1 - London Riverside Industrial Areas Signage and Identity Strategy is available via the Internet on the agendas and minutes web page appropriate to this meeting.

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