

Notice of Meeting

THE EXECUTIVE

Tuesday, 14 July 2009 - 5:00 pm
Civic Centre Dagenham

Members: Councillor L A Smith (Chair); Councillor R C Little (Deputy Chair); Councillor J L Alexander, Councillor G J Bramley, Councillor S Carroll, Councillor H J Collins, Councillor R Gill, Councillor M A McCarthy, Councillor Mrs V Rush and Councillor P T Waker

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AGENDA

1. **Apologies for Absence**
2. **Declaration of Members' Interests**

In accordance with the Council's Constitution, Members are asked to declare any personal or prejudicial interest they may have in any matter which is to be considered at this meeting.
3. **Strategic Review and Commissioning Plan for Support Services to Homeless and Young People (Pages 1 - 8)**
4. **Budget Monitoring (Pages 9 - 25)**
5. **Additional Capital Grant from DCSF- School Kitchens and Co-Location of Services (Pages 27 - 31)**
6. **Proposal for Expanding Roding Primary School at Cannington Road (Pages 33 - 38)**
7. **Butler Court Accommodation (Pages 39 - 43)**
8. **Sixth Form Students Holocaust Memorial Visit to Krakow, Poland - March 2010 (Pages 45 - 47)**
9. **Youth Access Card (Pages 49 - 61)**

- 10. Parking Strategy (Pages 63 - 72)**
- 11. Moving Traffic Offences (Pages 73 - 78)**
- 12. Skills Centre (Pages 79 - 88)**
- 13. Any other public items which the Chair decides are urgent**
- 14. 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 as amended).

- 15. London Road / North Street Regeneration (Pages 89 - 107)**
- 16. Any other confidential or exempt items which the Chair decides are urgent**

THE EXECUTIVE

14 JULY 2009

REPORT OF THE CORPORATE DIRECTOR OF ADULT & COMMUNITY SERVICES

Title: Strategic Review & Commissioning Plan for Support Services to Homeless & Young People	For Decision
<p>Summary:</p> <p>This report seeks to make Executive aware of the Homeless & Young Persons Strategic Review of services funded with Supporting People grant. It also seeks agreement of the Commissioning Plan developed from that Review and for the procurements required to deliver substantial improvements to the services for the community.</p> <p>The proposals will establish an effective and coherent group of services to tackle homelessness among more vulnerable residents and reduce the harm associated with it.</p> <p>This will improve performance across a range of National Indicators whilst delivering savings already agreed by Executive. This project demonstrates the Council's commitment to understanding our customers and improving services to meet their needs and ambitions, using effective strategic commissioning.</p> <p>Wards Affected: All</p>	
<p>Recommendation(s)</p> <p>The Executive is recommended to agree:</p> <ol style="list-style-type: none"> 1. The Strategic Review & Commissioning Plan for Support Services to Homeless & Young People 2. Commissioning of a support service to residents of Bevan House and Summerfield House through tendering of a contract 3. Commissioning a supported accommodation scheme at Circle Anglia's Vineries for young people and teenage parents through tendering of a contract. 4. Commissioning a multiple needs service through tendering of a contract. 5. Commissioning of a single 'floating' support service to replace the current Tenancy Sustainment Team and Teenage Parents Floating Support services. <ol style="list-style-type: none"> a). Delegate authority to the Corporate Director of Adult & Community Services to decide the best means of securing that service in consultation with a working group including staff and Trade Unions. 6. Commissioning of a support service for residents of Boundary Road. <ol style="list-style-type: none"> a). Delegate authority to the Corporate Director of Adult & Community Services to 	

decide the best means of securing that service in consultation with a working group including staff and Trade Unions.

7. Not recommission a supported accommodation contract at the Romford YMCA

Reason(s)

To assist the Council to achieve all of its Community Priorities and to achieve the savings agreed in Council spending plans.

Implications:

Financial:

The combined budget for the services in the proposed option is £1.85m per year. This is a reduction of £300,000 on our current position which is needed for savings already agreed by Executive.

It is affordable within the Supporting People funding programme and has been agreed by the Supporting People Commissioning Body.

Legal:

The Council has power to enter into contracts for the provision of Support Services to Homeless & Young People ("the Services") under section 1 of the Local Government (Contracts) Act 1997 on the basis that such Services are properly required for the discharge of the Council's duties.

It is anticipated that the estimated value of the Services will be in excess of the threshold for application of the Public Contracts Regulations 2006 (the Regulations), of £139,893. It should be noted, however, that this Service is classified as a Part B Service under the Regulations and not subject to the full application of the Regulations. Accordingly the procurement shall be undertaken in accordance with the requirements of the Regulations for Part B Services and the Council's Contract Rules and Code of Practice.

The conditions of contract to be entered into between the Council and the successful tenderer(s) are yet to be agreed and the Legal Partner should be consulted to advice on the implications thereof upon receipt of instructions.

In deciding whether to award contract(s), the Council must comply with the principles of administrative law including taking into account all relevant considerations, the outcome of the valuation of each of the tenders and their financial implications. In particular in order to comply with the Council's fiduciary duty and duty to ensure Best Value, the Council must be satisfied that the tenders represent value for money for the Council.

Risk Management:

There are a number of risks to the delivery of this project, which are: -

- Service quality dips during retendering and implementation
- Procurement decisions limit ability to secure improved services
- Disputes with landlords and providers regarding service alterations
- Reducing the volume of supported accommodation for young people puts current residents at risk of not receiving adequate support

These have been taken account of and will be addressed in detail through implementation

plans subject to agreement of the recommendations by Executive. All are manageable within current resources.

Social Inclusion and Diversity:

Supporting People funded services exist to enable social inclusion for vulnerable groups. Homeless households are at risk of multiple exclusions and these services will be specified to tackle those issues proactively.

The national quality assurance framework for Supporting People includes equalities, diversity and inclusion. Organisations have to demonstrate their policy and practice to the borough and contract monitoring ensures ongoing improvements occur.

Detailed outcome monitoring is used to measure equality of access and opportunity.

An Equalities Impact Assessment has shown no negative impacts as a result of this Commissioning Plan. Individual services will be shaped in partnership with stakeholders and customers to ensure the widest possible access and provide high quality personalised services that meets the needs and ambitions of each customer. This approach has positive effects on the friends and family of customers as well as the wider community, by reducing the rates of tenancy failure which destabilise communities and cause other harm.

Crime and Disorder:

Services will offer supportive interventions with the aim of reducing (re)offending and anti-social behaviour. The remodelled floating support (i.e. community based support for people in general housing) provision will specifically target victims and perpetrators of anti-social behaviour through partnership working with relevant Council teams and partner services.

Improved service quality across all services will further reduce the already low level of incidents at services. The services will contribute to resettlement pathways for residents returning from prison to reduce the risks of future offending.

Options Appraisal:

1) Recommission services as they are now

The strategic review highlighted a number of weaknesses within the current market, including performance, quality, accessibility and partnership working.

Customer consultation revealed a wide number of actions to improve services. These issues cannot be addressed by retaining the status quo.

Furthermore, the required savings would not be delivered, leading to significant overspending.

The Review sets out a wide ranging restructure of services and the improvements we require to meet modern standards and demonstrate excellence. The contracts are coming to an end and need to be tendered if services are to continue.

2) Commission only the core services

Our proposals are based around a number of core services: -

- The Foyer. (This service is now operational and under contract for 3 years).
- Supported Accommodation for homeless households.
- Remodelled floating support provision

- A young persons supported accommodation scheme to complement the Foyer.

These services would address the main issues which are dealt with by the current sector and includes the necessary changes to floating support. However, it would not address the unmet needs in the community nor provide the pathways people need to achieve settled housing and social inclusion.

3) Commission core services plus key additions to meet identified needs at capped contract prices

This option includes the core services described in option 2 with the addition of: -

- Dedicated support workers at Boundary Road scheme or other direct access Temporary Accommodation scheme.
- Funding to expand the Rent Deposit Scheme to help people move on from supported accommodation
- A new scheme to support those people with more complex, multiple needs who are highly socially excluded and whose needs cannot be met in more mainstream services

This ensures a wide range of needs are met in an overall structure that presents clear pathways for customers and stakeholders. It is affordable within the Supporting People budget as long as procurement is phased over the next twelve months and it will generate the savings agreed by Executive.

4) Commission all required services without contract price caps

This last option includes all of the above provision but with additional funding for more staff at a number of schemes. It also includes funding for: -

- A counselling service for customers of the other support services
- Additional funding for mediation and advocacy.

This would be unaffordable in the resources currently available.

Proposal:

We are recommending option 3.

The procurement of services will be phased to ensure that services remain within the available budget.

We will seek alternative ways of ensuring customers can access counselling and mediation as part of our implementation process.

<p>Contact Officer: Tim Miller</p>	<p>Title: Strategic Commissioning Manager</p>	<p>Contact Details: Tel: 020 8227 2884 Fax: 020 8227 2820 E-mail: tim.miller@lbbd.gov.uk</p>
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1. Introduction and Background

- 1.1 The Council uses 'Supporting People' funding to pay for housing related support services for adults facing a range of exclusions and housing problems.
- 1.2 This strategic review looks at services for the following groups, as defined by Communities and Local Government (CLG): -
- Homeless families
 - Single homeless people
 - Young people at risk (16-24 years)
 - Young people leaving care (16-24 years)
 - Rough sleepers
 - Teenage parents
 - Refugees
- 1.3 The review sets out, over the next 3 to 5 years, our priorities and identifies the services we need to procure. Reshaping homeless services and opening the flagship Barking Foyer were priorities from the Supporting People '5 Year Strategy' (2005).
- 1.4 The aims of the Strategic Review were to: -
- Define our priorities
 - Analyse the current and projected numbers and support needs of service users
 - Map the pathways in and out of services and ensure support is accessible for those who need it
 - Involve stakeholders and service users in developing and designing services
 - Identify innovations we can learn from or adopt
 - Set out the services we wish to procure to meet these aims
- 1.5 To meet both the national agenda on homelessness and support services, and to contribute to the borough's Community Priorities and Local Area Agreement, we need to review and reshape the services available to the community.

2. Current Position

- 2.1 We currently fund around 230 supported accommodation properties targeted at young people (including teenage parents), 71 targeted at homeless adults and floating support with a capacity of 115 clients at any one time.
- 2.2 These services came about through a mixture of commissioning and new capital developments, legacy service provision and previous restructuring of internal Service Level Agreements.
- 2.3 We are underperforming on National Indicator 141, which is the percentage of vulnerable people achieving independent living when they leave short-term supported accommodation.
- 2.4 Contracts with third sector providers and SLAs with internal providers are coming to the end of their life. The current model of services is unable to deliver the preventative agenda required by government or the borough's priorities to raise ambition and achievement.

3. Report Detail

3.1 Our key findings from looking at the current services are: -

- There are some services in good buildings
- As a group, they are not preventative
- Referral processes are too restrictive
- More joint working would increase effectiveness
- People with higher needs are often unable to get support
- We are oversupplied with supported housing in some areas

3.2 Though some services are performing at an acceptable level, we need to get more from our resources. That can be done by reallocating funding to groups of customers with the most need and to types of services with the most impact.

3.3 Our commissioning proposals are to: -

- Replace existing floating support with a new, high profile floating service working borough-wide and across tenures to support people who have been or who are at risk of becoming homeless, with a major focus on prevention
- Reduce the amount of young persons supported accommodation
- Commission a new accommodation service for single adults with complex or multiple needs
- Offer a short period of support when someone leaves an accommodation service to help them settle into a new home
- Fund rent deposits for move-on from supported accommodation
- Increased focus on employment and training
- Provide assertive support to reach further into the community

3.4 The recommended structure provides the flexibility to meet the needs of a wider range of people whilst continuing to offer targeted support for groups such as young offenders or teenage parents.

3.5 It opens pathways so people get the right service at the right time, with the floating support service as the key community service. It also formalises pathways for move-on so that people do not get stuck in expensive services they no longer need.

3.6 The floating support service is at the heart of the Commissioning Plan and flexibility on how that service is secured will ensure we are able to get the best possible provision for vulnerably housed residents.

3.7 As the Foyer is now in place, we can reduce other supported accommodation for young people. We are proposing to commission a service at the Vineries on Dagenham's Heathway rather than at the Romford YMCA on the basis of its quality, size, location and the lower risk of the site being cleared for redevelopment. This means we will not be continuing to use the Romford YMCA during the forthcoming contract cycle (3 to 5 years), though we will continue to explore long term options for supported accommodation at the YMCA site in partnership with them.

4. Benefits and Implications

4.1 The benefits of this approach are: -

- Reduce statutory homelessness, tenancy failures, rent arrears and anti-social behaviour
- Provide wider access to support for vulnerable people
- Higher levels of cost-benefit
- Raising the sector to modern standards of performance and partnership delivery.
- Better partnership working to identify and target communities and households with the highest needs and risks
- Increasing move-on and promote housing choice

4.2 To make the proposals affordable, we will be capping the contract prices of services going through tendering.

4.3 We are over-supplied with supported housing for younger people now the Foyer has opened. As a result, we will be decommissioning a notable volume of supported units elsewhere. We are assessing the suitability of the current sites to identify which properties we wish to continue using for the next round of contracts.

5. Finance and Procurement

5.1 The combined budget for the services in the proposed option is £1.85m per year. This is a reduction of £300,000 on our current position which is needed for savings already agreed by Executive. It is affordable within the Supporting People funding programme and has been agreed by the Supporting People Commissioning Body.

5.2 There are improvements that can be made within the pricing of individual contracts, but the main financial risk at present is the sector being oversupplied now the Barking and Dagenham Foyer has opened, providing an additional 116 properties.

5.3 It is our intention to advertise on the council's website and other appropriate websites inviting expressions of interest from parties that can demonstrate relevant experience in delivering services.

5.3 The value of all services is over the EU threshold of £139,893 for Part B services and should be tendered. Under EU procurement rules these services are classed as a part B services and have minimal legislative requirements. The main requirements are in relation to transparency, technical specifications and award notices. The tenders will be carried out in full compliance with the EU rules and Council policy in procurement.

5.4 Interested parties will be invited to tender on the basis of a two-stage, 'restricted tender' process.

5.4 The evaluation of tender submissions will be based on a weighted quality/cost matrix, with a quality and price weighting of 70/30 respectively. The quality assessment will be based on the following criteria: service delivery and innovation (20%); staffing, management and organisational arrangements (20%); performance and quality standards (15%); partnership and strategic strengths (15%). Details of these will be published in the invitation to tender. This will enable a fair and even handed approach to be taken.

- 5.5 An evaluation of contract prices will be carried out to ensure potential suppliers offer fair and competitive prices that are consistent with the service outline. Contracts will be awarded to the successful provider/s for a period of 3 years, with an option to extend for a further 2 year dependent upon future availability of funding and satisfactory performance.
- 5.6 The total value of contracts for all commissioned services (excluding the Foyer) is estimated to be £5.46m over five years.
- 5.7 Possible TUPE implications for staff employed in the provision of services by the Third Sector providers have been taken in to consideration and time will be allowed in the programme delivery to facilitate any required meetings in respect of this and to ensure continuity of service to service users.
- 5.8 Possible TUPE implications for Council staff will be discussed through a working group which will report to the relevant Heads of Service.
- 5.8 In accordance with Council rules the contracts will be let with approval of the Chief Officer and the 151 Officer (Chief Financial Officer) if the Executive decide that they do not wish to be further involved in the procurement of these services.

6. Consultees

6.1 The following were consulted in the preparation of this report:

- Councillor H. Collins, Cabinet Member for Adults and Public Health
- Councillor P. Waker, Cabinet member for Housing
- Anne Bristow, Corporate Director of Adult and Community Services
- Supporting People Commissioning Body
- ACS Social Care Leadership (DMT)
- Nina Clark, Divisional Director of Legal and Democratic Services
- Meena Kishinani, Head of Policy and Commissioning, Children's Trust
- Christine Pryor, Head of Integrated Family Services
- Alison Crowe, Group Manager, Learn to Live
- David Horne, Group Manager, Youth Offending Services
- Steven Whitelock, Group Manager, ACS Finance
- Anne Baldock, Group Manager, Housing Advice Service
- David Robins, Group Manager, Corporate Procurement
- Sharon Roots, Group Manager, Risk Management

Background Papers Used in the Preparation of the Report:

LBBB: -

- Supporting People 5 Year Strategy (2005)
- Homelessness Strategy 2009-2013 (draft)
- Parenting Support Strategy
- Community Plan
- Children & Young Peoples Plan 2008

THE EXECUTIVE

14 JULY 2009

REPORT OF THE CORPORATE DIRECTOR OF RESOURCES

Title: Budget Monitoring Report May 2009/2010	For Decision
<p>Summary:</p> <p>The report updates the Executive on the Council's revenue and capital position for the first two months of the 2009/10 financial year.</p> <p>The current position for Revenue expenditure indicates a potential £400k overspend in Children's Services in regard to providing transport services for children with Special Educational Needs (SEN). Other departments are also identifying areas of concern where budget pressures may arise and these are being addressed by the relevant Corporate Director and as part of the Council's ongoing budget monitoring process.</p> <p>Where required all departments are identifying and implementing the necessary controls and action plans to ensure a balanced budget at year end. The outcomes and progress of any action plans will be monitored and reported to both the Resource Monitoring Panels and the Executive through the regular budget monitoring meetings and reports.</p> <p>For the Housing Revenue Account (HRA) there are currently no indications of any significant pressures which cannot be contained within the service budgets.</p> <p>In regard to the Capital programme, the current projection is that total spend will be in line with the budget by the year end. Directors will continue to review the delivery of individual capital schemes to ensure maximum spend is achieved by the year end.</p> <p>Wards Affected: This is a regular budget monitoring report of the Council's resource position and applies to all wards.</p>	
<p>Recommendations</p> <p>The Executive is asked to:</p> <ol style="list-style-type: none"> 1. note the current position of the Council's revenue and capital budget as at 31st May 2009 (sections 3 and 5 of the report and Appendix A and C); 2. note the position for the HRA (section 4 of the report and Appendix B); 3. note that where potential pressures have been highlighted Directors are required to identify and implement and implement the necessary action plans to mitigate these budget pressures to ensure that the necessary balanced budget for the Council is achieved by year end (section 3 and 4 of the report); 4. agree the additional budget of £192k for demolishing the properties known as 16-18 and 20 Cambridge Road and The Lawns. The cost of these works will initially be funded from the Council's internal capital and borrowing resources, which will then be offset by both the revenue savings and future capital receipts arising from the disposals (Appendix D). 	

<p>Reason</p> <p>As a matter of good financial practice, the Executive should be regularly updated with the position on the Council’s budget.</p>		
<p>Implications:</p> <p>Financial: The overall revenue budget is indicating early potential budget pressures in several areas, however, Corporate Directors are beginning to identify and implement the necessary action plans to mitigate these pressures. The capital programme is reported to be on target against the working budget of £101.1m.</p> <p>Legal: There are no legal implications regarding this report.</p> <p>Risk Management: The risk to the Council is that budgets are overspent and that this reduces the Council’s overall resource position. Where there is an indication that a budget may overspend by the year end the relevant Director will be required to review the Departmental budget position to achieve a balanced position by the year end. This may involve the need to produce a formal action plan to ensure delivery of this position for approval and monitoring by the Resource Monitoring Panel and the Executive. Similarly, if there are underspends this may mean a lower level of service or capital investment not being fully delivered. Specific procedures and sanctions are in place through the Resource Monitoring Panels, Capital Programme Management Office (CPMO), Corporate Management Team and the Executive.</p> <p>Social Inclusion and Diversity: As this report does not concern a new or revised policy there are no specific adverse impacts insofar as this report is concerned.</p> <p>Crime and Disorder: There are no specific implications insofar as this report is concerned.</p> <p>Options Appraisal: There are no specific implications insofar as this report is concerned.</p>		
<p>Contact Officer Joe Chesterton</p> <p>Lee Russell</p>	<p>Title: Divisional Director of Finance</p> <p>Group Manager - Resources & Budgeting</p>	<p>Contact Details: Tel:020 8227 2932 E-mail: joe.chesterton@lbbd.gov.uk</p> <p>Tel: 020 8227 2966 E-mail: lee.russell@lbbd.gov.uk</p>

1. Introduction and Background

- 1.1 It is important that the Council regularly monitors its revenue and capital budgets to ensure good financial management. It is now practise within the Council for this monitoring to occur on a regular monthly basis, which helps members to be constantly updated on the Council’s overall financial position and to enable the Executive to make relevant decisions as necessary on the direction of both the revenue and capital budgets.

- 1.2 The report is based upon the core information contained in the Oracle general ledger system supplemented by detailed examinations of budgets between the budget holders and the relevant Finance teams to take account of commitments and projected end of year positions. In addition, for capital monitoring there is the extensive work carried out by the Capital Programme Management Office.
- 1.3 The monthly Resource Monitoring Panels, chaired by the lead member for finance, and attended by Directors and Heads of Service, monitors the detail of individual departments' revenue and capital budgets alongside relevant performance data and this also enhances and forms the basis of this report.

2. Current Position

2.1 Overview for Revenue Budget

- 2.1.1 At the end of May 2009, the Council is projecting a potential £400k overspend in Children's Services in regard to providing transport services for children with Special Educational Needs (SEN). There are also indications of early potential pressures across other individual departments which will need appropriate management in 2009/10, and these will need to be considered further as part of future monitoring reports to the Executive.
- 2.1.2 As a result departments are beginning to identify and implement the necessary action plans to ensure that the Council addresses these early pressures so that it produces the necessary balanced budget by the year end. The outcomes and progress of these action plans will be monitored and reported to both the Resource Monitoring panels and the Executive throughout the year through the regular budget monitoring meetings and reports.

3. Service Position

3.1 General

- 3.1.1 Details of each Department's financial position are provided in Section 3 of this report and in Appendix A. In those areas where budget pressures have been highlighted, continual work is being undertaken by Corporate Directors and their management teams to ensure a balanced budget is produced for the year end. To this end, Corporate Directors are beginning to identify action plans to address and rectify any pressure areas and these will be actively monitored by the various Resource Monitoring Panels.

3.2 Adults and Community Services Department

- 3.2.1 At this early stage of the year the Department is projecting a break-even position, albeit this projection is based on only two month's activity.
- 3.2.2 The Department is already experiencing financial pressures in the Learning Disability Service area with regards to Transitions arrangements from Children's Services. Whilst the relevant management team is attempting to manage these pressures, it is felt that these are likely to have an effect on the overall Department's budget performance during the year and these will need to be carefully monitored and managed.

The 2009/10 budgets reflect savings of £4.3m which equates to 6% of the net budget.

3.2.3 **Adult Care Services**

This area is primarily Older Persons Residential and Home Support provided by the remaining in-house services. It also includes the Passenger Transport Service and Sheltered Housing Support. The net budget for the area is £5m. Budget and demand pressures are currently being experienced in Passenger Transport (of which 80% of the service is provided for and charged to Children's Services) and these will need to be carefully monitored and managed by the service.

3.2.4 **Adult Commissioning Services**

This service area represents the Social Work and Care Management budgets in the department together with services commissioned from the Independent and Private Sector. Service areas include Older Persons, Physical Disability, Learning Disability and Mental Health. The net budget for the area is £44m the largest area in cash terms in the Department. The Department set itself some challenging targets (£2m) in this area for this financial year around staffing and commissioning savings. Interface issues with the local hospitals and the PCT in areas such as Delayed Transfers of Care are acute in this area and are carefully managed. A pressure is being experienced in the Transitions from Children's Services area due to the increasing number of children with care packages/arrangements turning eighteen. Also, in common with other Boroughs and national experiences Learning Disability budgets are experiencing demand for more services.

3.2.5 **Community Safety and Neighbourhood Services**

This service area includes CCTV, Community Safety, Parks Police and Security, Substance Misuse, Neighbourhood Management, Youth Offending Service and the Adult Safeguarding Team. The net budgets are in the region of £4m for this area. The division is required to deliver staffing and service savings in 2009/10 of approximately £500k. No significant budget pressures are being experienced at present.

3.2.6 **Community Cohesion and Equalities**

This service area covers Heritage and Archives, Library Services, the Barking Learning Centre, Community Development and Halls, Community Cohesion and Equalities and Diversity. The net budgets are in the region of £8m in this area. The division is required to deliver staffing and service savings in 2009/10 of approximately £500k. No significant budget pressures are being experienced in this area at present.

3.2.7 **Leisure and Amenities**

The Leisure and Arts service has transferred to Adult and Community Services from the former Regeneration Department. The service area covers Leisure Centres, Parks Services and Arts and Events. The net budgets for the area are in the region of £5m. The division is required to deliver staffing and service savings in 2009/10 of approximately £600k. Whilst a balanced budget is being projected the implications of the current economic climate may effect income generation across the division.

3.2.8 **Other Services, Central Budgets, Recharges, and Government Grants**

The Adult and Community Services Department receive specific government grants and incur recharges for departmental and divisional support. All specific grants will be used in support of existing service areas. Central budgets and recharges within the department are on target.

3.3 **Children's Services Department**

3.3.1 At this very early stage in the financial year, Children's Services are projecting £400k of General Fund budget pressures that if not managed may lead to an overspend. In terms of the Schools Budget (DSG) activities there are no material variances.

3.3.2 The budget for 2009/10 has been set in the context of an additional £3.5m of funding for Children's Placements and Leaving Care (less £480k as repayment for the previous year's invest to save additions for higher in-house fostering rates) which acknowledges the levels of activity in this area. It is also set in the context of achieving £1.9m of corporate savings and re-profiling £1.9m of internal budget measures to address previous underlying financial difficulties. The Departmental Management Team has addressed these issues for 2009/10 and is confident it can absorb all pressures within the available resources.

3.3.3 The only variance highlighted as a pressure at this stage relates to the Transport budget. The Authority is required to provide transport for children with special educational needs (SEN) where their statement of SEN says so and this forms the majority of the transport costs incurred by the Children's Services department (as well as transport for social care cases and pupils who have to travel more than the statutory minimum distances for home to school journeys). There was an overspend in this budget of £400k in 2008/09 and it is expected that this level of spending will recur into 2009/10. Officers in both Children's Services and Adults are working together to review the costs, policy and the practice to establish how spending can be contained, and will be reporting their position to the forthcoming Children's Services RMP meetings to rectify this issue.

3.3.4 **Schools**

Schools budgets are mostly in the DSG, with any delegated budgets able to be carried forward at year end. The carry-forward revenue balances for schools were £6.7m at 31st March 2009 which equates to 5.5%. All schools with balances are being asked to demonstrate why they are holding balances, with the Scheme for Financing Schools allowing for clawback where schools have no plans for balances in excess of DCSF thresholds (8% primary and special and 5% secondary). All schools with deficits are required to have a recovery plan.

3.3.5 **Quality and School Improvement**

The activities in the division are broadly equal between DSG and General Fund. The DSG includes work on direct support for children with special needs or pupils out of school, as well as admissions. The General Fund work tends to be advice, inspection and support for schools, as well as transport costs for individual children.

3.3.6 **Integrated Family Services**

Much of the work of the Shared Services and Engagement division is either funded from SureStart Grant or from the DSG, with only around £1m of the total funded from the General Fund. There are not anticipated to be major variances at this stage.

3.3.7 **Safeguarding and Rights**

The main budget issue is that of the cost of Looked After Children placements and Leaving Care costs even although there is no reported overspend on this budget this month. However this will continue to require close monitoring.

3.3.8 **Children's Policy and Trust Commissioning**

The catering service is accounted for in the DSG, and the Youth Service and the Policy and Commissioning elements are within the General Fund. While catering continues to require a subsidy, currently there are no other expected variances in this division.

3.3.9 **Skills Learning and Employment**

This service (including the Adult College, training and 14-19 services) has been transferred from the former Regeneration department and there are not currently any expected variances.

3.4 **Customer Services Department**

3.4.1 The Department's budget for this year is £24.3m. At this early stage there are no immediate pressures and as a result the Department is projecting to deliver services to budget.

3.4.2 The Department is currently undergoing a comprehensive budget review to realign budgets to services based on current service provision. Once completed this exercise will be fundamental in delivering the savings targets for 2009/10 as well as realigning budgets within service areas and identifying opportunities for future business development.

3.4.3 The budget review has engaged service managers with finance staff and has delivered an outcome where both have a clearer understanding of the needs of the service together with the financial controls needed to deliver services to the highest standard within available resources. This has led to some risk areas being identified quite early in the monitoring process including:

- The vehicle fleet procurement is scheduled to be completed in September 2009. The service will overspend on a monthly basis if this is not completed on schedule. However, the Department has a robust plan to deliver this on target and therefore does not envisage any problems;
- The service is heavily reliant on the use of fuel and other types of natural energy. Any movement in fuel prices will have a material impact on the Department's spend. Controls are being put in place to monitor these areas closely to ensure management actions can be taken early should prices increase;
- Income generation within the Housing Advice Service in regard to site refurbishment at John Smith House;

- In 2008/09, the Department identified a shortfall within the Private Sector Leasing service. This was contained in 2008/09 through quick and decisive management actions in increasing the administration charges and by slowing down the release of this type of property. This area may fluctuate as the service is based on demand, however robust processes are now in place and any significant changes in demand will be highlighted early so to assist management make the necessary strategic decisions when required.
- In recent years the trade waste service has struggled to meet income targets due to competition in the borough and recent increases in charges. The current income target will be challenging in 2008/09 and the service will continue to monitor this robustly to ensure the service is delivered within existing budgets.

3.5 **Resources Department**

3.5.1 At this early stage of the year the Department is confident that it will produce a balanced budget by the end of the financial year.

3.5.2 The Department's budgets have been adjusted and reflect its agreed savings, budget pressures and invest to save projects for 2009/10.

3.5.3 **Corporate Director of Resources & Business Support**

This budget includes the costs for the Director, Business Support, One Barking and Dagenham and some of the Area Based Grant (ABG) expenditure which will be incurred within the Department. The budget also includes an invest to save project for strategic partnering arrangements for back office support services. All of these budgets are currently on target.

3.5.4 **Strategy & Performance**

The division is central to the Council developing and delivering a framework that supports, challenges and ensures the Council is an excellent organisation. Its specific functions include Performance, Innovation, Policy, Partnerships, Marketing & Communications and the Olympic Ambition team.

This division is also responsible for the production and distribution of the new Council wide newspaper i.e. "The News". The first issue was produced at the end of May and will replace three publications which had been produced in previous years. The production of the newspaper does rely on significant income and recharges from external advertising and placing public notices in the 'The News'. If these income levels are not achieved then there will be a risk that an overspend may arise. This position is being monitored on an ongoing basis between the Marketing and Communications team and Finance.

There are no other significant issues to report for this division.

3.5.5 **Legal & Democratic Services**

There are currently no specific issues to report for this division at this stage and it is projected that the level of spend will be in line with the budget at year end. The levels of spend on external legal spend need to be carefully monitored in 2009/10 to ensure that legal services operate within the overall Council budget. Where demand levels do change in legal work these will be reported to both the RMP and the Executive as a matter of urgency to ensure appropriate action is undertaken.

3.5.6 **IT & Transformation**

Early indications show that a balanced position will be achieved by year end.

3.5.7 **Human Resources**

The division is currently undergoing a reorganisation which will take into account a savings requirement for 2009/10 of £300k. Although there are some vacant posts within the division, any significant delay in the implementation of the new structure could result in some of the required savings not being achieved. The division however, is currently projecting a breakeven position will be achieved by the end of the financial year.

3.5.8 **Corporate & Strategic Finance**

This division is currently undergoing a reorganisation and the new structure will take into account the financial monitoring and support requirements of the four newly formed departments and a more strategic financial approach. There continues to be a significant number of vacant posts within the divisions for which a number of agency staff have been approved to ensure that the service continues to deliver its statutory functions. The continued use of agency staff could create a cost pressure later in the year. The division is, however, currently managing this pressure to ensure it achieves a balanced financial position.

3.5.9 **Strategic Asset Management & Capital Delivery**

The division is currently projecting a break even position but there are a number of issues which could lead to financial pressures later in the year including:

- The loss of transaction fee income due to the reduction in the land disposal programme;
- Rental income may fall short of budget due to the recession;
- Deferral of car parking charges for staff to 1 April 2010;
- Budget pressures in respect of building repairs and maintenance costs for the Town Hall and Civic Centre.

3.5.10 **Regeneration & Economic Development**

At this early stage of the year the division is projecting a balanced position.

However, there are a number of issues which will need to be addressed including:

- Land charges income – a shortfall on the budget may arise due to housing market contraction and legislative changes to charging arrangements;
- Potential reduction in external income due to the current economic climate e.g. planning application fees, TfL funding.

3.5.11 **Interest on Balances**

The current position on interest from investments is that these are performing to the budget target. A proportion of the Council's investments continue to be managed by two external investment managers and the Council's Treasury Management strategy has once again set stretching targets for these managers in 2009/10 which are being closely monitored by the Corporate Finance Division. An element of these investments require the use of investment instruments such as gilts to be used which require tactical trades to be undertaken. Inevitably there are risks and rewards with the use of such investment instruments and whilst the Council needs to continue to review the managers' performance it also needs to be aware that these potential risks/rewards do exist.

The position of interest on balances is also affected during the year by both performance and actual spend on the Capital Programme and the delivery of the Council's disposals programme. Any positive position arising in these areas may allow Council balances to increase. However, at the same time, any weakening of this position may lead to reductions in investment income.

4. Housing Revenue Account (HRA)

4.1 There are no reported variances on the HRA at this early stage. However, there are some areas that will need to be monitored closely over the coming months.

These include:

- a) With the reduction in the Bank of England base rates the interest on balances may underachieve in 2009/10. This area is under review but the shortfall could be as much as £500k;
- b) The downturn in the economy will place an emphasis on the Council to maintain rent collection levels as high as possible. A 0.1% fall in collection levels is equivalent to £70k reduction in income.

Full details of the HRA position are shown in Appendix B.

5. Capital Programme

5.1 As at the end of May, the working budget on the capital programme was £101.1m against an original budget of £75.9m. Since the original budget was set, budgets have been transferred from 2008/09 into 2009/10 in the February budget monitoring report, and for new schemes have been approved.

5.2 These new schemes fall into two categories:

- (a) Provisional schemes from the 2008/09 budget report that have now been successfully appraised by the Capital Programme Monitoring Office (CPMO); and
- (b) Schemes which have attracted additional external funding, and whose budgets have been increased accordingly.

Full details of the Capital programme are shown in Appendix C.

5.3 This report is also requesting a budget increase of £192K for the 2009/10 programme in relation to the additional costs of demolishing the properties known as 16-18 and 20 Cambridge Road and The Lawns, and this is detailed in Appendix D. The cost of these works will initially be funded from the Council's internal capital and borrowing resources, which will then be offset by both the revenue savings and future capital receipt arising from the disposal.

5.4 The actual spend being reported on the General Ledger system as at the end of May was £1.2m which includes a number of sundry creditors posted from 2008/09. At this early stage in the year, it is expected that the outturn will be in line with the revised budget, however, this position will be subject to robust scrutiny to ensure that timetables and milestones can be adhered to, and that budgets are realistic.

5.5 The completion of capital projects on time and on budget not only supports the Council's drive to excellence through its Use of Resources score, but will also ensure that the benefits arising from our capital projects are realised for the community as a whole.

6. Consultees

6.1 The members and officers consulted on this report are:
Councillor Bramley, Cabinet Member for Finance and Human Resources
Corporate Management Team
Group Managers – Corporate Finance
Capital Programme Management Office

Background Papers Used in the Preparation of the Report:

- Oracle reports
- CPMO reports

BUDGET MONITORING REPORT - MAY 2009

SERVICES	2009/10						
	Original Budget	Working Budget	Year to Date Budget	Actual to Date	Year to Date Variance - over/(under)	Forecast Outturn	Projected Variance - over/(under)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult & Community Services							
Adult Care Services	5,046	5,046	1,135	1,135	1,135	5,046	0
Adult Commissioning Services	43,690	43,603	7,284	7,284	7,284	43,603	0
Community Safety & Neighbourhood Services	3,652	3,739	1,022	1,022	1,022	3,739	0
Community Cohesion & Equalities	7,552	7,552	1,337	1,337	1,337	7,552	0
Leisure & Arts	6,473	6,473	142	142	142	6,473	0
Other Services	581	581	12	12	12	581	0
	66,994	66,994	10,932	10,932	10,932	66,994	0
Children's Services							
Quality & Schools Improvement	7,151	7,151	3,137	3,115	(22)	7,551	400
Integrated Family Services	752	752	107	1,153	1,046	752	0
Safeguarding & Rights Services	33,313	33,313	6,157	6,688	531	33,313	0
Children's Policy & Trust Commissioning	1,960	1,960	3,750	291	(3,459)	1,960	0
Skills, Learning and Enterprise	1,837	1,837	297	660	363	1,837	0
Other Services	6,986	6,986	1,522	717	(805)	6,986	0
	51,999	51,999	14,970	12,624	(2,346)	52,399	400
Children's Services - DSG							
Schools	(11,382)	(11,382)	25,879	26,501	622	(11,382)	0
Quality & Schools Improvement	7,417	7,417	1,236	282	(954)	7,417	0
Integrated Family Services	2,575	2,575	429	477	48	2,575	0
Safeguarding & Rights Services	578	578	96	90	(6)	578	0
Children's Policy & Trust Commissioning	587	587	98	516	418	587	0
Other Services	225	225	37	(39)	(76)	225	0
	0	0	27,775	27,827	52	0	0
Customer Services							
Environment & Enforcement	21,370	21,370	3,562	3,074	(488)	21,370	0
Housing Services	842	842	140	120	(20)	842	0
Customer Services Strategy	(99)	(99)	(17)	145	162	(99)	0
Barking & Dagenham Direct	2,268	2,268	17,378	17,834	456	2,268	0
	24,381	24,381	21,063	21,173	110	24,381	0
Resources							
Chief Executive	(4)	(4)	(1)	7	8	(4)	0
Director of Resources & Business Support	478	478	80	283	203	478	0
Strategy & Performance	205	205	34	240	206	205	0
Legal & Democratic Services	437	437	73	(16)	(89)	437	0
Corporate & Strategic Finance	63	63	11	(246)	(257)	63	0
ICT & eGovernment	(347)	(347)	(58)	239	297	(347)	0
Human Resources	(290)	(290)	(48)	(103)	(55)	(290)	0
Strategic Asset Management/Capital Delivery	374	374	62	62	0	374	0
Regeneration & Economic Development	3,151	3,151	525	525	0	3,151	0
Corporate Management	5,757	5,757	960	96	(864)	5,757	0
	9,824	9,824	1,638	1,087	(551)	9,824	0
General Finance	(11,181)	(11,181)	(1,864)	(1,905)	(41)	(11,181)	0
Contingency	1,500	1,500	250	0	(250)	1,500	0
Levies	7,646	7,646	1,897	1,897	0	7,646	0
TOTAL	151,163	151,163	76,661	73,635	7,906	151,563	400

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APPENDIX B

HOUSING REVENUE ACCOUNT - BUDGET MONITORING SUMMARY

Month May 2009

<u>Housing Revenue Account</u>	<u>Original Budget</u> <u>£'000</u>	<u>Revised Budget</u> <u>£'000</u>	<u>Budget May-09</u> <u>£'000</u>	<u>Actual May-09</u> <u>£'000</u>	<u>Forecast</u> <u>£'000</u>	<u>Variance</u> <u>£'000</u>
NET RENT OF DWELLINGS	(74,068)	(74,068)	(11,067)	(11,067)	(74,068)	0
OTHER RENTS	(2,473)	(2,473)	(380)	(380)	(2,473)	0
OTHER CHARGES	(10,575)	(10,575)	(1,697)	(1,697)	(10,575)	0
CAPITALISATION OF REVENUE REPAIRS	(3,500)	(3,500)	0	0	(3,500)	0
TOTAL INCOME	(90,616)	(90,616)	(13,144)	(13,144)	(90,616)	0
REPAIRS AND MAINTENANCE	23,982	23,982	3,653	3,653	23,982	0
SUPERVISION & MANAGEMENT	27,996	27,996	1,761	1,761	27,996	0
RENT, RATES AND OTHER CHARGES	524	524	95	95	524	0
NEGATIVE HRA SUBSIDY PAYABLE	22,057	22,057	2,181	2,181	22,057	0
HOUSING BENEFIT LIMITATION	504	504	0	0	504	0
DEPRECIATION & IMPAIRMENT OF FIXED ASSETS	13,689	13,689	11,408	11,408	13,689	0
BAD DEBT PROVISION/WRITE OFFS	746	746	62	62	746	0
CAPITAL EXPENDITURE FUNDED FROM REVENUE	1,885	1,885	0	0	1,885	0
HRA SHARE OF CORPORATE & DEMOCRATIC CORE (CDC) COSTS	811	811	135	135	811	0
TOTAL EXPENDITURE	92,194	92,194	19,295	19,295	92,194	0
INTEREST EARNED	(1,364)	(1,364)	0	0	(1,364)	0
TRANSFER FROM RESERVES	(214)	(214)	0	0	(214)	0
(SURPLUS)/DEFICIT FOR THE YEAR	0	0	6,151	6,151	0	0
WORKING BALANCE B/F	(4,200)	(4,200)			(4,200)	0
WORKING BALANCE C/F	(3,986)	(3,986)			(3,986)	0

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APPENDIX C

CAPITAL PROGRAMME 2009/2010

SUMMARY OF EXPENDITURE - MAY 2009

<u>Department</u>	<u>Original Budget (1)</u>	<u>Revised Budget</u>	<u>Actual to date (2)</u>	<u>Percentage Spend to Date</u>	<u>Projected Outturn</u>	<u>Projected Outturn against Revised Budget</u>	<u>Projected Outturn Variation against Original Budget</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>%</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Adult & Community Services	25,850	27,994	834	3%	27,009	(985)	1,159
Children's Services	7,809	19,586	-	0%	19,180	(406)	11,371
Customer Services	25,493	32,355	-	0%	32,355	0	6,862
HR Resources	16,760	21,181	321	2%	21,149	(32)	4,389
Total for Department Schemes	75,912	101,116	1,155	1%	99,693	(1,423)	23,781
<u>Accountable Body Schemes</u>							
Regeneration	-	-	-	-	-	0	0
Total for Accountable Body Schemes	-	-	-	-	-	0	0
Total for all Schemes	75,912	101,116	1,155	1%	99,693	(1,423)	23,781

Note

(1) Excludes provisional schemes approved at Executive in February subject to achieving 'four green lights' from CPMO appraisal

(2) Actuals include 2008/09 Creditors

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CAPITAL PROGRAMME 2009-10 ONWARDS

The following scheme is submitted for amendment in the 2009/10 Capital programme.

RESOURCES

Demolition of Various Properties

There is an urgent need to demolish a number of vacant properties in order to avoid further incidences of unauthorised occupation of these properties and the associated security and other costs that are arising in maintaining these buildings prior to their disposal. In addition, by demolishing these buildings and creating a cleared site, this will increase both the potential disposal value as well as the opportunity of an earlier disposal of the asset.

The land scheduled for disposal and the buildings requiring demolition are:

- 16-18 and 20 Cambridge Road;
- The Lawns;
- Mayesbrook Sheltered Housing;
- Brocklebank Sheltered Housing.

Budget approval was originally given by the Executive for the demolition of 16-18 and 20 Cambridge Road in April 2009 at a cost of £56k. Further detailed information has now been received in regard to the estimated demolition costs of the following buildings:

<u>Property</u>	<u>£'000</u>
16-18 and 20 Cambridge Road	95
The Lawns	153
Total	<u>248</u>

Executive approval is now sought for a budget adjustment of £192k for this project. The cost of these works will initially be funded from the Council's internal capital and borrowing resources, which will then be offset by both the revenue savings and future capital receipts arising from the disposal.

In terms of the demolition Mayesbrook and Brocklebank Sheltered Housing buildings, a further report will be brought back to the Executive on the cost of demolishing these buildings when these are available.

The revised budget and profile is as follows:

	2009/10	Total
	£'000	£'000
Current Profile	56	56
Proposed Profile	248	248

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THE EXECUTIVE

14 JULY 2009

REPORT OF THE CORPORATE DIRECTOR OF CHILDREN'S SERVICES

Title: Additional Capital Grant from Department for Children Schools and Families (DCSF) - School Kitchens and Co-location of Services	FOR DECISION				
<p>Summary:</p> <p>This report provides details of grant funding awarded to the Council by the DCSF to support two initiatives. The fund to improve School Kitchens and Dining Rooms, and a second grant, unrelated, to support the co-location of workers onto school sites. These grants are explained further in the report.</p> <p>Wards Affected: All Wards</p>					
<p>Recommendations:</p> <p>Members of the Executive are asked to:</p> <p>(a) note the success of these two bids and that additional grant funding has been secured to support existing programme initiatives;</p> <p>(b) agree to the addition of new projects into the Capital Programme, as follows:</p> <table style="margin-left: 40px;"> <tr> <td>- Investing in School Kitchens (DCSF grant)</td> <td style="text-align: right;">£908,632</td> </tr> <tr> <td>- Co-location Capital Grant (DCSF grant)</td> <td style="text-align: right;">£641,000</td> </tr> </table>		- Investing in School Kitchens (DCSF grant)	£908,632	- Co-location Capital Grant (DCSF grant)	£641,000
- Investing in School Kitchens (DCSF grant)	£908,632				
- Co-location Capital Grant (DCSF grant)	£641,000				
<p>Reason:</p> <p>The Executive has previously approved the Capital Programme 2009/10 – 2012/13 and these additional resources need to be reflected now in a revised and updated investment plan.</p>					
<p>Implications:</p> <p>Financial: This report requests that the Capital Programme is revised to include £908,632 for Improving School Kitchens and for £641,000 for Co-location of Workers.</p> <p>Legal: The Department of Children, Schools and Families has attached a set of conditions to the grant funding. Whilst these are not particularly onerous, there are specific requirements which the Council must note and the relevant officers are aware of these. Should the Council breach any of the DCSF's conditions, the Secretary of State may require the funding to be repaid. Procurement and the Legal Practice will need to be involved in awarding any contracts to deliver these projects (condition 30 of the grant agreement).</p>					
<p>Risk Management: This investment will improve facilities at schools which is an objective both the DCSF and</p>					

the Council share. It will be necessary to ensure that investment is not being made now which could affect the future, i.e. Building Schools for the Future (BSF). To mitigate this discussion are in hand with the BSF Team.

Social Inclusion and Diversity:

These funds will support inclusion by providing some improved kitchen and dining facilities, enhancing the capacity to produce good quality meals. Further, the additional resources of the Co-location Fund will support workers on school sites which contributes towards the whole inclusion ethos.

Crime and Disorder:

Any design matters will take this into account. Part of the Co-location fund objective is to bring other agencies onto school sites and this includes local police officers.

Options Appraisal:

Both these strands of funding support existing initiatives for the Council and will help to achieve objectives quicker. The funding is designated grant from the DCSF which has a specific purpose. Other options are not, therefore, viable.

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1 Introduction and Background

- 1.1 Periodically, the DCSF offers opportunity to Councils Children’s Services Departments to bid for grants to support initiatives which they want to support at local or national level. Two opportunities have been drawn to our attention earlier in the year to bid for resources. They are:
- Targeted Capital for School Kitchens and Dining Facilities
 - Co-Location Capital Grant

1.2 These grants are explained in more detail below.

2 Targeted Capital for School Kitchens and Dining Facilities

2.1 Towards the end of last year, the Government invited local authorities to bid to them to carry out improvements to school kitchens. As a local authority we have, over the last five years, been investing our own resources to see improvements at the kitchens that were designated most in need. We have used this investment to demonstrate the types of work we would like to do and we have now secured £908,632 of DCSF grant to support investment in school kitchens.

- 2.2 The bids had to be demonstrable in the following areas:
- i) improving quality of the food;
 - ii) increasing the seating capacity of dining spaces;
 - iii) improving the dining environment;
 - iv) decreasing queuing time;

and top of this, any innovative approaches that we were intending to take or introduce as a result of the investment.

- 2.3 Whilst it would have been nice to have an allocation that was around £1.8m as a 50% grant, to have achieved a £908,632 grant is a substantial sum of money, but it has been limited by the DCSF because of the amount of funds that they had available. Basically, everybody who made a bid got around 50% of their bid value.
- 2.4 Intended Projects: As indicated above, we have been carrying out works at schools over a period of the last five years, and we have had priority lists which we have been working through. A report is being prepared for the School's Forum – a condition of the bid – to advise them of the success of the bid.
- 2.5 This funding is designated as 50% matched funding and we have to demonstrate how the Council will achieve this. There are a number of projects we already have planned, or which are in progress, and include refurbishment of kitchen and dining facilities and would show how the Council is contributing. Accordingly no further resources are required.

3 Co-Location Capital Grant

- 3.1 The co-location of Preventative Services project will see the co-location of a range of key preventative health and wider services on each of Barking and Dagenham's 9 secondary school sites, with the aim of improving outcomes for children and young people and their families.
- 3.2 Due to the specific BSF and sustainable capital needs of each school, each school will see a different model of co-location, as set out below. However, as a minimum, each will host a school-based, PCT-employed Health Adviser, working to improve the health outcomes of young people. Other schools will host a wider co-located team of services that will include the Police, CAMHS, Youth Service, Neighbourhood Management, and the Family Information Service. The final school project will complete in Spring 2011. However, the vast majority of school projects will complete and have full services in place by December 2010.
- 3.3 The project builds on Barking and Dagenham's locality structure. Rolled out in Spring 2009, this cluster-based governance structure sees a range of partners come together to identify localised needs and strategically coordinate services in response. That every Barking and Dagenham secondary school, and partner agencies, have already given their firm commitment to the swift co-location of such a range of services, demonstrates a shared understanding of the benefits of co-location and an ambition to see it impact positively on outcomes for children and families. There is also room for the further expansion of services, such as the introduction of police public protection desks.
- 3.4 The project demonstrates considerable innovation. Barking and Dagenham is the first local authority in the country to provide a PCT-employed health adviser in each of its secondary schools. Additionally, agreement and commitment has been sought from the following services, with named individual staff members for each school setting already identified or posts being recruited to:

NHS Barking and Dagenham (formerly Barking and Dagenham PCT)
 Police
 Youth Support and Development Service
 CAMHS (North East London NHS Foundation Trust)
 Neighbourhood Management
 Family Information Service
 School-Home Support (voluntary sector provider of Parent Support Advisers)

3.5 The specific services for each school are set out as follows:

School	Service(s) to be co-located	Cost of Refurbishment/ adaptation
All Saints Catholic School and Technology College	Health Adviser, Dedicated Schools Police Officer	£32K
Barking Abbey Comprehensive School	Health Adviser, Dedicated Schools Police Officer, Parent Support Adviser	£93K
Dagenham Park Community School	Health Adviser	£24K
Eastbrook Comprehensive School	Dedicated Schools Police Officer, Primary Mental Health Worker, Health Adviser, Detached Youth Worker, Neighbourhood Manager.	£142K
Eastbury Comprehensive School	Health Adviser, Dedicated Schools Police Officer, Youth Worker	£131K
Jo Richardson Community School	Health Adviser, Counsellor	£32K
Robert Clack Comprehensive School	Health Adviser	£24K
Sydney Russell Comprehensive School	Dedicated Schools Police Officer, Primary Mental Health Worker, Health Adviser, Detached Youth Worker, Neighbourhood Manager, Parent Support Adviser	£120K
Warren Comprehensive School	Dedicated Schools Police Officer, Primary Mental Health Worker, Health Adviser, Detached Youth Worker, Neighbourhood Manager.	£43K
Total amount of funding requested from the Co-Location Fund during 2009-2011	£641,000	

4 Issues

- 4.1 Both of these projects support initiatives which the Council is trying to achieve and this funding will aid this objective.
- 4.2 The fully funded grant levels approved by the DCSF will need to be included as expenditure in the capital programme, as follows:

Investment in School Kitchens	2009/10	£100,000
	2010/11	£750,000
	2011/12	<u>£58,632</u>
	Total	£908,632

Co-Location Fund	2009/10	£150,000
	2010/11	£450,000
	2011/12	<u>£41,000</u>
	Total	£641,000

5 Consultees

- 5.1 The following were consulted in the preparation of this report.
- Councillor R Gill, Cabinet Member for Education and Children's Wellbeing
Rob Whiteman, Chief Executive
Roger Luxton, Corporate Director Children's Services
David Tully, Group Manager Children's Services Finance
Yinka Owa, Legal Partner – Procurement Contracts and Property
Sharon Roots, Group Manager Risk Management
David Robins, Group Manager Procurement & Efficiency
Anne Bristow, Corporate Director Adult & Community Services
Bill Murphy, Corporate Director of Resources
David Woods, Corporate Director of Customer Services
Joe Chesterton, Divisional Director of Corporate Finance
Jeremy Grint, Head of Regeneration & Economic Development

6 Background Papers

- 6.1 Targeted Capital Bid for School Kitchen and Dining Facilities Bid
- 6.2 Co-Location of Preventative Services Bid

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THE EXECUTIVE

14 JULY 2009

REPORT OF THE CORPORATE DIRECTOR OF CHILDREN'S SERVICES

Title: Proposal for Expanding Roding Primary School at Cannington Road	FOR DECISION
Summary:	
<p>This report seeks the approval of the Executive to provide school places at Cannington Road, a former school site which has been retained for this purpose. This would be achieved through the procurement of a new building on the site.</p>	
Wards Affected:	
<p>Mayesbrook, Roding and Parsloes Wards</p>	
Recommendations:	
<p>The Executive is asked to agree:</p> <ol style="list-style-type: none"> 1. the procurement route as set out in Section 4 of this report and delegate authority to the Corporate Director of Children's Services in consultation with the Corporate Director of Resources to place an order with an appropriate construction company in accordance with the Council's Rules and its Constitution; 2. whether they wish to alter the recommended procurement option and wish to be involved in the tender process; 3. the financial provision as set out in the financial implications section of this report; and 4. to acknowledge that due to the speed of this project, the Executive were not notified of the intention to go to tender before this report, but that no tenders will be accepted or contracts awarded prior to consideration of this procurement matter by the Executive and its consent to proceed given. 	
Reasons:	
<p>This is a key issue for the Executive to determine the retention of the site and its future use.</p>	
Implications:	
Financial:	
<p>After consultations with the appointed Quantity Surveyor for the scheme it is suggested that we set aside £10m from a grant received from the DCSF under Exceptional Basic Need to achieve this project. This is a project in the approved capital programme to commence in the current year. It is anticipated that</p>	

construction costs will be approximately £8m with £2m to meet fees, equipment, furniture and fitting out.

There will be revenue costs associated with the establishment of these additional school places, but funding will follow from the Direct Schools Grant, subject to a report to the Schools Forum.

Legal:

The Procurement Exercise:

The Council has power to enter into a works contract for the design and build of new school premises under section 1 of the Local Government (Contracts) Act 1997 on the basis that such works are properly required for the discharge of the Council's duties.

It is anticipated that the estimated value of the works contract will be up to £8,000,000, in excess of the threshold for application of the Public Contracts Regulations 2006 (the Regulations) of £3,497,313 and therefore subject to the full application of the Regulations as set out in Recommendation 1 of this report.

The report recommends that the Council enters into contractual arrangements under an existing construction framework agreement established by the Council, negating the need for a full procurement exercise (i.e. OJEU tender notice and pre-qualification process).

Regulation 19.7(b) allows the selection of a contractor from a framework agreement by way of mini-competition. The report confirms that a mini-competition exercise has been instigated by the procuring Department, inviting the panel of contractors from the construction framework agreement to tender under a two stage tender process using the PPC 2000 standard contract conditions.

In accordance with Rule 3.6 of the Council's Contract Rules, "proposed contracts with a value in excess of £400,000 must be reported to the Executive before any procurement process begins." In this instance, the procuring Department has commenced procurement proceedings prior to gaining agreement from Executive to proceed. As a consequence, the procuring Department should seek retrospective agreement to proceed with the proposed tender exercise. Should the Executive fail to agree the procurement route as recommended within this Report, then the existing procurement exercise should be aborted and tenderers immediately informed of the decision by Members not to proceed.

Where retrospective permission to proceed is given by the Executive, the Council must comply with the principles of administrative law in deciding whether to award a contract, including taking into account all relevant considerations, the outcome of the valuation of each of the tenders and their financial implications. In particular in order to comply with the Council's fiduciary duty and duty to ensure Best Value, the Council must be satisfied that the tenders represent value for money for the Council.

Risk Management:

The provision of this facility will help mitigate the risks of having pupils out of school.

Social Inclusion and Diversity:

The new building will be planned as a facility that will be inclusive for all pupils, dependent upon needs. This proposal will respond to the Every Child Matters agenda.

Crime and Disorder:

The design of the school will take into account Secure by Design recommendations in terms of designing out crime.

Options Appraisal:

The Cannington Road site has traditionally been a site housing a school, usually in the secondary sector. However, the need for additional primary places in this area has been identified in recent reports and there will be demand across the Borough to create new school places. This is one of several options that are being pursued to create additional school places. Other options have included expanding near schools as well as other sites. In view of the number of places that we need to create, it will be necessary to pursue these other options also. Further reports on this strategy will be coming to the Executive in the Autumn.

The way in which the Council secures the building has been dealt with in Section 4 of the report.

Contact Officer: Mike Freeman	Title: Group Manager School Estate	Contact Details: Tel: 020 8227 3492 Fax: 020 8227 3148 E-mail: mike.freeman@lbbd.gov.uk
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1. Background

1.1 The Executive has received reports in the past about the numbers of pupils growing in the Borough and the need to provide 11,000 additional primary places through the regeneration of the Borough over the period to 2017. The Cannington Road site has always been identified as a key school site and is currently administered by Children's Services. This report will deal with the immediate use of the site and how it links to existing provision.

2. Interim Arrangements – St George's

2.1 The Executive received a report on 11 November 2008 which set out proposals in respect of the use on a temporary basis of part of the St George's site to house three classes of infant pupils and this proposal is linked to the existing Roding Primary School.

2.2 As the project at St George's (now designated Roding –Halbutt Street) is growing because of the continuing demand, it is only possible to house Years R–Year 2 and by September 2010 we need to have provided an alternative permanent location. This September 2009 the school will have admitted up to:

- 90 Reception pupils
- 30 Year 1 pupils

- 30 Year 2 pupils

3. Developing Cannington Road

- 3.1 In view of the timescale in which this school building is needed, it is proposed to utilise an off-site system build or similar method to develop school places at Cannington Road.

4. Procurement

- 4.1 Officers in Children's Services have issued a design brief to colleagues in Capital Delivery and have worked in collaboration with them to provide an outline design of a suitable school building (possibly of system structure) that will be in place by September 2010.
- 4.2 In order to consider the procurement options, discussions have taken place with Asset Management and Capital Delivery colleagues exploring options for procurement. It was recommended that for the scheme we should use the Council's existing framework of contractors which has been established in an appropriate competitive way and negates the need for OJEU tender notice and the pre-qualification process, thus saving time. Further consideration has been made concerning the type of contract and how best this project might be delivered. This includes traditional design by our own design team and the option of design and build. In the light of the speed which is necessary to complete this building, it is felt that the contractor must accept some design liability and that a design and build style contract would best suit this project.
- 4.3 There are options for this style of contract, but on balance the recommendation made to Children's Services is one listed as PPC2000 and this is something which the framework contractors will be familiar with.
- 4.4 Tenderers have been asked to prepare written proposals to demonstrate quality issues how they will manage this project and the aspects their company will bring to the scheme in the following areas, with % of assessment:
- (a) design and construction timetable, challenges, methods and management (30%);
 - (b) pricing proposals to include preliminary costs and site overheads (20%);
 - (c) programme for the design and construction and how the design team and any sub-contractors will be selected (20%);
 - (d) a comment about how they will take forward the initial design concepts (15%);
 - (e) how they will interface/ communicate with the Council and its representatives (5%);
 - (f) provide a preliminary Risk Register in line with PPC2000 Clause 18.1 (10%).

- 4.5 Following the evaluation of written submissions, the Council may invite Tenderers to attend meetings with the Council. These meetings are for clarification purposes only to ensure that the Council selects the tender which best meets the requirements of the project.
- 4.6 The Constructors will be selected and the award made on the basis of the offer which is most economically advantageous to the Council. Assessment will be made on the basis of a 50% weighting for quality and a 50% weighting for price within the quality assessment described in 4.4 above, as recommended by Capital Delivery and in accordance with the Council's Rules and its Constitution, following consultation with the Corporate Director of Resources.
- 4.7 Capital Delivery has engaged with the framework contractors on the use of this form of contract and are currently out to tender to them with the outline design. All the framework contractors understand that they must achieve the timescales that we require.
- 4.8 The Corporate Director of Children's Services is requested to authorise the placing of an order with the successful tenderer following the completion of the evaluation process.

5. Consultation

- 5.1 The following Members and officers have been consulted about the content of this report.

Cllr R Gill , Cabinet Member for Education and Children's Wellbeing
Rob Whiteman, Chief Executive
Roger Luxton, Corporate Director of Children's Services
Anne Bristow, Corporate Director of Adult & Community Services
David Woods, Corporate Director of Customer Services
Bill Murphy, Corporate Director of Resources
Sue Lees, Divisional Director Strategic Asset Management and Capital Delivery
Jane Hargreaves, Head of Quality and School Improvement
Joe Chesterton, Divisional Director Corporate Finance
Jeremy Grint, Head of Regeneration & Economic Development
David Tully, Group Manager Children's Services Finance
Melanie Field, Legal Partner – Safeguarding and Partnership Law
Yinka Owa, Legal Partner – Procurement Contracts and Property
David Robins, Group Manager – Procurement and Efficiency

6. Background Papers

- 6.1 This report takes into account the projection of pupil numbers set out in the 10 year Primary Pupil Places Planning Report – 2006/07 to 2016/17.
- 6.2 Executive report of 18th November 2008 - Additional Pupil Places – Primary Schools

- 6.3 Executive report of 20th January 2009 – Demographic Change Influence of School Places – Demands for Autumn Term 2008
- 6.4 Contract Issues document dated 14 May 2009, exploring options for contractual arrangements on this project.

THE EXECUTIVE

14 JULY 2009

REPORT OF THE CORPORATE DIRECTOR OF CHILDREN'S SERVICES

Title: Butler Court Accommodation	For Decision
<p>Summary:</p> <p>Proposal to increase charges for room lettings for teachers' accommodation by 15% from 1 September 2009.</p> <p>Wards Affected: None</p>	
<p>Recommendation(s)</p> <p>The Executive is asked to agree:</p> <ol style="list-style-type: none"> 1. To increase charges for room lettings for teachers' accommodation at Butler Court by 15% from 1 September 2009; and 2. For hospitality charges to remain at 08/09 rates, pending full review for 1 April 2010. 	
<p>Reason(s)</p> <p>The end of year financial position has indicated that an increase in income above the anticipated level is required. Research indicates the rooms will continue to provide good value for money. This is the first time since opening that a rise above the level of the Council's charging policy has been proposed.</p>	
<p>Implications:</p> <p>Financial:</p> <p>The deficit of £27K is realised at the financial year-end closure for 2008-09, mainly due to a £10K overspend and an income shortfall £17K. The above recommendation will ensure not only that Butler Court has a fairer pricing structure but also remains self-financing.</p> <p>Legal</p> <p>Under Schedule 1 of the Housing Act 1985, where it can be shown that the grant of a tenancy is to enable the better performance of duties, then such tenancy will be exempt from being a secure tenancy. This means that a local authority is not bound to adopt the same stance it has in relation to its other secure/ non-secure housing stock, and is free to contract uniquely with this class of tenants.</p> <p>The provision of rooms to teachers in circumstances where the objective is to assist them with their accommodation needs, would appear to fall within the exclusion as the intention would be to indirectly assist them to do their job. No tenancies are created by the License Agreements. Teachers occupy the premises as licensees, subject to the terms of the License Agreement.</p>	

The ability of the Council to increase rent during the course of the license agreement and for how much, is ultimately dependant on the express terms of the license agreement it has in place. However, the Council's current license agreements are granted on an annual basis and will come to an end in July 2009. The Council proposes to replace them with new licenses starting in September 2009. In these circumstances, the Council will be entitled to charge the increased rent as this is a new agreement, and no party is bound by the previous terms and conditions.

Risk Management:

Action proposed is to minimise risk of ending financial year 2009/10 with deficit budget.

Social Inclusion and Diversity:

No specific implications.

Crime and Disorder:

No specific implications.

Options Appraisal:

- Option 1 - do nothing and run high risk of deficit.
- Option 2 - increase by 15% - break even with small contingency
- Option 3 - increase by 20% - either end year with larger contingency or risk rooms remaining vacant and loss of income.
- Option 4 - increase hospitality charges- risk not remaining competitive locally.

Option 2 is recommended.

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Title:
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1. Introduction and Background

- 1.1 Butler Court was set up by the council about 17 years ago to address two problems:
 - to support accommodation needs of teachers newly appointed to schools within the borough. This facility has provided the Authority with a recognised incentive to recruit teachers from all areas within the British Isles and overseas.
 - To address what was then a lack of suitable, accessible accommodation for the council's guests. Seven rooms are set aside to provide hospitality accommodation for town twinning visits and corporate functions.
- 1.2 Newly appointed teachers are accommodated at the Butler Court facility during each academic year. The teachers enter into License agreements under which they are provided with accommodation for one academic year only at a time. The Agreement runs from the beginning of the academic year (September) to

the end of the academic year (July). Their occupation is as licensees only and not as tenants. The terms of the License are clearly set out and teachers can be evicted if they fail to comply with the Agreement's terms. Each year teachers enter into new agreements.

2. Current Position

2.1 Butler Court remains a popular option for newly qualified teachers. It is currently full and has a waiting list.

2.2 Teachers' accommodation

In previous years the service has been managed on a self financing basis where income collected from lettings has covered staffing and running costs. This included a small contribution from the unit to fund replacement equipment and essential refurbishment. Increases in charges have been in line with the Council's charging policy.

2.3 More recently owing to increases in service costs and building repairs the budget has been under pressure. It appears that the deficit in financial year 2008/09 will be in the region of £27K. This mainly due to additional employee costs of £13K and a shortfall in income of £17K. However, the overall deficit is reduced by £3K due to savings in rates.

2.4 Hospitality

In the 2008/09 financial year 567 guests used the hospitality accommodation. Barking and Dagenham does not have hotel accommodation, which at least superficially appears cheaper than the cost of hospitality rooms. Some concerns have been expressed by customers about the comparative costs. However, Butler Court hospitality rooms are more spacious than local hotels and a more flexible service is provided, tailored to the needs of individuals and groups who use the facility. For this reason it is proposed to leave the hospitality charges at the 08/09 rates and to review the charges and arrangements for hospitality lettings during the current year and make recommendations for implementation from 1 April 2010.

3. Report Detail

3.1 Rates for teachers' accommodation were planned to increase by 3% in line with Council policy. However, the end of year position indicates that income is not currently providing a sufficient amount to cover unforeseen costs. Given the financial position it is proposed that the current pricing levels for teachers is increased from 1 September to reflect a rate comparable to current market value and conditions. The type and quality of accommodation available compares favourably with those offered within the commercial lettings market. Butler Court also offers additional facilities including free parking, two lounge areas, kitchen and dining room, prepared breakfast option, laundry facilities and equipped fitness room. In the circumstances it is recommended that the following increases be introduced from 1 September 2009.

1. The weekly accommodation prices for teachers to be increased by circa 15% rounded to the whole pound as set out in table 1 below effective from September 2009.
2. The corporate and town twinning accommodation rates to remain this year as for 08/09 and to be reviewed in a year's time.

All cancellations to pre bookings to be charged at the full rate unless 48 hours notice given.

It is anticipated that the price increase and higher occupation rates will provide an additional contribution of around £25K per annum and provide Butler Court with funding to remain self financing on an operational basis.

Table 1 Proposed Charges.

	Current rate teachers' accommodation £ per week	new rate 15% £
Small room	64.60	75.00
Medium room	74.60	86.00
Large room	84.60	97.00
Double room	93.50	108.00
Double room large (en suite)	120.30	138.00

Hospitality - current rates	Hospitality rate - daily charges
Guest room single occupancy	46.00
Guest room double occupancy	57.00

4. Consultees

- 4.1 The following were consulted in the preparation of this report:
 Councillor R Gill – Cabinet Member for Education and Children's Wellbeing
 Roger Luxton – Corporate Director of Children's Services
 Yinka Owa – Legal Partner
 David Tully - Corporate Finance - Group Manager Children's Services/BSF Team
 Children's Services DMT

Background Papers Used in the Preparation of the Report:

- Report of the Corporate Director of Resources - Fees and Charges 2009/10 - February 2009

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THE EXECUTIVE

14 JULY 2009

REPORT OF THE CORPORATE DIRECTOR OF Children's Services

Title: Sixth Form Students' Holocaust Memorial Visit to Krakow, Poland – March 2010	For Decision
<p>Summary:</p> <p>To ask the Executive for permission for one sixth form student from each secondary school and a Councillor to travel to Krakow, Poland on the annual Holocaust memorial educational trip in March 2010.</p> <p>Wards Affected: None</p>	
<p>Recommendation(s)</p> <p>The Executive is asked to agree:</p> <ol style="list-style-type: none"> 1. The request for one sixth form student from each secondary school and a Councillor to travel to Krakow, Poland on the annual Holocaust memorial educational trip in March 2010. 	
<p>Reason(s)</p> <p>To assist the Council to achieve its Community Priority of 'Inspired and Successful Young People' and in support of community cohesion and social diversity</p>	
<p>Implications:</p> <p>Financial: Costs for: mini-bus travel to and from the airport; air travel; accommodation; mini-bus travel in Poland; admission costs and on site educational guides.</p> <p>Overall sum: £7,500 which will be funded from the existing budget of the School Improvement Service in the Children's Department.</p> <p>Legal: None</p> <p>Risk Management: Compliance with Barking and Dagenham Guidelines for Off-Site Visits Other than Outdoor Adventurous Activities</p> <p>Social Inclusion and Diversity: Supportive of the social inclusion and diversity agenda.</p> <p>Crime and Disorder: Not applicable</p>	

Options Appraisal: No applicable		
Contact Officer: Howard Jones	Title: Adviser - Humanities	Contact Details: Tel: 020 8227 6043 Fax: 020 8227 4886 E-mail: howard.jones@lbbd.gov.uk

1. Introduction and Background

- 1.1 In 2007 the Council's Executive decided to fund one sixth form student from each of the Borough's sixth forms to visit Auschwitz as one of a series of activities by the Council to honour the national Holocaust Day.
- 1.2 A Holocaust survivor, Leon Greenman OBE – who spent three years in the death camps at Auschwitz, and who lost his wife and son in the gas chambers – agreed that Borough students should learn first hand what Holocaust victims experienced.
- 1.3 The first visit took place very successfully in spring 2008 and the second in March of this year. On both visits a Council member accompanied the students. The presence of a councillor was greatly valued by the students and served as an excellent opportunity for inter-generation exchange.

2. Current Position

- 2.1 To request permission for a similar visit to take place in March 2010

3. Report Detail:

- 3.1 The visit will include the following:
 - A tour of the historic Jewish quarter, one of the old synagogues and a Jewish cemetery. This area of Krakow formed part of the Ghetto during the War.
 - A visit to the legendary Schindler's factory.
 - A day spent at Auschwitz and Birkenau.
 - A tour of the historic Wieliczka Salt Mine to provide an insight into Polish national heritage and identity.
 - Students follow through their visit in their respective schools. For example, this year one student used the video record she made to form part of her presentation across year groups.

4. Conclusion

- 4.1 The visit is supportive of the social inclusion and diversity agenda and an incalculable legacy in the experience of Barking and Dagenham young people. *'Auschwitz is simultaneously the most horrific and remarkable piece*

of human history. I recommend a visit to anyone, it is truly life changing.' (A student on the 2009 visit).

5. Consultees

5.1 The following were consulted in the preparation of this report:

Councillor Rocky Gill Cabinet Member for Education and Children's Wellbeing

Jane Hargreaves – Head of Quality and School Improvement

Fiona Bevan – Senior Adviser – Sport, Health, Wellbeing and Safety

Background Papers Used in the Preparation of the Report:

Barking and Dagenham GUIDELINES FOR OFF-SITE VISITS OTHER THAN OUTDOOR ADVENTUROUS ACTIVITIES

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THE EXECUTIVE

14 JULY 2009

REPORT OF THE CORPORATE DIRECTOR OF CHILDREN'S SERVICES

Title: Youth Access Card	For Decision
<p>Summary:</p> <p>The purpose of this report is to present the case for the introduction of a Youth Access Card into Barking & Dagenham. Specifically, it will recommend 2 options for the introduction of the access and management systems necessary to support the joint Council (LBBDD) and NHSB&D ambition to deliver change and lifestyle improvement on an industrial scale.</p> <ul style="list-style-type: none"> • The borough has approximately 45,000 children and young people aged between one and eighteen years. • The borough is one of the few in London which have a growing youth population. • The borough has amongst the highest rates of childhood obesity in London. • Life expectancy in the borough is over eight years less than that for people born in Westminster in 2008. • Local children face significant health challenges which could mean an adult life burdened with coronary heart disease, diabetes, mental ill health and lung disease. <p>In 2008 the Barking and Dagenham Strategic Partnership began working on a three year programme of "Industrial Scale Change" for children that will improve the life expectancy and quality of life, of children and young people living in the borough.</p> <p>Promoting Healthy lifestyles is a key aspect of our LAA and the Community plan and this campaign should be seen as part of a wider Healthy Initiatives campaign. Linked to the NHSB&D and LBBDD youth focused websites and developed through consultation and involvement of children and young people, the Youth Access Card is about a new way of giving young people control, reducing replication in registration and helping Council and NHS services gather accurate demographic and activity data without requiring young people to fill in multiple forms.</p> <p>The Youth Access Card will help young people simply and safely access age appropriate services, by providing a single form of access for local services such as subsidised leisure, reproductive and sexual health services and cashless school meals.</p> <p>The introduction of a Youth Access Card is essential to ensure the achievement of the Industrial Scale Change programme's aims of improving the health and wellbeing of the youth of the borough.</p> <p>Wards Affected: All</p>	
<p>Recommendation(s)</p> <p>The Executive is recommended to agree:</p> <ol style="list-style-type: none"> 1. A Youth Access Card be introduced with the following functions: <ol style="list-style-type: none"> a). Secondary school cashless catering; 	

- b). Leisure (Concessions, Membership, promotions and rewards);
- c). Libraries (Membership);
- d). Youth Reproductive and Sexual Health Initiative
- e). Primary school cashless catering.

2. Costs and funding sources for this project, as set out in section 4.1, with the Schools Forum supporting the relevant funding from the DSG.
3. To approve the use of £68,000 from corporate balances in 2009/10 to meet the required shortfall in the project costings.
4. That the budget model reflects the financial impact of the project on the general fund from 2011/12 onwards.
5. To delegate authority to the Corporate Director of Resources to explore the procurement options (described in paragraph 4.3, below), in consultation with the Legal Partner, Corporate Procurement and the Divisional Director of Corporate Finance.
6. To authorise the Corporate Director of Resources, in consultation with the Legal Partner, Corporate Procurement and the Divisional Director of Corporate Finance, to either:
 - (a) report back to Executive with recommendations of the procurement route; or
 - (b) select the preferred procurement option, execute the procurement, award the contract and report back to Executive after the contract has been awarded.

Reason(s)

To assist the Council to achieve its Community Priorities of “Healthy”, “Safe” and “Fair and Respectful”.

Implications:

Financial:

As things currently stand there is no revenue budget set aside for 2009/10, nor any provision in the Medium Term Financial Strategy and the implication of agreeing to more funding for this is that it would increase the current £13m forecast budget gap for 2010/11 and would put more pressure on departments to deliver higher savings targets for future years.

If there is support to proceed with this proposal, the revenue consequences of this would require £68,000 to be met from corporate balances for 2009/10 and that the on-going revenue consequences for future years would be included in the budget model that drives the Medium Term Financial Strategy. Currently, this is estimated at nil contribution from the general fund in 2010/11 and £278,000 per year from 2011/12 onwards. The sum will be reviewed as part of the Council’s budget model at the appropriate time including the offsetting of efficiencies that would derive from this project as set out in paragraph 4.1.

NHSB&D has indicated that it supports the two recommendations and would be willing to provide up to £1m (£0.5m in 2009/10 and 2010/11 financial years) on a matched funding basis.

A capital budget of £80k exists within the E-Government Programme.

The summary sources of funding for the two recommendations for 2009/10 and 2010/11 would be as follows:

Two-year funding summary	
DSG (Revenue)	£0.895m
E-Government programme (Capital)	£0.080m
PCT contribution (Revenue)	£1.000m
General Fund (Revenue)	£0.068m
Total funding	£2.043m

The Schools Forum has been consulted and supports the proposal to fund the school cashless catering element of this project from DSG.

More details of the financial arrangements for this are in Section 4.1.

Legal:

The NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 allow for NHS bodies and Local Authorities to enter into partner arrangements for specified functions. These functions include health related functions covering the functions of LEAs under the Education Acts. The 2000 Regulations provide for pooled budgets between the Local Authority and the NHS B&D.

The Council will need to enter into a funding agreement with NHS B&D to secure their contribution to the cost of the scheme. The Legal Partner should be consulted on the terms and conditions of such agreements.

The Legal Practice and Procurement will need to advise Officers on the procurement options listed in this report and assist in the procurement exercise (whichever is chosen).

Risk Management:

At this stage risks which may have a financial impact but which cannot be quantified include, volatility in pupil and scheme member numbers, exit strategy, containment of costs, effective “buy in” of schools, procurement route and conditionality of NHSB&D match funding.

Customer Impact:

This campaign will be open to all children in the borough irrespective of income, race, age etc.

Crime and Disorder:

The introduction of cashless catering will have a positive impact on the level of bullying in the boroughs schools by reducing the level of cash (and therefore reduce one of the key motivators for bullying) in circulation in the school environment.

The reduction in the volume of cash being transported around the borough will help minimise the public safety and crime and disorder threat associated with cash transportation.

Options Appraisal:

There are 3 identifiable options for Phase 2 of the Industrial Change Programme:

- Option 1
Introduction of a multi function Youth Access Card. Roll out of a card for the Leisure and Library services, accompanied by the introduction of cashless catering in schools. The card should be multifunction and comply with the technical standards drawn up by London Connects and YLCEG for a future pan London Smart Card.
- Option 2
Upgrade leisure card systems only. This option would provide an upgrade of the existing system to enable the provision of sufficient data to evidence NHSB&D and LBBDs requirements under the Industrial Change Programme.
- Option 3
Do nothing. Maintain existing card and back office systems.

The recommendation of this report is that Option 1 presents NHSB&D and LBBDD with the most appropriate and flexible option.
(See Appendix A for detailed appraisal)

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1. Introduction and Background

- 1.1 Starting in 2008 the Barking and Dagenham Strategic Partnership began working on a three year programme of industrial scale change for children that will improve the life expectancy, and quality of life, of children and young people living in the borough.
- 1.2 Industrial scale change is intended to have three phases which will inter-connect to create a new healthy life aspiration for children and young people in the borough.
- 1.3 The three planned phases are:
 - Phase 1- Free Swimming
 - Phase 2 - Youth Access Card
 - Phase 3 – Healthy Meals for Children
- 1.4 Following the successful launch of the LBBDD / NHSB&D (PCT) initiative to fund free swimming for under 16's, the Council commissioned a feasibility paper that explored the potential benefits of the borough introducing a Youth Access Card. The production of this report coincided with DCSF's bidding round to identify a Local Authority to pilot a free school meals (FSM) initiative.
- 1.5 Following LBBDD's unsuccessful attempt to secure funding for a local FSM pilot, a decision was made to explore alternative options that would allow LBBDD and NHSB&D to promote anti-obesity initiatives via healthy lifestyles, exercise and improved nutrition among the young people of the borough.

- 1.6 The introduction of a Youth Access Card for Leisure Services, Libraries and School Cashless Catering would offer the opportunity to introduce Smart Card functionality into other areas of Council activity. These could include:
- Citizen Card - If the Council aspires to introduce a Citizen Card for residents of the borough then the introduction of a Youth Access Card will provide the ideal pilot for such a project.
 - Tenants and/or Council Tax Card – Boroughs elsewhere have introduced Smart Cards for all Council Tenants and or Council Tax account holders (Waltham Forest).
 - Parking Services – Hillingdon Council have introduced Smart cards for payment at parking meters and Car Parks, while Waltham Forest are introducing Smart Card access to Bike sheds.
 - Concessionary travel for under 16's and the elderly - Bracknell Forest District Council has introduced this functionality onto their Smart Card.
 - Staff Identification – A borough Smart Card could be easily rolled out to staff.

2. Current Position

Barking and Dagenham

- 2.1 At present citizens of the borough are required to use individual membership cards to access the borough's Leisure and Library services. These cards are of the simple bar code variety and have extremely limited functionality. They provide a means of user verification, are maintained on separate back office systems and offer little or no means of tracking individual user demographic or activity data.
- 2.2 Schools within the borough currently have no single means of pupil identification and/or pupil access. All schools in the borough provide catering services using cash rather than card based systems, this requires manual cash counting and transport.
- 2.3 LBBD and NHSD are committed Under Phase 1 of the Industrial Change Programme to increasing the numbers of children and young people enjoying swimming, from toddlers to adulthood.
- 2.4 Smart Card technologies provide the necessary technical infrastructure to enable the effective tracking and measurement of the usage data that will be required to evidence and justify the expenditure of Phase 1.

London

- 2.5 LBBD are not alone in London in looking at the issue of Access (Smart) cards. London Connects (LC), jointly owned by the Greater London Authority and London Councils, has commissioned a high level business case for deployment of Smart Card schemes by London Councils. It has sponsored the creation of the "Your London Card Exec Group" (YLCEG), which consists of representatives from each of the six London sub-regional partnerships. The group aims to "establish a sustainable operating framework for a London borough smartcard scheme" and "avoid duplication of work across partners and sub-regions".
- 2.6 To date, London Connects and YLCEG have drafted governance rules for a pan-London scheme, set up an international APACS number for London, run a joint procurement for 4k Mifare cards on a standard spec, issued a Your London Card Vision and collated a survey of London borough smartcard plans.

- 2.7 The vision of the YLCEG is defined as “to have in place a London-wide multi-application smartcard by 2012 that is technically interoperable and to which all London Boroughs are signed up”.
- 2.8 Numerous London Boroughs are in the process of implementing Smart Card schemes building upon the initiative of London Connects and YLCEG. Waltham Forest has piloted the use of a multifunction Smart Card (WF OneCard), based on the standards drawn up by London Connects and YLCEG.

National Smart Card Project

- 2.9 The National Smart Card Project was concerned with the promotion of multi-application citizen smart card schemes run by local authorities in England. The Project began in 2003 and was funded in its early stages by the Office of the Deputy Prime Minister through the National Projects part of the local e-Gov Programme. Bracknell Forest Borough Council acted as the national pilot for this project.

3. Report Detail

3.1 Proposed way forward for YAC

The following service areas have been identified as being suitable for inclusion in an LBBB Youth Access Card:

- Schools Cashless Catering (initially focussing on the 9 secondary schools)
- Leisure (Concessions, Membership and promotions and rewards)
- Libraries (Membership)
- Youth Sexual Health initiative – (Free Condom Distribution for the PCT)

While initially introduced for young people, the technical infrastructure will be scalable enough to facilitate any future expansion of the scheme. A future phase could be a resident or citizen card that would enable all residents to access a range of council services using one card, as well as benefiting from incentives and rewards for specific modes of behaviour.

3.2 Benefits

The Youth Access Card will reduce replication in registration for services and enable service providers to gather accurate demographic and activity data without requiring young people to fill in multiple forms.

Furthermore, the Youth Access Card will help young people simply and safely access age appropriate partnership services, by providing a single form of access for local services such as subsidised leisure, condom distribution and cashless school meals.

By developing a universal form of access in the borough we will remove the stigma attached to benefit related school meals and the embarrassment of accessing condoms whilst also being able to link activity to rewards. I.e. the more healthy choices in the canteen, the more free leisure services you can access.

3.2.1 Cashless Catering

The Youth Access Card offers the opportunity for schools to adopt a cashless catering model. The benefits of such a scheme are:

- The amount of cash pupils need to carry around school is less, reducing the chance of them being bullied or losing their money.
- Students entitled to free school meals would automatically have their meal allowance credited to their Youth Access Card each day. All cards would look and work the same way so nobody needs to experience the stigma previously associated with receipt of free school meals.
- Cashless transactions are faster so shorten queues at the tills.
- Minimising the amount of cash handled by catering staff is also more hygienic.
- Parents can pay in a sum for a week, a month or a term at a time and limit the daily spend on their child's card.

3.2.2 Libraries

The Youth Access Card would replace old style library cards and allows users all the same features of a traditional library card – borrowing books, hiring CDs, DVDs and videos, and using the libraries' free internet service to surf the internet and reserve and renew books. The benefits are thought to be more efficient use of staff time, better management information, an improved user experience and facilitate the introduction of new e-enabled services.

3.2.3 Leisure

Smartcard systems relating to Leisure services typically involve attendance recording at facilities, payment for services and facilities used and confirmation of entitlements for people who qualify for free or reduced cost services.

Attendance recording is of little use unless all or most users have smartcards, but it can be used as an element of other schemes. LBB and the local NHSB&D are keen to encourage people to lead healthier lives as an alternative to using NHS services – i.e. prescribing sport rather than pharmaceuticals. In this case people could possibly be awarded rewards for attendance at leisure centres and depending on the scheme, rewards could be exchanged for additional leisure sessions. Information about sporting sessions could be fed back to GPs.

Smart Cards would enable the targeting of individual users or groups with specific services or rewards and incentives.

A Smart Card solution could improve the health of citizens by improving access to Leisure Services, could facilitate access to personalised prescriptive programmes for NHS services and will generally encourage healthy living and wellbeing.

3.2.4 Youth Reproductive and Sexual Health initiative

NHSB&D wishes the Youth Access Card to be used by teenagers to access free issue of condoms and sexual health self-testing kits from participating pharmacies.

The benefits are clearly social and health related. An effective scheme would be expected to lead to reductions in teenage pregnancy and sexually transmitted disease in the community.

4. Implications

4.1 Financial implications

The Primary Care Trust (PCT) has indicated that it supports the two recommendations and would be willing to provide up to £1m (£0.5m in 2009/10 and 2010/11 financial years) on a matched funding basis. The capital and revenue costs and funding sources for the recommendations are set out in Tables 1 and 2.

Table 1: Capital costs of recommendations

Description	Capital cost in 2009/10	Capital cost in 2010/11	Total
Youth Access Card (including Leisure and Libraries)	£0.322m		£0.322m
Transaction database	£0.100m		£0.100m
Pharmacy application (reproductive and sexual health)	£0.022m		£0.022m
Extension to Youth Groups and other retailers		£0.120m	£0.120m
Secondary school cashless catering	£0.280m		£0.280m
Primary school cashless catering	£0.417m		£0.417m
Project manager	£0.035m		£0.035m
Total capital costs	£1.176m	£0.120m	£1.296m
Proposed to be funded from			
DSG	£0.697m		£0.697m
E-Government programme	£0.080m		£0.080m
PCT contribution	£0.399m	£0.120m	£0.519m
Total funding	£1.176m	£0.120m	£1.296m

Table 2: Revenue costs of recommendations

Description	Revenue cost in 2009/10	Revenue costs in 2010/11	Revenue costs in 2011/12
Youth Access Card (including Leisure and Libraries)	£0.058m	£0.100m	£0.100m
Transaction database	£0.009m	£0.015m	£0.015m
Pharmacy application (sexual health)	£0.002m	£0.003m	£0.003m
Secondary school cashless catering	£0.032m	£0.054m	£0.054m
Primary school cashless catering	£0.042m	£0.072m	£0.072m

Marketing and incentives	£0.100m	£0.100m	£0.050m
Project manager		£0.060m	£0.060m
Contingency		£0.100m	£0.050m
Total revenue costs	£0.243m	£0.504m	£0.404m
Proposed to be funded from			
DSG	£0.074m	£0.124m	£0.126m
PCT contribution	£0.101m	£0.380m	
General Fund	£0.068m		£0.278m
Total funding	£0.243m	£0.504m	£0.404m

This would give a summary overall financing for the first two years as follows:

Table 3: Summary funding sources for 2009/10 and 2010/11

Two-year funding summary	
DSG	£0.895m
Capital programme (grant)	£0.080m
PCT contribution	£1.000m
General Fund	£0.068m
Total funding	£2.043m

The on-going cost to the DSG will be £0.126m from 2011/12 and to the General Fund will be £0.278m from 2011/12. The costs relating to primary and secondary school cashless catering (revenue and capital) would be charged to the Catering Budget which is funded from the Dedicated Schools Grant.

Schools Forum have been consulted on this proposal (at its meeting on 29 June 2009) and confirmed its support for the initiative.

Further consideration should be given to the cashable and non-cashable savings that consultants have indicated may be available in the Leisure and Libraries teams; while they remain untested, some of the cost benefits of the introduction of the card may assist in reducing the overall revenue cost on the General Fund at a later stage.

There will be a decision to be made about how the transaction fees for topping up individual cards will be dealt with. At the moment this is assumed to be neutral, with school savings on cash handling offsetting transaction costs. The precise cost would have to be negotiated with the assistance of the procurement team and this will be established through the work of the project team.

4.2 Governance

A project board has been constituted. It has been agreed that Bill Murphy (Corporate Director of Resources) will chair and Dr Justin Varney (PCT) will hold the role of vice chair.

CMT determined that this project will report to:

- The Children's Trust
- SSAH Board
- PCT Executive Team

It has been agreed that a Youth Access Card project does not fall within the remit of the One B&D board.

4.3 Procurement

The expected value which would be awarded to an external party is approximately £1.8 million. This will be governed by the *Public Contracts Regulations 2006* and there are two options for the Council to pursue:

- Option 1 – Conduct an open tender by advertising in OJEU.

From advertising in OJEU to signing the contract could take between four months and one year. (This does not include implementation time.)
- Option 2 – Procure the services through an established framework agreement. If a suitable framework agreement exists, this would avoid the need to tender (*Council Constitution – Contract Rule 4.1.3*).

Bracknell Forest Council has set up a framework agreement with Smartcitizen to deliver a similar project to the Youth Access Card. A number of local authorities have used this framework for related projects. In order to decide whether this framework is suitable, officers will need to assess:

- whether the specific requirements of the Youth Access Cards could be delivered by Smartcitizen;
- whether the framework prices are satisfactory (note that the Council has almost no ability to change the terms of the framework agreement);
- the legal validity of Bracknell Forest's framework; and
- the terms of the framework and whether they expose the Council to any unacceptable risks.

It should be noted that the Council cannot simply award a contract to Smartran (the consultancy firm which produced the feasibility study). This would be a serious breach of procurement rules.

In order to move this project forward as quickly as possible, it is proposed that the Corporate Director of Resources be authorised to explore both options and progress whichever of Option 1 or 2 is ultimately preferred. It would be preferable that the decision is taken by the Project Board on advice from Legal, Finance and Procurement officers.

4.4 Staff Resources

The project will require a dedicated full time project manager along with a project team comprised of representatives of the following departments:

- Corporate ICT
- Schools ICT
- Marketing and Communications
- School Catering
- Finance
- Procurement

5 Marketing and Communications

- 5.1 With the ongoing development and introduction of LBBDs “Street Base” youth brand, there exists an opportunity to leverage the considerable investment in youth marketing already made by LBB. The project will explore opportunities for joint branding and seek to maximise the effectiveness of both project’s marketing initiatives.

6. Consultees

- 6.1 The following were consulted in the preparation of this report:

- Councillor Smith, Leader of the Council
- Councillor Alexander, Cabinet Member for Safer Neighbourhoods and Communities
- Councillor Gill, Cabinet Member for Education and Children’s Wellbeing
- Roger Luxton (Corporate Director of Children’s Services)
- Rob Whiteman (Chief Executive)
- Members of Corporate Management Team
- Joe Chesterton Divisional Director of Corporate Finance
- David Tully, Group Manager Children’s Services Finance
- Yinka Owa Legal Partner

Background Papers Used in the Preparation of the Report:

- LBB Youth Access Card Feasibility Study
- LBB Smart Card Opportunities Paper
- LBB Free School Meals Exec paper

Appendix A Options Appraisal and Recommendation

Recommendation

The recommendation of this report is that Option 1 presents NHSB&D and LBBB with the most appropriate and flexible option.

This option provides LBBB and NHSB&D with a tried and tested route to market and willing partners (Waltham Forest, Bracknell Forrest, London Connects) and builds upon the existing aspirations of Catering Services. Furthermore, it supports ongoing initiatives such as the single citizen database and aspirations for a “Your London” card.

Dependant on policy commitment Option 1 provides LBBB and the NHSB&D with an opportunity to:

- Promote healthy lifestyles
- Remove cash from school catering
- Increase take up of free school meals
- Track eating habits and promote and reward healthy eating

Option Evaluation

<p>Option 1</p> <p>Introduction of a multifunction Youth Access card would:</p>	<ul style="list-style-type: none"> • Provide the required level demographic and usage data to evidence the impact of the Industrial Change programme. • Enable LBBB and NHSB&D to build on the substantial work undertaken by London Connects, Waltham Forest and the National Smartcard project, thus preventing LBBB “reinventing” the wheel. • Place the borough at the forefront of efforts to establish a pan London “Your London” Smart Card. • Take advantage of the economies of scale provided by the inclusion of Libraries and School catering in the introduction of a Smart card scheme. • Ensure that local services are delivered in a modern customer centric manner. • If extended to School Catering, could prove to be self financing. • Support future efforts to introduce and LBBB citizen card • Facilitate the provision of personalised Leisure, Library and other Council and Health services. • Support existing efforts to build a single citizen database. • Build upon the opportunities presented by the building of BSF schools
<p>Option 2</p> <p>Upgrading existing Leisure Services card and back office systems would:</p>	<ul style="list-style-type: none"> • Provide the required level demographic and usage data to evidence the impact of the Industrial Change programme. • Cost considerably less than the introduction of a multifunction multi service card. Estimates range from £105,000 to £200,000. • Require the utilisation of the central schools database or individual school registers to determine eligibility and distribution of cards.

	<ul style="list-style-type: none"> • Be required to be fully funded from the Industrial Change Programme, an updated Leisure only card would lose any economies of scale offered by a multi service card. • Only provide evidence data for Phase 1, future moves to cashless school meals or other Smart Card based services would be required to be built from scratch. • Fail to provide a level of future proofing, any future pan London or citizen card initiatives would need to be introduced from scratch rather than build on the success of a successful Multi function Youth Access Card.
<p>Option 3 Doing nothing would:</p>	<ul style="list-style-type: none"> • Leave existing Leisure card and back office systems in place. • Fail to provide the necessary usage and demographic data to support LBBB and NHB&D's considerable investment in improving the health and wellbeing of LBBB's children and young people. • Undermine the case for further investment in the Industrial Change programme.

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THE EXECUTIVE

14 JULY 2009

REPORT OF THE CORPORATE DIRECTOR OF CUSTOMER SERVICES

Title: Parking Strategy Report	For Decision
<p>Summary:</p> <p>There is legislative requirement to have a Parking Strategy. However, there are more compelling reasons for having an effective Parking Strategy not least to ensure that the council's approach to parking has the understanding and participation of the resident and business community of the borough. The plan for parking provision needs to compliment other strategies and to be clearly understood.</p> <p>The principal reasons for having a Parking Strategy are to:</p> <ul style="list-style-type: none"> • Ensure that the views of residents and local businesses are taken into account and that, as far as possible, parking provision and their enforcement helps to promote their needs • Improve road safety and ensure the free flow of traffic around the borough • Set clear customer standards based on the above which are transparent and readily understood by everyone who lives in or visits the borough • Ensure the provision of on and off street parking facilities is based on a thorough understanding of current and anticipated parking capacity needs • Meet our legal obligations • Provide a basis for future review and scrutiny of the service <p>The current Parking Strategy dates from 2004 and is no longer fit for purpose due to the regeneration programmes as well as the changes in legislation with Moving Traffic Offences and resident requirements for Controlled Parking Zones. The parking service receives many complaints about its activities and it is clear that the rules and practices within parking enforcement are not well understood by the community. The current delivery of the service has increased the volume of PCN's issued but this has had an adverse effect on the public perception of the service and therefore the Council.</p> <p>This report sets out the approach to the overall aims and ambitions for Parking in Barking and Dagenham.</p> <p>The restructure of the Council's services in 2009 has realigned the following services under one operation through the Customers Services Department, Environment and Enforcement Service called Streetscene.</p> <ul style="list-style-type: none"> • Parking Services on and off Street facilities, permits and revenue development. • Parking Enforcement • Controlled Parking Zones, design, implementation and enforcement. • Highway maintenance for Signs and Lines. <p>In order to maximise the benefit of this alignment it is the recommendation of officers that the Council should have a Parking Strategy that allows for the overall development and control of parking with in the borough for the next 5 years.</p>	

The Strategy will account for the overall requirements for residents, businesses and visitors to the Borough as well as the plans set out within the Regeneration Services strategies.

To seek Members' approval to develop the strategy through the project plan with the consideration of the strategy's recommendations and implementation later in 2009.

Wards Affected: All

Recommendation(s)

The Executive is recommended to agree that the:

- (i) Draft Strategy profile, attached as appendix A is adopted as the basis for consultation and development for the detailed Strategy.
- (ii) Consultation plan, attached as appendix B, is adopted for use in developing the detailed Strategy.
- (iii) Business case for a new parking service computer is presented to the Business Applications Board as part of the One B&D programme for approval and if approved this will be reported back to Members for consideration for inclusion in the capital programme.

Reason(s)

To assist the Council in achieving its Community Priorities.

Implications:

Financial:

The Council has approved the Controlled Parking Zone implementation and extensions budget of £300 000 (over 3 years) within the current capital programme.

Members are being asked to consider the following additional requirements which are known to be necessary through the initial project study:

- A new parking service computer software solution estimated at £200 000 including project and implementation cost, the existing system is no longer fit for purpose. No specific solution has been identified but a solution is necessary given the age and capacity of the existing system.
- The ongoing licensing costs will have an impact on the revenue budget of approximately £60 000 per annum if a branded solution is procured.
- The provision of additional handheld data capture devices to permit the parking operations to maintain the reporting on the signs and lines for the parking service with a capital cost of approximately £18 000.
- The project management and consultation cost estimated at £70,000.
- It is intended to seek funds either externally or from an invest to save proposal through

capital to deliver this strategy. Borrowing of £288k for the cost of this project will be paid back over a three year period from income generated in the Parking account and any interest payments due will also need to be serviced within existing operating budgets. These are expected to be in the region of £15k per annum over the three year period.

- For the on going revenue costs for licensing of £60k per annum these will be funded from existing budgets within the Environmental and Enforcement Service.

Legal:

The provisions of the Road Traffic Regulation Act (RTA1984); the Road Traffic Act 1991 and Traffic Management Act 2004 (TMA 2004) contain the principal powers for the control of parking within the borough

Other relevant Acts are :

Refuse Disposal (Amenity) Act 1978

New Road and Street Works Act 1991

Traffic Signs Regulations and General Directions Act 1994

London Local Authorities Act 1996

London Local Authorities Act 2000

The Road Traffic (Owner Liability) Regulations 2000

London Local Authorities and Transport for London Act 2003

Following the TMA 2004’s additional requirements in respect of regulation of parking, now is an appropriate time to work towards publishing a Parking Strategy.

In exercising its duties, the Council must secure expeditious, convenient and safe movement of traffic including pedestrians and suitable and adequate parking on and off the road. In exercising this duty, the Council must have regard to the effect on amenities, the Clean Air Strategy under the Environment Act 1995 and any other matters which appear relevant to the Council.

Risk Management:

Risk	Probability	Impact	Priority	Action
Failure to meet legal requirements.	Low medium	High	High	▪ Ensure PCN process is followed rigorously once PCN is issued
Failure to meet legal requirements	Medium	High	High	▪ To ensure all Traffic Management Orders (TMO) are enforceable.
Failure to fully consult	Low	High	High	▪ Ensure all community/ officers and Members are all fully included in process.
Failure to invest in Technology	High	High	High	▪ Ensure cost effective, service based IT and Technology are provided for in the Strategy
Failure to integrate fully with other Council policies and strategies	Low	High	High	▪ Full accounting of all impacting/complimentary policies and strategies

Social Inclusion and Diversity:

The project will undertake a wide ranging consultation exercise to ensure all residents, Councillors, businesses and visitors to the borough are given the opportunity to engage in the development of the strategy.

Crime and Disorder:

The proper application of the legal powers that best meet the needs of the borough for parking and traffic will assist the borough in ensuring safe roads, free flow of traffic, minimising on street conflict with the council staff.

Options Appraisal:

The overall options for parking will be detailed in a later report.

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1. Background

- 1.1 The Council needs to establish an approach towards parking both in terms of the provision of off street parking capacity to accompany our town centre area action plans, but also an understanding of the need for additional on street capacity or systems of control to ensure that residents have reasonable access to parking facilities close to their home.
- 1.2 Along side this, the Council needs to review the focus of the enforcement activity that manages the use of parking facilities. The practice of enforcement must strike a difficult balance between road users valuing the service as a way in which the ensure compliance and smooth movement of traffic and safety and maintain the convenience of people being able to park their vehicle when they need to without generating a popular feeling that the Council is out to make money out of innocent motorists.
- 1.3 The parking service receives many complaints from the public who are confused by rules for parking in the borough, and who feel additional parking capacity or controls are needed to support residents who want to park near their home, or who resent the imposition of parking control in residential areas where control has not existed before.

2. Objectives

- 2.1 We propose to develop a new approach designed to meet our obligations but also to ensure the Council approach to parking has the understanding and participation of the resident and business communities of the borough. The approach will be based on the following principles:

- 2.1.1 That the parking service exists to serve our customers and therefore users of the service receive service in line with the values of one Barking and Dagenham;
- 2.1.2 We will set clear customer standards that are transparent and readily understood by everyone who lives in or visits the borough;
- 2.1.3 Ensure that the views of residents and local businesses are taken into account and that, as far as possible parking enforcement promotes their needs;
- 2.1.4 The provision of on or off street parking facilities is based on a thorough understanding of current and anticipated parking capacity needs;
- 2.1.5 That parking provision enhances our activities to promote road safety, sustainable transport solutions and effective traffic flow;
- 2.1.6 Meet our legal obligations.

3. Business benefits

- 3.1 The Council will be assisted in achieving a higher standard of customer service excellence through a greater understanding and improved attitude to enforcement, measurable through the new Common Area Assessment requirements and the Framework for the Use of Resources,
- 3.2 The financial outturn for the service can be improved by reducing operating costs and maximising recovery on valid Parking Contravention Notices (“PCN’s”) and a fresh approach to maximising the revenue from existing parking facilities.

4. Scope

- 4.1 The scope of the review should be wide and should be founded on meeting the needs of the community. The physical and social economic characteristics of the borough must be factored into the review since Barking & Dagenham has relatively low car ownership and is more dependent on public transport than many other London boroughs. It is therefore more important that public transport should be able to move freely around the borough without causing inconvenience to users. Added to this the Council is keen to reduce the carbon footprint of the borough and has an effective Green Transport Plan which can be underpinned by a Parking Strategy which, together with the Highways Investment Plan and Road Safety Plan, can help support modal shift to public transport.
- 4.2 The physical characteristics of the borough, with many narrow roads in residential areas, mean that there is demand for parking on pavements and verges. It is generally illegal to park in such areas across Greater London. The Council has power to designate places for people to park on verges and footways.
- 4.3 It is important too that the Enforcement Policy, which underpins the Parking Strategy, is clear and transparent and complies with the principles of the enforcement concordat.
- 4.4 The Council wishes to promote business in the borough and the views of business organisations will be important in shaping the pattern of parking provision.

- 4.5 The Parking Strategy needs to support the strategies on regeneration, land use and planning, housing and residential development and traffic management. The process of review will be designed to ensure that all of these strategic aims are factored into the proposed Parking Strategy.
- 4.6 The study will need to be in two parts.
- 4.6.1 First, a thorough capacity assessment needs to be carried out across the borough to establish the current and anticipated needs for parking provision both on and off street. This will need to be informed by current levels of usage, as well as the anticipated level of housing, educational and commercial development within the borough's Local Development Framework and take full account of the potential to accommodate the resulting increases in demand for travel by Public Transport.
- 4.6.2 Secondly the study will need to critically appraise the customer focus of the current enforcement service based on the values of one Barking and Dagenham principles of fairness, proportionality and transparency in the enforcement concordat. Barking and Dagenham is an unusual borough for London and other metropolitan areas, as very few residents benefit from controlled parking zones. This is then set against the layout of many of our residential roads that prevent motorists parking in the road in the normal way without blocking traffic flow, resulting in pavement or verge parking.
- 4.6.3 The study will need to set clear customer service standards that take account of the needs of residents and all road users, as without them motorists are left confused about the correct way to park their vehicles. Any approach to enforcement in this situation creates resentment from motorists receiving fines but also residents and pedestrians that see uncontrolled parking preventing them from using the transport network safely and efficiently.
- 4.6.4 A project board will govern the development of the Parking Strategy and to that end the project will account for the following as part of the overall outcomes
- Requirement to maintain financial performance by the service
 - The maintenance and application of the legal processes required to enforce.
 - Traffic Policy (LIP)
 - Asset Management Policy
 - Project funding
 - Council's Target Operating Model
 - Improved Road Safety
 - Adequate parking provision for the period of the strategy 2009-2012 is maintained.
 - Reduced illegal parking/ improved traffic flow.
 - Improved customer engagement.

- Reduced avoidable contact.
- Controlled Parking Zones meet the requirements of the Borough's community.
- Improved utilisation of resources.
- Improved financial return through improved enforcement and debt recovery processes.

4.6.5 Below are an indicative series of outline measurable targets that the new strategy should report on as part of the implementation process.

- Reduction in notified accidents in the borough
- The use of the parking facilities measured by the capacity v utilisation statistics
- The reduction of illegally parked vehicles measured by a reduction in number of PCN's issued for applicable offences.
- Reduced avoidable contact measured by reduction in the complaints received about the staff, CEO's, engaged in the issue of a PCN
- Improved customer understanding measured by a reduction in parking related calls to the Council except for payments.
- Delivery of the resident's requirements for CPZ measured by a reduction in enquiries and correspondence related to CPZ's.
- Improved utilisation of resources measured by BPR review outcomes being implemented.
- Improved financial outturn measured by maintaining/increasing account surplus.

5. Controls and audit

- 5.1 The Project will be governed in accordance with the Council procedures,
- 5.2 All project documentation will be maintained in a central electronic file with access permissions, the documentation will be predominately "read only" to all except the authorised editor to prevent mistaken corruption/ deletion.
- 5.3 All documentation will be version controlled and an archive of any "non-live" documents will be held in an archive folder.
- 5.4 All meetings will be recorded using the council's approved templates.

6. Staffing implications

Staffing implications will be relevant when the Strategy is agreed and due for implementation.

7. Consultation

The following were consulted in the preparation of this report:

Councillors

Councillor Valerie Rush, Cabinet Member for Environment and Sustainability

Officers

Yinka Owa, Legal Partner

Sue Lees, Divisional Director of Asset Management & Capital Delivery

Tony McNamara, Group Manager, Corporate Finance

Adrian R Marshall, Management Accountant

Jeremy Grint, Head of Regeneration & Economic Development

Timothy Martin, Team Leader Policy & Network Development

Jack McKeown, Group Manager Business Transformation

Kamaljit Kumar, Business Development Manager

Background Papers

LBBB Parking strategy 2004

Road Traffic and Management legislation

Council Plan

Council Partnership and Community Plan

Local Implementation Plan

Area Assessment Plan

Transport Strategy

Departmental Plan

Service Plan

Appendix B outlines the consultation framework for the Strategy.

Appendix A: Strategy Profile	Approach
Scope	To identify to all parties what is included in the strategy and what is not.
Purpose	The reasoning behind the need for the strategy and the core objectives for the council in legal and service delivery terms.
Current position statements	For each activity area there will be a document detailing exactly what the council's current approach is, whether it is consistent or not.
Service development options	For each activity area we will table a series of improvements/ changes/ increased enforcement suggestions for the consulted parties to review and/ or add.
Consultation with outcomes and recommendations	All parties detailed in Appendix B below will be engaged to give their views on what if anything should change
Coordinated review of recommendations and their application.	The documentation/ suggestions/ recommendations will then be presented in a menu format to allow Members and officers to decide the most applicable approach based on legal, financial and operational constraints.
Development of strategy document	The new document will be in a publicly accessible format clearly detailing the council's approach to parking and how best to access the services and just as importantly how to conform to our requirements in relation to our agreed approach to enforcement.
Council agreement to strategy	Members will receive the new strategy for their consideration.
Implementation program	The strategy will be implemented.

Appendix B- Consultation Framework

Sector/ Organisation	Sub sets	Scope /Purpose
Councillors	All	Clarify issues and preferences and regular update on progress.
Residents	All affected areas	Controlled Parking Zones On Street parking and controls
Community	Neighbourhood Management Teams	Controlled Parking Zones On Street parking and controls
	RSL's	Engage with RSL's to identify common areas of approach and prevent post CPZ implementation conflict through displacement.
	Schools	To coordinate approach to Road Safety and parking issues.
Accessibility groups	Specialist representatives Council's Access Officer	Blue Badge Scheme and disabled parking provision.
Business	Chamber of Commerce	Business requirement for parking for shopping and employees including charging. Loading and waiting restrictions requirements and application.
Police	Large town centre operators(Vicarage Fields etc) SNT including PCSO teams	Coordinated approach to parking provision. Identify particular issues such as abandoned vehicles and ASB with a view to coordinated action.
TFL	Traffic Management	Conformity to London Plans and increased use of CCTV.
Officers	Regeneration Planning Streetscene ASB Contact centre	Ensure uniformity with LIP and regeneration proposals. Clarify future planning guidance for parking provision (new developments) Ensure Highway and Traffic management are fully engaged in the process. To understand ASB trends involving vehicles misuse. Ensure capacity and understanding is delivered within TOM

THE EXECUTIVE

14 JULY 2009

REPORT OF THE CORPORATE DIRECTOR OF CUSTOMER SERVICES

Title: Moving Traffic Violations	For Decision
<p>Summary</p> <p>This Report asks the Executive to recommend to the Assembly that it agrees to broadening enforcement of moving traffic violations and sets 22 November 2009 as the appointed day.</p> <p>Historically moving traffic violations were enforced by the Police. However to improve enforcement, traffic sign contraventions were decriminalised. The London Local Authorities and Transport for London Act 2003 empowered London Borough Councils to resolve to enforce specified moving traffic violations. This report sets out details to support a broadening of enforcement by reaffirmation of an earlier decision by the Assembly in line with current guidelines.</p> <p>The Council's approach to parking is to operate in an open and transparent way. As we are proposing to begin taking additional enforcement action over and above that already undertaken through the smart car in particular around the East London Transit (ELT) route the Council needs to restate and clarify its intention to use these additional enforcement powers.</p> <p>This report seeks an Executive endorsement that the Council resolves a new 'appointed day' from which the Council will enforce the broader range of moving traffic violations under Section 4 of the London Local Authorities and Transport for London Act 2003,</p> <p>Wards Affected: All</p>	
<p>Recommendation(s)</p> <p>The Executive recommends that the Assembly;</p> <p>Agree the date of 22 November 2009 as the 'appointed day' for the broader range of moving traffic violations under Section 4 of the London Local Authorities and Transport for London Act 2003 within the London Borough of Barking and Dagenham.</p>	
<p>Reason(s)</p> <p>To assist the Council in achieving its Community Priorities of 'Safe' and 'Clean'.</p>	
<p>Implications:</p> <p>Financial: There are no additional costs as a result of this report.</p>	

Legal:

The Legal Practice advice is that adoption of the London Local Authorities and Transport for London Act 2003 powers requires Assembly approval.

In exercising its powers, the Council must secure expeditious, convenient and safe movement of traffic including pedestrians and suitable and adequate parking on and off the road. In addition the Council must have regard to the effect on amenities, the Clean Air Strategy under the Environment Act 1995 and any other matters which appear relevant to the Council.

Risk Management:

The report will enable the Council to fully enforce its powers granted under the legislation.

With the powers to enforce moving traffic violations, the Council will be responsible for monitoring locations across the borough and must therefore respond quickly to feedback supplied by members of the public

Social Inclusion and Diversity:

There are no additional actions required from the report and its recommendations.

Crime and Disorder:

The proper application of the legal powers that best meet the needs of the borough for parking and traffic will assist the borough in ensuring safe roads, free flow of traffic, minimising on street conflict with the council staff and anti social behaviour.

Options Appraisal:

Not applicable

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1. Background

1.1 Section 4 of the London Local Authorities and Transport for London Act 2003 provides for the decriminalisation of moving traffic violations, which relate to contraventions of a prescribed order or failing to comply with an indication given by scheduled a scheduled traffic sign of a type to which section 36 (Drivers to comply with traffic signs) of the Road Traffic Act 1988.

1.2 On consideration of enforcement practice and building on the success of the mobile enforcement Smart Car a broader range of enforcement activity would improve public and road safety. For example it would be part of the operational plan to begin enforcement of Contravention Code items 52 and 53 which prohibit vehicles entering pedestrianised zones.

1.3 Guidance released by London Councils suggests that Councils are not able to choose which contraventions they enforce, as they are required to take responsibility for all contraventions across the whole of the Councils geographic area. In the past the Council has not enforced the full range of offences.

1.4 The Act requires the Borough to make a resolution fixing an 'appointed day' from which the Council will begin to bring into operation powers, under Section 4 of the Act. Following the Council resolution, a formal notice must be placed in the local newspaper and the London Gazette informing the public of the chosen enforcement commencement date. The date chosen must not be less than three months after the publication date of the notice.

1.5 It is therefore recommended that the 'appointed day' for implementation of the extended enforcement powers, under the London Local Authorities and Transport for London Act 2003, in Barking and Dagenham will be 22 November 2009.

2. Staffing implications

No additional staffing implications.

3. Consultation

The following were consulted in the preparation of this report:

Councillors

Councillor Valerie Rush, Cabinet Member Environment and Sustainability

Officers

Paul Feild, Senior Lawyer, Legal & Democratic Services

Background Papers









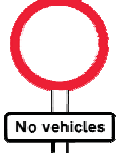

Report of the Corporate Director of Regeneration 31 July 2007

London Local Authorities and Transport for London Act 2003

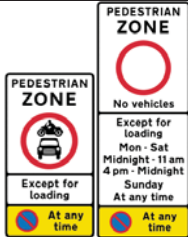








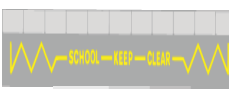
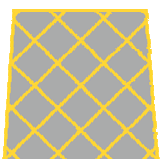
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Appendix A

Schedule of Moving Traffic Violations that are now decriminalised as part of the London Local Authorities and Transport for London Act 2003.

Description of traffic sign	Diagram number ¹	Sign	Contravention code
Vehicular traffic must proceed in the direction indicated by the arrow	606		32 - Failing to drive in the direction shown by the arrow on a blue sign
Vehicular traffic must turn ahead in the direction indicated by the arrow.	609		32 - Failing to drive in the direction shown by the arrow on a blue sign
Vehicular traffic must comply with the requirements prescribed in regulation 15.	610		32 - Failing to drive in the direction shown by the arrow on a blue sign
No right turn for vehicular traffic	612		50 – Failing to comply with a sign indicating a prohibited turn
No left turn for vehicular traffic	613		50 - Failing to comply with a sign indicating a prohibited turn
No U turns for vehicular traffic	614		50 - Failing to comply with a sign indicating a prohibited turn
Priority must be given to vehicles from the opposite direction	615, 615.1		37 - Failing to comply with a give way to oncoming vehicles sign
No entry for vehicular traffic N.B. There is a condition attached to this sign which effectively means that it can only be included in this schedule where there is a traffic order to support its use.	616		51 - Failing to comply with a no entry sign
All Vehicles prohibited except non – mechanically propelled vehicles being pushed by pedestrians	617		52 - Failing to comply with a sign indicating a prohibition on certain types of vehicle
Entry to pedestrian zone restricted (Alternative types)	618.2		53 - Failing to comply with a sign indicating a restriction on vehicles entering a pedestrian zone

¹ - This refers to the sign's diagram number in the Traffic Signs Regulations and General Directions 2002

Entry to and waiting in pedestrian zone restricted (Alternative types)	618.3		54 - Failing to comply with a sign indicating a restriction on vehicles entering and waiting in a pedestrian zone
Entry to and waiting in pedestrian zone restricted (Variable message sign)	618.3A		54 - Failing to comply with a sign indicating a restriction on vehicles entering and waiting in a pedestrian zone
Motor vehicles prohibited	619		52 - Failing to comply with a sign indicating a prohibition on certain types of vehicle
Motor vehicles except solo motorcycles prohibited	619.1		52 - Failing to comply with a sign indicating a prohibition on certain types of vehicle
Solo motorcycles prohibited	619.2		52 - Failing to comply with a sign indicating a prohibition on certain types of vehicle
Goods vehicles exceeding the maximum gross weight indicated on the goods vehicle symbol prohibited	622.1A		52 - Failing to comply with a sign indicating a prohibition on certain types of vehicle
One way traffic	652		32 - Failing to drive in the direction shown by the arrow on a blue sign
Route for use by buses and pedal cycles only	953		33 - Using a route restricted to certain vehicles
Route for use by tramcars only	953.1		33 - Using a route restricted to certain vehicles
Part of the Carriageway outside a school entrance where vehicles should not stop.	1027.1		48 - Stopped in a restricted area outside a school
Marking Conveying the requirements prescribed in regulation 29(2) and Part II of Schedule 19 of the Traffic Signs Regulations and General Directions 2002	1043,1044		31 - Entering and stopping in a box junction when prohibited

14 JULY

REPORT OF THE CORPORATE DIRECTOR OF CHILDREN'S SERVICES

<p>Title: The Skills Centre (A Diploma Exemplar Facility)</p>	<p>For decision</p>
<p>Summary</p> <p>This report presents funding options to meet the identified capital funding shortfall to create the Skills Centre. It is complementary to the report presented to the Executive on 10 March 2009, at which Members agreed:</p> <ol style="list-style-type: none"> 1. The location of the building - to be sited directly behind no. 41 East Street (McDonald's) stretching along the eastern edge of the London Road /North Street site (subject of a separate report on this agenda). It will occupy a prominent location, facing directly onto the market square. 2. A partnership arrangement in principle with Barking College, as co-provider with the Council of education and training to young people aged 14-19 and to adults <p>The Skills Centre is estimated to cost £13.97m (design and build). In order to part-fund this, a successful bid was made (April 2009) to the Department for Children, Schools and Families for £5m, paid through the Standards Fund during 2009-10 and 2010-11.</p> <p>Work will begin on site in March 2010 in order to admit students in September 2011.</p> <p>This report provides options to address the current capital shortfall.</p> <p>Recommendation</p> <p>The Executive is requested to:</p> <ol style="list-style-type: none"> 1. Confirm their support for the Skills Centre as a priority project , and the subsequent rationalisation of the Capital Programme to accommodate this scheme, the impact of which will be advised to Members at a later date 2. Approve the inclusion of this scheme within the current capital programme. 3. Agree to prudential borrowing for this scheme for the sum of £8.97m subject to any sum identified from 4 below. 4. Agree that officers seek a financial contribution from Barking College towards meeting the capital costs of building the Skills Centre as a condition of the partnership arrangement 	

Reasons

The Skills Centre directly contributes to:

1. Increasing the numbers of young people positively engaged in education, employment or training
2. Increasing the numbers of apprenticeships and other work-related qualifications for young people and adults
3. Adding to a growing network of provision for education, training and enterprise in Barking town centre

Implications:

Financial:

Detailed financial comments are in the main body of the report, sections 3 and 4 .

The estimated capital costs of the Skills Centre are £13.970m, of which £5m is available from a specific DCSF grant, leaving £8.970m to be financed. The regulations for the Dedicated Schools Grant do not support its use to finance this shortfall. Officers are considering opportunities for mitigating the cost of the Skills Centre project by reducing the housing element of the London Road development and using a portion of the surplus generated by the sale of the supermarket site towards the cost of the Skills Centre. However, if the housing scheme is considered viable prior to entering into contract with the retailer / development partner then officers will review the situation and present options to the Executive for using the capital receipt generated from the commercial development.

The revenue costs of borrowing £8.970m would be £0.720m initially, reducing by 4% per annum over the long-term. Such costs have not been factored into the Council's Medium Term Financial Strategy, so this would increase the funding gap for 2010/11 and beyond, with a consequence that compensating savings would need to be found in the General Fund.

To offset the impact of this full sum a rationalisation of the capital programme is being undertaken to identify lower priority schemes to be taken out of the programme. For each £1m identified would mean £80k less in additional revenue costs for the budget model.

The revenue costs of the project will come from the Dedicated Schools Grant, either from schools individually, from the successor arrangements for the Learning and Skills Council grants that currently exist, or from the DSG directly.

Legal:

If a portion of capital funding is to be by Section 106 Town and Country Planning Act 1990 funds, it will be necessary to comply with the Secretary of States Guidance.

S.106 allows a Developer to enter into an agreement with a Local Planning Authority with regard to a proposed development. This agreement can establish planning obligations that may restrict the development or use of the land; require some specified operations or require that payment or payments can be made to the Authority. Where there are large scale developments it is not unusual for the payments to be used for infrastructural purposes though these would be expected to have a reasonable proximity to the site of the Development. The Secretary of State in 2005 gave guidance that the obligations must be relevant to planning, necessary to the proposed development in planning terms, relate to the development and be fair reasonable in scale and kind to the development and reasonable in all other respects.

To avoid later risk of challenge potential London Road Development Partners should affirm at an early stage their support for the Skill Centre as being a key element of the regeneration of Barking Town Centre.

Risk Management:

Substantive risks are as follows:

1. The Barking Methodist Church, having agreed the scheme in principle, are able to negotiate suitable terms with the Council and that they can work within the Council's short timescale. This can be mitigated by the existence of compulsory purchase powers, although this would have a substantially negative effect on the proposed timescale. Currently there are no alternative sites which have been identified.
2. The commercial scheme is viable despite the uncertainties within the property market and sufficiently attractive to the private sector that it proceeds within the timescale proposed by the Council. This risk can be mitigated by changing the content of the scheme and the preferred tenure mix between private and affordable units.
3. Planning permission for the Skills Centre is achieved. This can be mitigated by possible changes to the building's layout.
4. The local authority is able to meet the terms and conditions connected with the £5m funding from the DCSF.

Social Inclusion and Diversity

The Skills Centre will raise the aspirations and levels of achievement of some of the more excluded and marginalised members of the community, and equip them with a range of key employment skills. It is also intended that the facilities of the Skills Centre will be made available to adult members of the community at evenings and weekends to provide pre-employment training and opportunities to learn new work-related skills.

Crime and Disorder:

It is most likely that the presence of some 400 young people in the town centre will impact on crime and disorder, as well as on the perception of the centre as a disorderly place as students leave the premises. It is a reality that robbery is most prevalent in the town centre and it is mostly young people who are both victims and perpetrators. Therefore the presence of these students gives the opportunity for more such crime. The Centre is well served with CCTV and operators will be assigned to ensure that, at the turn out of the centre, the town centre is a focus of surveillance. Equally the Metropolitan Police now have Transport Hub officers who are specifically assigned to patrol the town centre and these too will provide a visible deterrent. In order to mitigate the problems which may arise from such numbers accessing the town centre at any one time, proposals could be put forward to the college for staggered lunch breaks and turn out times so that the number of students leaving at any time is restricted. Equally consideration should be given to whether it would be preferable to keep 14-16 year old students on site during the lunchbreak.

Options Appraisal: See Appendix A

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1. Introduction

1.1 The vision for the Skills Centre is that it will be a national flag-ship for the Diploma qualification, raising both the status of work related learning and the aspirations of local young people. Additionally, the Skills Centre will engage stakeholders and encourage wider workforce participation. The Centre will enhance the borough's track record in pedagogical innovation and will allow both College and school practitioners along with managers to learn from each other and share good practice both within the borough and with a wider national audience. The involvement of local businesses through mentoring, role modelling and 'buddying' schemes, as well as providing progression routes onto apprenticeships and directly into employment, will inspire learners and ensure teaching staff are continually updated on current industry practice. The Skills Centre will contain 2 training retail outlets in the forms of a bistro, and a hairdressing and beauty salon. The project offers a 'win-win' scenario for the local business community and the people of Barking and Dagenham, by producing confident and successful young citizens well prepared for the modern world of work and able to become the entrepreneurs and business people of the future.'

- 1.2 The Skills Centre will be an innovative institution equipping our young people for the skills they will need to succeed in the workplace. It will provide high quality teaching and learning to a wide range of learners in order to improve further the levels of attainment achieved at post-16. It will prioritise for admission those young people who are already not in employment education or training (NEET), or who are assessed by schools as vulnerable to becoming NEET.
- 1.3 The provision made at the Skills Centre will ensure high levels of wraparound services for these young people, many of whom are dealing with complex issues in other areas of their lives. This support crucially will also be available at the key transitions made by students from the Skills Centre on to further education, training or employment. It is expected that many of these young people will progress to the Borough's Apprenticeship Programme.
- 1.4 The proposed set of courses and associated qualifications at the Skills Centre are as follows:
- The delivery of the Hospitality and Catering and Hair and Beauty diplomas and Young Apprenticeships through retail settings of The Bistro and The Salon. Its location within the town centre and the proximity of the Centre to the hotels on the A406 will enable significant work related added-value to be achieved for the young people. There are again training opportunities for adults to gain a vocational qualification in these employment sectors or progressing to self employment.
 - The specialist facilities of the Skills Centre will also be made available to adult residents when not being used by young people. The target groups of beneficiaries will be those residents out of work, or seeking to upgrade their skills.
 - Secondly a multi-skills training environment to include complementary provision in the construction sector to that provided at the college's main campus in areas such as painting and decorating and dry lining and tiling. This training provision is clearly a key component of work-relevant skills training for adults.

2. The Scheme

- 2.1 It is proposed to build a 6 storey building (4637m²) on the east side of the new Market Square in East Street, between the rear of McDonald's (on East St) and the Barking Methodist Church (London Road). It would form the eastern side of the Square with the Methodist Church to the north, and effectively represents the first phase of the development of the London Road site.
- 2.2 The construction of the Skills Centre will necessitate the acquisition on a long lease of land currently within the ownership of Barking Methodist Church and of the air space above a proposed extension. The design of the Skills Centre is closely integrated with changes to the Church as

a part of the Centre is located above the first floor new extension to the Church. These alterations are in the order of £1.276m which considerably exceeds the value of the land to be acquired. At this stage it is unlikely that the church will be able to contribute significantly to defraying the imbalance between cost and value, however their land is critical to the Skills Centre and the commercial development proposed on the western side of the site. The capital receipt from the site will fund these alterations to the church

3. Financial implications of a Skills Centre: capital component

- 3.1 A successful bid for £5 million has been made to a central government funding source to create a 'Diploma Exemplar Facility' based upon the delivery of the specialised Diploma qualification. The Department for Children, Schools and Families received 220 proposals of which only 15 were successful. The bid from Barking and Dagenham was one of only two to be successful in London.
- 3.2 It is not possible to fund the capital programme through existing Building Schools for the Future and Building Colleges for the Future sources, without prejudicial effects on levels of funding already allocated to the schools and Barking College.
- 3.3 The total build cost is estimated to be £13.97m, pending further feasibility studies. This comprises £10.797m for construction, £1.897m for associated costs such as fees and £1.276m for a two storey extension to the adjacent Church (This in return for the use of their land for the Skills Centre and elements of the whole London Rd. development). Taking into account the £5m grant from the DCSF would indicate that the shortfall in capital funding is approximately £8.97m.
- 3.4 Development is planned on land adjacent to the Skills Centre (London Road / North Street site), and the capital receipt from the commercial element could be made available to partially offset an element of the funding shortfall of the Skills Centre. A further report will be presented to the Executive in which all options for the use of the capital receipt will be defined. Barking College, which would be a key partner in this development, are not in a position to provide capital funding without recourse to the Learning and Skills Council and one of the conditions of the £5m capital grant from the DCSF is that the Authority is able to finance the balance of the costs of the scheme without seeking additional funding from the LSC.
- 3.5 This would mean that, in the absence of any other source of funding, the Authority would be obliged to consider prudential borrowing to meet the balance of funding for this scheme. The estimated revenue consequences of £8.970m borrowing would be £0.720m per year initially with payments reducing by 4% per year in the long-term.

- 3.6 Officers have considered the option of using the Dedicated Schools Grant to meet these costs, but the DSG may only be used to meet the costs of prudential borrowing in the very limited circumstances where the investment is generating revenue savings on a £ for £ basis, compared to the borrowing costs. The revenue costs of a Skills Centre will not represent a saving on alternative methods of service delivery for the young people concerned. Even if this test were somehow met, Schools Forum would need to give its endorsement to this approach. (It should be noted that the Schools' Forum, 29.6.09, strongly supported the concept of the Skills Centre).
- 3.7 So, if the Council is to borrow, the cost would fall on the General Fund. This has not been included in the Medium Term Financial Strategy, so this would increase the budget gap for 2010/11 and beyond, with the consequence of more compensating savings being required. This will be the subject of a further report to be presented to the Executive

This leaves three options for the scheme:

- a) To meet the estimated £8.970m balance through borrowing, financed by the General Fund, coupled with a rationalisation of the current capital programme;
- b) To meet the estimated £8.970m balance through a combination of borrowing, financed by the General Fund, but offset by some of the capital receipt or Section 106 monies that may be available for the London Road / North Street development as a whole; or
- c) Not to pursue the scheme at all, on the grounds that it was not affordable, which would mean that any revenue costs of feasibility would need to be written off.

4. Financial implications of a Skills Centre: revenue component

- 4.1 The on-going revenue costs of the Skills Centre are much less problematic because the Skills Centre would be funded from payments from schools and budgets from the Dedicated Schools Grant (or the successor grants to those currently managed by the Learning and Skills Council, which is due to be abolished at the end of this financial year).
- 4.2 The illustrative revenue budget suggested that an annual budget of £2.088m would be necessary when the Skills Centre was full; 37% of the income would be coming directly or indirectly from the DSG, with the balance of 63% coming from the LSC (but from April 2010 local authorities will be taking on much of the funding roles that the LSC currently has, with a potential consequence that 100% of the funding may be coming from the Schools Budget).

Barking College has made a commitment to assist in the management of infrastructure costs. The use of existing Barking College systems and structures has the potential to reduce running costs substantially.

5 Consultees

Cllr McCarthy, Cabinet Member for Regeneration
 Cllr R Gill , Cabinet Member for Education and Children's Wellbeing
 Roger Luxton, Corporate Director of Children's Services
 Anne Bristow, Corporate Director of Adult and Community Services
 Bill Murphy, Corporate Director of Resources
 David Woods, Corporate Director of Customer Services
 Jeremy Grint, Head of Regeneration and Economic Development
 Sue Lees, Divisional Director of Asset Management and Capital Delivery
 Guy Swindle, Head of Strategy and Performance
 Glynis Rogers, Head of Community Safety and Neighbourhood Services
 Yinka Owa , Legal Partner
 Jamie Tuplin, 14-19 Adviser, Skills, Learning and Employment
 David Tully, Group Manager, Children's Services Finance
 Peter Remedios ,Principal Regeneration Officer, Regeneration and Economic Development
 Jennie Coombs ,Regeneration Manager, Regeneration and Economic Development
 Julian Stanyer, Property Services Group, Asset Management and Capital Delivery
 Barking College

Background Papers

- Diploma Exemplar Facility funding bid (As submitted to the DCSF 24.2.09).
- DCSF documentation detailing the terms and conditions of the £5 million awarded to the local authority.
- Planning documentation and architectural drawings produced by the Spatial Regeneration Division and Planning/Feasibility Department.

Appendix A

Option	Reason Rejected
Build similar (and potentially cheaper) facilities at another location in the Borough	This site provides an important opportunity to make the 'landmark' statement to young people and adults about the importance of high quality education and training. It also enables key connections to be made to other principal education and training facilities at Barking Foyer; the Barking Enterprise Business Centre at The William Street Quarter; the BLC, the Malthouse and the performing arts space at The Broadway
Build similar facilities at another location on the London Road development site	The need to significantly reduce the numbers of young people not in education, employment or training (NEET) is an urgent one. This location on the development site is immediately available.
Secure an alternative delivery partner to Barking College	Where a new education institution recruiting additional 200+ learners is needed, the Learning and Skills Council (LSC) requires that a competitive process to identify the learning provider is required. This process takes between 6 to 9 months, and places an unnecessary delay on this key project. In the general educational arena it is essential that effective partnered arrangements are in place between Barking College and the Borough's secondary schools in order that young people are able to access a full range of education and training opportunities matched to their aspirations and prior levels of attainment.
Offer a different range of vocational training courses at this location which would result in lower construction costs	It is essential that the curriculum of the proposed Skills Centre provides engaging and progressive learning opportunities for young people who are disenfranchised from the mainstream learning offer in schools. The proposed sectors of construction, hairdressing and hospitality / catering are proven as effective in engaging these particular young people.
Do nothing option	It is a high priority to significantly reduce the numbers of young people NEET, and to increase the employment rate of working age residents. The Skills Centre is a key element of provision to

	The Skills Centre is a key element of provision to achieve that objective.
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