

## Notice of Meeting

### THE EXECUTIVE

**Tuesday, 8 September 2009 - 5:00 pm**  
**Council Chamber, 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

Date of publication: 28 August 2009

R. A. Whiteman  
Chief Executive

Contact Officer: Sola Odusina  
Tel. 020 8227 3103  
Fax: 020 8227 2162  
Minicom: 020 8227 2685  
E-mail: sola.odusina@lbbd.gov.uk

---

### 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. **Minutes - To confirm as correct the minutes of the meeting held on 25 August 2009 (Pages 1 - 5)**
4. **Budget Monitoring (Pages 7 - 23)**
5. **Submission of Barking Town Centre Area Action Plan (Pages 25 - 28)**
6. **Highways Investment- Accelerated Programme (Pages 29 - 35)**
7. **Changing Governance Arrangements in 2010: New Executive Arrangements (Pages 37 - 50)**
8. **Award of Tender: Supporting People Funded Domestic Violence Services (Pages 51 - 56)**
9. **Any other public items which the Chair decides are urgent**

- 10. 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).

- 11. Appendix 1 - Award of Tender: Supporting People Funded Domestic Violence Services (Page 57)**

Concerns a contractual matter (paragraph 3)

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

## THE EXECUTIVE

Tuesday, 25 August 2009  
(5:00 - 5:30 pm)

**Present:** Councillor L A Smith (Chair), Councillor J L Alexander, Councillor G J Bramley, Councillor H J Collins, Councillor R Gill, Councillor M A McCarthy, Councillor Mrs V Rush and Councillor P T Waker

**Also Present:**

**Apologies:** Councillor R C Little and Councillor S Carroll

Councillor Smith announced that this would be Roger Luxton last Executive meeting as Corporate Director of Children's Services as he is retiring and thanked him on behalf of all members for his many years of service to the Council.

### 46. Declaration of Members' Interests

None declared.

### 47. Minutes - To confirm as correct the minutes of the meeting held on 11 August 2009

Agreed.

### 48. Urgent Action- Butler Court Accommodation

Received a report from the Corporate Director of Resources regarding details of an urgent action decision taken by the Chief Executive (paragraph 17, Article 1, Part B of the Constitution) which involved increasing charges for room lettings for the teachers' accommodation at Butler Court by 15% from 1 September 2009, pending a subsequent business case review for the hospitality accommodation, to be considered as part of the 2010/11 budget strategy.

The need for urgency is due to the requirement to inform all relevant teaching staff at the earliest opportunity and to enable the provision to be self financing which could not be delayed till the next Executive meeting.

**Agreed**, in order to comply with the requirements of the Constitution to note the action taken by the Chief Executive under the urgency procedures contained within paragraph 17 of Article 1, Part B of the Council's Constitution in respect of the following:

- (i) The increase in charges for room lettings for the teachers' accommodation at Butler Court by 15% from 1 September 2009, pending a subsequent business case review for the hospitality accommodation, to be considered as part of the 2010/11 budget strategy.

## 49. Budget Monitoring June

Received a report from the Corporate Director of Resources providing an update on the Council's revenue and capital position for the first three months of the 2009/10 financial year.

The current forecast for revenue expenditure indicates that current budget pressures exist across three departments amounting to £2.5million (Children's Services £0.9 million, Customer Services £1.1 million and Resources £0.5 million). The largest pressures are within the Customer Services department, where expenditure within the Barking and Dagenham Direct division is currently at a higher level than originally anticipated. Also within the Children's Services department where pressures are arising due to providing transport services for children with Special Educational Needs (SEN) and from Looked after Children Placements and in meeting the Council's Leaving Care responsibilities.

Where pressures do exist, all departments will need to address these as part of their own, and the Council's, ongoing budget monitoring process. The outcomes and progress of any action plans will be monitored and reported to both the Resources Monitoring Panels and Executive through the regular budget monitoring meetings and reports.

**Agreed**, in order to assist the Council to achieve all of its Community Priorities and as a matter of good financial practice, to:

- (i) Note the current position of the Council's revenue and capital budget as at 30 June 2009;
- (ii) Note the position for the Housing Revenue Account; and
- (iii) Note that where potential pressures have been highlighted, Corporate Directors are required to identify 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; and
- (iv) Virements with the Schools Budget for 2009/10 that allocate or defer £4.647 million of currently unallocated funding in the following ways
  - a) Allocating £2.1 million to all schools on the basis of age-weighted pupil units;
  - b) Deferring a decision about £0.4 million of funding for schools until Executive has made a final decision about whether it wishes to pursue an initiative for expanding free school meals or introducing a breakfast scheme;
  - c) Allocating an extra £0.5 million for schools, which will be allocated to Warren on the basis of a pre-existing agreement to provide them with such funding during 2009/10;
  - d) Earmark £0.135 million for the Extended Schools Initiative, in accordance with plans for the service made during 2008/09;
  - e) Allocating £0.09 million to the school specific contingency budget; and
  - f) Deferring £1.422 million of funding to 2010/11 financial year, so as not to count in the Central Expenditure Limit calculation for 2009/10 (section 3.3.4 of the report);

(V) Note the prudential indicators for April to June 2009; and

(Vi) Note the first quarter financial health indicators.

#### **50. Council Debt Write Offs**

Received and noted a report from the Corporate Director of Customer Services of the value and type of debts written off from the Income, Collection, Rents and Benefits Service areas as uncollectible for the first quarter of the 2009/10 financial year (April to June 2009).

Arising from the discussions, asked that officers consider selling on the outstanding debts to debt recovery organisations to pursue subject to care considerations being taken into account before publicising any debt arising from the provision of social care services.

Further noted that a number of these debts will be publicised in accordance with the policy agreed by Minute 69 2007/08.

#### **51. Private Business**

**Agreed** to exclude the public and press for the remainder of the meeting by reason of the nature of the business to be discussed which included information exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

#### **52. \* Barking Riverside Thames View Pedestrian and Cycle Link**

Received a report from the Chief Executive regarding proposals to integrate Thames View Estate and Barking Riverside by building a new primary school as part of the Neighbourhood Centre and improving the cycle and walking links between the two communities.

The new primary school will be of great benefit to the residents of Thames View while residents of Barking Riverside will also benefit from existing facilities in Thames View.

The project will require the acquisition of a small amount of industrial land and buildings to the south of Thames View either through negotiation or Compulsory Purchase Order (CPO) powers, using the funds provided by the Homes and Community Agency (HCA) and implemented by Barking Riverside Ltd (BRL).

**Agreed**, in order to assist the Council to achieve its Community Priorities of 'Safe' 'Healthy' 'Fair and Respectful' and 'Prosperous' to

- (i) Note the current planning status of the Barking Riverside Development, the progress being made towards the start of construction of the Stage 1 and Stage 2 areas, and the planned interrelationship between the Thames View and Barking Riverside communities;
- (ii) Note the initial negotiations with the relevant landowners and occupants of the land and buildings required to provide a continuous cycle and

pedestrian link between Thames View and the Stage 1 area of Barking Riverside;

- (iii) the funds to be provided by the Homes and Communities Agency can be used by the Council to acquire the necessary land and properties through negotiation and agreement to provide a continuous cycle and pedestrian link between Thames View and the Stage 1 area of Barking Riverside;
- (iv) delegate to the Head of Regeneration and Economic Development the authority to agree the acquisition terms and price up to a total limit of £875,000 for the acquisition of land and properties;
- (v) that if acquisition through negotiation and agreement is not possible then the Head of Regeneration and Economic Development to be delegated authority to proceed with the use of CPO. The appropriate CPO powers are identified below under 'implementation options' in the options analysis section of this report. The use of CPO should be pursued as a last option due to associated costs which will likely exceed available funding totalling £875,000 and time delays in making CPO and getting confirmation of the Order. The time taken to administer CPO will likely take us past the 31 March 2010 deadline to spend the funding provided by HCA. It is unlikely that the HCA will roll-forward this funding. Therefore, it is recommended that a CPO is only investigated as the final option for this project;
- (vi) that once acquisition has taken place the land required for the link will initially be retained by LBBD with the existing occupiers remaining in place under a licence, with an agreed vacation date, until the beginning of the site preparation and construction phase;
- (vii) that at the commencement of the construction phase the acquired land and buildings to the south of Thames View be transferred to Barking Riverside Limited at nil cost. There will not be a capital receipt for the Council;
- (viii) that the acquisition land to the north of Thames Road will be retained by LBBD and will, once construction is complete, be an extension of the current adopted highway;
- (ix) that for the duration of the construction period Barking Riverside Limited and their contractors will be given authority to undertake works on a defined section of the Council's highway land;
- (x) that once the route is opened the section south of Thames Road will be retained and maintained by the Barking Riverside Community Development Trust, and in the interim by Barking Riverside Limited, and that the section north of Thames Road will be retained and maintained by LBBD; and
- (xi) delegate to the Head of Regeneration and Economic Development in consultation with the Legal Partner, Divisional Directors of Corporate Finance and Asset Management & Capital Delivery responsibility to agree terms under a Memorandum of Understanding between the Council, Barking Riverside Limited and the HCA. This must include confirmation that Barking Riverside Limited will pay all necessary costs of site preparation and construction and agreements as to how the land and assets will be

disposed of and maintained following completion. This must be signed prior to acquisitions or construction commencing.

(\* The Chair agreed that this item could be considered as a matter of urgency under the provisions of Section 100B (4) (b) of the Local Government Act 1972.)

This page is intentionally left blank



**THE EXECUTIVE**

**8 SEPTEMBER 2009**

**REPORT OF THE CORPORATE DIRECTOR OF RESOURCES**

<b>Title:</b> Budget Monitoring	<b>For Decision</b>
<p><b>Summary:</b></p> <p>The report updates the Executive on the Council's revenue and capital position for the period April to July of the 2009/10 financial year.</p> <p>The current forecast for revenue expenditure across the Council has identified that all departments are projecting in-year pressures amounting to £3.4m (Adults &amp; Community Services £1m, Children's Services £0.9m, Customer Services £0.7m and Resources £0.8 m). The most significant areas of pressures relate to expenditure on transition arrangements within Adult Services Learning Disability, transport services for children with Special Educational Needs (SEN), Looked after Children Placements and in meeting the Council's Leaving Care responsibilities, the Barking and Dagenham Direct service and various income generation.</p> <p>Where pressures do exist, all departments will need to address these as part of their own, and the Council's, ongoing budget monitoring process so that they produce the necessary balanced budget by the 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) the forecast is that the year end working balance will be £3 million which includes an in year contribution to balances of £2.1 million.</p> <p>In regard to the Capital programme, the current projection is that the year-end outturn position will be £107.9m against a working budget of £116.9m. Directors are currently reviewing the delivery of individual capital schemes to ensure maximum spend within budget is achieved by the year end, and where any re-profiling is required this will be presented to the Executive in the August Budget Monitoring report.</p> <p><b>Wards Affected:</b> This is a regular budget monitoring report of the Council's resource position and applies to all wards.</p>	
<p><b>Recommendations</b></p> <p>The Executive is asked to:</p> <ol style="list-style-type: none"> <li>1. note the current position of the Council's revenue and capital budget as at 31<sup>st</sup> July 2009 (sections 3 and 5 of the report and Appendix A and C);</li> <li>2. note the position for the HRA (section 4 of the report and Appendix B);</li> <li>3. note that where potential pressures have been highlighted, Directors are required to identify 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 (sections 3 and 4 of the report);</li> </ol>	

**Reason**

As a matter of good financial practice, the Executive should be regularly updated with the position on the Council's budget.

**Implications:****Financial:**

The overall revenue budget is indicating potential budget pressures in all of the Council's service departments totalling £3.4m. Where pressures exist Corporate Directors are required to identify and implement the necessary action plans to alleviate these pressures. The capital programme is projected to outturn at £107.9m against the working budget of £116.9m.

**Legal:**

There are no legal implications regarding this report.

**Contractual:**

No specific implications

**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.

**Staffing:**

No specific implications

**Customer Impact:**

No specific implications

**Safeguarding Children:**

No specific implications

**Crime and Disorder:**

No specific implications

**Property/Assets:**

No specific implications

**Options Appraisal:**

No specific implications

**Head of Service**

Simon Hughes

**Title:**

Interim Corporate Financial  
Controller

**Contact Details:**

Tel:020 8227 2801

E-mail: [simon.hughes@lbbd.gov.uk](mailto:simon.hughes@lbbd.gov.uk)

## **1. 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 (RMP), 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 The current forecast across the Council in respect of its revenue budget has identified that all departments are projecting in-year pressures as detailed below:

<u>Department</u>	<u>£'000</u>
Adult & Community Services	1,000
Children's Services	900
Customer Services	697
Resources	<u>814</u>
	<u>3,411</u>

- 2.1.2 Details of each Department's current financial position are provided in Section 3 of this report. 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, Directors are beginning to identify action plans to address and rectify these pressure areas and these plans will be actively monitored by the various RMP.

## **3. Service Position**

### **3.1 General**

- 3.1.1 Details of each Department's financial position and the work being undertaken by Corporate Directors and their management teams to ensure a balanced budget is produced for the year end are provided in this section of the report.

## 3.2 **Adult's and Community Services Department**

3.2.1 The Adult and Community Services budget position for 2009/10 is very challenging and the department is currently projecting a £1m overspend. There are two main reasons for the current projection:

- pressures in the Learning Disability Service area with regards to Transitions arrangements from Children's Services (£500k);
- pressures with regards to Older Persons Residential Placements (£500k).

3.2.2 The department's management team are currently preparing an action plan in an attempt to manage these pressures, however at this stage 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.

### 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 £5 million. 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 and the net budget for the area is £44m. The service has some challenging targets (£2m) in this area for 2009/10 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 need to be carefully managed. Two pressures are currently being experienced in the service:

- Transitions from Children's Learning Disability Services area due to the increasing number of children with care packages/arrangements turning eighteen (£500k);
- Interface issues with the local Hospitals and the PCT in areas such as Delayed Transfers of Care (£500k).

### 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 £4m for this area, and the division is required to deliver staffing and service savings in 2009/10 of £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 £500k. No significant budget pressures are being experienced in this area at present.

### 3.2.7 **Leisure and Amenities**

This service area covers Leisure Centres, Parks Services and Arts and Events. The net budgets for the area are in the region of £7m. 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 The Children's Services are currently projecting £900k of General Fund budget pressures that if not managed may lead to an overspend. This pressure reflects the outcomes of the first quarterly review in 2009/10 of the Children's Placements and Leaving Care position, which suggests an overspend in the region of £500k, and transport services for children with Special Educational Needs (SEN) which is projected to overspend by £400k.

3.3.2 The budget for 2009/10 has been set in the context of an additional £3.5 million of funding for Children's Placements and Leaving Care (less £480k repayment for the previous year's invest to save additions for higher in-house fostering rates) which acknowledges the increased levels of activity in this area. It is also set in the context of achieving £1.9 million of corporate savings and re-profiling £1.9 million of internal budget measures to address previous underlying financial difficulties.

### 3.3.3 **Schools**

Schools budgets are mostly funded from the Dedicated Schools Grant (DSG), with any delegated budgets able to be carried forward at year end. No significant budget pressures are being experienced in this area at present.

### 3.3.4 **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.

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.

The increase is accounted for by:

- More emphasis on using directly employed staff, rather than agency staff;
- Increased costs of vehicles recharged from the depot;
- More clients needs being met by the passenger transport service, rather than through the more ad hoc use of taxis, thus growing the scale of the operation;
- The financial impact of moving to leased vehicles, rather than taxis;
- The impact of changing client numbers on the number and type of routes to be run.

Officers from Children's Services, Adults, Customer Services and corporate colleagues are actively engaged in a review of policies, practices, route management and costs within transport, with a view to getting a better appreciation of how much of the costs are attributable to the different factors. This will assist in determining the best course of action for keeping transport costs at an optimal level. Progress on this will be reported to Members.

### **3.3.5 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.

### **3.3.6 Safeguarding and Rights**

The main budget issue is that of the cost of Looked After Children placements and Leaving Care costs. These budgets are kept under close review and the first quarterly review for 2009/10 showed there are some good signs in the recent position. For instance, there has been an increase in capacity of in-house foster care, invest to save initiatives continue to support the position and there are fewer private, voluntary and independent foster cases than in 2008/09. The size of the budget problem faced by Children's Services is significantly lower than that reported in previous years. The potential for volatility in this budget has, nonetheless, not gone away and officers are projecting that if admission numbers remain in the region of 60 per quarter and other assumptions about care plans, costs and the reprofile of provision remain valid, there would be an overspend of £500k during 2009/10. Funding was increased for 2009/10 in line with the expected position in the autumn, but this continues to be a volatile budget and the position could still change further during the year.

### **3.3.7 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.

### **3.3.8 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 £24.4m. The department is currently projecting an overspend of £697k which is mainly within the Barking and Dagenham Direct service as a result of higher levels of expenditure than originally anticipated on employees expenses and supplies and services. This position is being addressed by management through implementing action plans to contain the overspend over the coming months.

3.4.2 The Department has undergone a comprehensive budget review to realign budgets to services based on current service provision. This exercise was completed in June 2009 and has been fundamental in delivering the savings targets for 2009/10, the redistribution of 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.

In addition to the current pressures within the Barking and Dagenham Direct service, the review has also led to some other risk areas being identified 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;
- Loss of 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 to assist management to 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 2009/10 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 The Department has identified a number of pressures that may become difficult to contain within existing budgets including:

- Within the Strategic Asset Management and Capital Delivery Division there is an estimated shortfall of £179k arising from a combination of the delay in the introduction of staff car parking charging and a reduction in income from the Land Disposal Programme;
- The Regeneration and Economic Development Division have pressures of £404k arising from the delayed commencement of the planning work on behalf of the Local Housing Company and a shortfall in both Local Land Charges and planning application income due to the current economic position;
- the Corporate Finance Division is experiencing pressures of £231k in connection with the delivery of the statutory Internal Audit Plan (£166k) and the use of agency staff (£65k) as a result of a high number of vacancies within the division.

The Management Team is working towards developing an action plan across the department to enable, where possible, a balanced budget position to be achieved by the end of the financial year.

### 3.5.2 **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.

### 3.5.3 **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.

### 3.5.4 **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 services 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.



### 3.5.5 **IT & Transformation**

There are currently no issues to report for this division and early indications show that a balanced position will be achieved by year end. If an under spending occurs in this division then this will be used to contribute towards the Departmental action plan.

### 3.5.6 **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 need for a more strategic approach to financial support and management.

The service is experiencing pressures of £231k in connection with the delivery of the statutory Internal Audit Plan (£166k) and the use of agency staff (£65k) as a result of a high number of vacancies within the division. The use of agency staff has been required to be used to ensure that the service continues to deliver its statutory functions.

The division is working with the department's management team on an action plan to manage these pressures.

### 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. There are a number of vacant posts within the division and as a consequence the delay in the implementation of the new structure has not resulted in financial pressures. Therefore, the required savings will be achieved and the division is currently projecting that a breakeven position will be achieved by the end of the financial year.

### 3.5.8 **Strategic Asset Management & Capital Delivery**

The current forecast projection is for an overspend of £179k. The main financial pressures arising are:

- The loss of income arising from the lack of any disposal programme to generate transaction fees £185k;
- the decision to defer the charging of staff for car park permits £100k;
- Leasehold Properties operational costs £27k.

These pressures are being partially mitigated by savings and vacancies elsewhere within the division e.g. Programmes and Projects (£106k) and Innovation and Partnership (£17k), with the net pressure being £179k.

### 3.5.9 **Regeneration & Economic Development**

The current forecast projection is for an overspend of £404k. The main financial pressures arising are:

- Loss of income from LHC £250k – due to delays in the programme for incorporating the LHC it is unlikely that any of the LHC schemes will reach financial closure during the current financial year;
- Loss of Land Charges income £57k– due to adverse housing market conditions;
- Reduced other income £134k - e.g. planning application fees, TfL funding, etc. due to the difficult current economic climate;
- Overspend on supplies and services and contractors payments £90k.

These pressures are being partly offset by an underspend on salaries of £127k due to holding vacant posts.

### 3.5.10 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 The HRA is currently projecting an in-year surplus of £2.1m mainly as a result of a decrease in the amount of negative subsidy and Housing Benefit Limitation payable, and the overall position can be summarised as follows:

Description	£000
Projected Working Balance - 31st March 2009 (Rent report Jan 09)	4,200
Movement in Final Outturn and R&M audit adjustments	(3,055)
Revised working balance - 1st April 2009	1,145
Reduction in Rent reserve	(214)
Projected in-year Surplus	2,108
Projected Working Balance - 31st March 2010	3,039

- 4.2 There are some areas that will need to be monitored closely over the coming months including:

- 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;
- c) The Council agreed in February 2009 to pass on rent savings to tenants following the announcement from the Housing Minister to reduce rents. This has resulted in a reduction of £2.1m in rental income however will be met by a £2.1m reduction in negative subsidy;
- d) The Council has set the repairs and maintenance contractor the challenge to reduce the cost in 2009/10 by £1m. The department will continue to monitor this throughout the year to ensure the target underspend is achieved;
- e) A potential risk to the HRA revenue balances is expenditure on capitalised repairs budgets held within the Estate/Tenancy Teams, which do not meet the capitalisation criteria.

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

## **5. Capital Programme**

- 5.1 As at the end of July, the working budget on the capital programme was £116.9m against an original budget of £75.9m. Since the original budget was set, budgets have been transferred from 2008/09 into 2009/10 as set out in the February budget monitoring report, and further 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 Actual spend as at the end of July was £16.7 million, which is 14% of the working budget. At this early stage in the year, it is expected that the outturn will be £107.9m against the budget of £116.9m. However, this position will be subject to robust scrutiny to ensure that timetables and milestones can be adhered to, and that budgets are realistic. A review of the delivery of all capital projects is currently being undertaken, and where any re-profiling is required this will be presented to the Executive in the August Budget Monitoring report.
- 5.4 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 following were consulted in the preparation of this report:  
Councillor Bramley – Cabinet Member for Finance and Human Resources  
Corporate Management Team  
Group Managers – Corporate Finance  
Capital Programme Management Office

## **7. Background Papers Used in the Preparation of the Report:**

- Oracle reports
- CPMO reports

## **8. List of Appendices**

- Appendix A – General Fund Revenue Budget Monitoring Statement – July 2009
- Appendix B – Housing Revenue Account Budget Statement – July 2009
- Appendix C – Capital Programme Budget Statement – July 2009

This page is intentionally left blank

**REVENUE BUDGET MONITORING STATEMENT - JULY 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
<b>Adult &amp; Community Services</b>							
Adult Care Services	5,046	4,908	2,354	2,354	0	4,908	0
Adult Commissioning Services	43,690	43,571	16,481	16,781	300	44,571	1,000
Community Safety & Neighbourhood Services	3,652	3,752	1,156	1,156	0	3,752	0
Community Cohesion & Equalities	7,552	7,562	2,503	2,503	0	7,562	0
Leisure & Arts	6,473	6,551	1,312	1,312	0	6,551	0
Other Services	581	788	1,228	1,228	0	788	0
	<b>66,994</b>	<b>67,132</b>	<b>25,034</b>	<b>25,334</b>	<b>300</b>	<b>68,132</b>	<b>1,000</b>
<b>Children's Services</b>							
Quality & Schools Improvement	7,151	7,151	3,927	5,314	1,387	7,551	400
Integrated Family Services	752	752	213	271	58	752	0
Safeguarding & Rights Services	33,313	33,318	12,319	12,361	42	33,818	500
Children's Policy & Trust Commissioning	1,960	1,960	3,388	1,086	(2,302)	1,960	0
Skills, Learning and Enterprise	1,837	2,451	791	1,903	1,112	2,451	0
Other Services	6,986	6,986	2,560	3,722	1,162	6,986	0
	<b>51,999</b>	<b>52,618</b>	<b>23,198</b>	<b>24,657</b>	<b>1,459</b>	<b>53,518</b>	<b>900</b>
<b>Children's Services - DSG</b>							
Schools	(11,382)	(11,423)	21,312	(7,220)	(28,532)	(11,423)	0
Quality & Schools Improvement	7,417	7,458	2,486	1,032	(1,454)	7,458	0
Integrated Family Services	2,575	2,575	858	1,054	196	2,575	0
Safeguarding & Rights Services	578	578	193	179	(14)	578	0
Children's Policy & Trust Commissioning	587	587	195	1,096	901	587	0
Other Services	225	225	75	(39)	(114)	225	0
	<b>0</b>	<b>0</b>	<b>25,119</b>	<b>(3,898)</b>	<b>(29,017)</b>	<b>0</b>	<b>0</b>
<b>Customer Services</b>							
Environment & Enforcement	21,370	21,375	4,637	6,184	1,547	21,377	2
Housing Services	842	842	277	331	54	844	2
Customer Services Strategy	(99)	(99)	(33)	(5)	28	(99)	0
Barking & Dagenham Direct	2,268	2,268	10,374	13,512	3,138	2,961	693
	<b>24,381</b>	<b>24,386</b>	<b>15,255</b>	<b>20,022</b>	<b>4,767</b>	<b>25,083</b>	<b>697</b>
<b>Resources</b>							
Chief Executive	(4)	(4)	(1)	11	12	(4)	0
Director of Resources & Business Support	479	516	172	402	230	516	0
Strategy & Performance	(86)	(86)	158	144	(14)	(86)	0
Legal & Democratic Services	727	759	253	369	116	759	0
Corporate & Strategic Finance	63	104	0	28	28	335	231
ICT & eGovernment	(347)	(347)	(119)	475	594	(347)	0
Human Resources	(290)	(200)	(67)	(160)	(93)	(200)	0
Strategic Asset Management/Capital Delivery	374	328	110	2,026	1,916	507	179
Regeneration & Economic Development	3,151	3,151	1,050	2,253	1,203	3,555	404
Corporate Management	5,757	5,454	909	1,480	571	5,454	0
	<b>9,824</b>	<b>9,675</b>	<b>2,465</b>	<b>7,028</b>	<b>4,563</b>	<b>10,489</b>	<b>814</b>
General Finance	(11,181)	(11,794)	(3,931)	(10,474)	(6,543)	(11,794)	0
Contingency	1,500	1,500	500	0	(500)	1,500	0
Levies	7,646	7,646	1,960	1,960	0	7,646	0
<b>TOTAL</b>	<b>151,163</b>	<b>151,163</b>	<b>89,600</b>	<b>64,629</b>	<b>(24,971)</b>	<b>154,574</b>	<b>3,411</b>

This page is intentionally left blank

**APPENDIX B**

**HOUSING REVENUE ACCOUNT - BUDGET MONITORING STATEMENT**

**Month July 2009**

<u>Housing Revenue Account</u>	Original		Revised		Budget		Actual		Forecast		Variance	
	Budget £'000		Budget £'000		Jul-09 £'000		Jul-09 £'000		£'000		£'000	
NET RENT OF DWELLINGS	(74,068)		(74,068)		(24,689)		(23,627)		(71,952)		(2,116)	
OTHER RENTS	(2,473)		(2,473)		(824)		(334)		(2,420)		53	
OTHER CHARGES	(10,575)		(10,575)		(3,525)		(4,548)		(10,809)		(234)	
CAPITALISATION OF REVENUE REPAIRS	(3,500)		(3,500)		(1,167)		(155)		(3,469)		31	
<b>TOTAL INCOME</b>	<b>(90,616)</b>		<b>(90,616)</b>		<b>(30,205)</b>		<b>(28,664)</b>		<b>(88,650)</b>		<b>1,966</b>	
REPAIRS AND MAINTENANCE	23,982		23,982		7,994		7,679		22,786		(1,196)	
SUPERVISION & MANAGEMENT	27,996		27,996		9,332		8,006		27,705		(291)	
TRENT, RATES AND OTHER CHARGES	524		524		175		0		524		0	
NEGATIVE HRA SUBSIDY PAYABLE	22,057		22,057		7,352		6,545		19,286		(2,771)	
HOUSING BENEFIT LIMITATION	504		504		0		0		100		(404)	
DEPRECIATION & IMPAIRMENT OF FIXED ASSETS	13,689		13,689		4,563		4,563		13,777		88	
BAD DEBT PROVISION/WRITE OFFS	746		746		249		120		746		0	
CAPITAL EXPENDITURE FUNDED FROM REVENUE	1,885		1,885		628		29		1,885		0	
HRA SHARE OF CDC COSTS	811		811		270		270		811		0	
<b>TOTAL EXPENDITURE</b>	<b>92,194</b>		<b>92,194</b>		<b>30,563</b>		<b>27,212</b>		<b>87,620</b>		<b>(4,574)</b>	
INTEREST EARNED	(1,364)		(1,364)		(455)		(288)		(864)		500	
TRANSFER FROM RESERVES	(214)		(214)		(71)		0		(214)		0	
<b>(SURPLUS)/DEFICIT FOR THE YEAR</b>	<b>0</b>		<b>0</b>		<b>(168)</b>		<b>(1,740)</b>		<b>(2,108)</b>		<b>(2,108)</b>	
WORKING BALANCE B/F	<b>(4,200)</b>		<b>(1,145)</b>						<b>(1,145)</b>		<b>0</b>	
WORKING BALANCE C/F	<b>(3,986)</b>		<b>(931)</b>						<b>(3,039)</b>		<b>(2,108)</b>	





CAPITAL PROGRAMME BUDGET STATEMENT 2009/2010SUMMARY OF EXPENDITURE - JULY 2009

<u>Department</u>	<u>Original Budget (1)</u>	<u>Revised Budget</u>	<u>Actual to date</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	26,860	2,391	9%	16,962	(9,898)	(8,888)
Children's Services	11,362	29,165	1,773	6%	28,423	(742)	17,061
Customer Services	25,493	30,647	9,078	30%	37,206	6,559	11,713
Resources	16,760	30,254	3,436	11%	25,331	(4,923)	8,571
<b>Total for Department Schemes</b>	<b>79,465</b>	<b>116,926</b>	<b>16,678</b>	<b>14%</b>	<b>107,922</b>	<b>(9,004)</b>	<b>28,457</b>
<u>Accountable Body Schemes</u>							
Resources	-	-	-	-	-	-	-
<b>Total for Accountable Body Schemes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>
<b>Total for all Schemes</b>	<b>79,465</b>	<b>116,926</b>	<b>16,678</b>	<b>14%</b>	<b>107,922</b>	<b>(9,004)</b>	<b>28,457</b>

Note

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

This page is intentionally left blank

## EXECUTIVE

8 SEPTEMBER 2009

## REPORT OF THE CHIEF EXECUTIVE

<p><b>Title:</b> Local Development Framework: Submission of Barking Town Centre Area Action Plan Development Plan Document</p>	<p><b>For Decision</b></p>
<p><b>Summary</b></p> <p>The 2004 Planning and Compulsory Purchase Act required Barking and Dagenham to replace its Unitary Development Plan with a Local Development Framework. The Local Development Framework is a key corporate document which is focused on implementing the spatial dimensions of the Community Plan.</p> <p>The Local Development Framework comprises a portfolio of documents, one of which is the Barking Town Centre Area Action Plan. This report covers the latest stage in the preparation of the Action Plan.</p> <p>The Barking Town Centre Area Action Plan defines the Council's vision for how the town centre will function and look in 2025 and sets out the policies and site allocations that will stimulate the economic and commercial regeneration of the town centre whilst at the same time, protecting and enhancing the quality of the environment and improving the quality of life and the life chances of the local community.</p> <p>The Action Plan has been the subject of extensive community and stakeholder consultation at the Issues and Options Stage which took place in 2007 and the Preferred Options stage which took place in the summer of 2008. Having taken account of the comments and suggestions made during those consultations, officers produced the pre-submission version. This was approved by Executive on 19 May 2009 for public consultation (Minute 3, 09/10 refers). The purpose of this final stage of consultation was to invite representations on the Action Plan. This consultation has now finished, and representations from 26 organisations and individuals have been received. Overall there were 82 separate representations made stating that the individual policies and site allocations within the Action Plan are unsound and 42 representations stating they are sound.</p> <p>The most significant issues raised by the representations which the Inspector may want to explore are:</p> <ul style="list-style-type: none"> <li>• The proposed traffic management measures along Abbey Road and St Paul's Road</li> <li>• The need for the proposed new bridges across the River Roding</li> <li>• The affordable housing target</li> <li>• The need for a new school to be provided on the Abbey Road Retail Park site</li> <li>• The proposed approach to tall buildings</li> </ul> <p>At this stage staff do not consider that any changes need to be made to the Action Plan in the light of these representations. The next step is for the Action Plan (as approved by the Executive on May 13) and the representations to be submitted to the Secretary of State for</p>	

an Examination. The Secretary of State will then appoint an independent Planning Inspector to examine the “soundness” of the Plan.

It is a statutory requirement that this document must be approved by Assembly before being submitted to the Secretary of State.

**Wards Affected:** Abbey and Gascoigne Wards are directly affected but to the extent that Barking Town Centre serves the whole borough, there may be implications for all wards.

### **Recommendation(s)**

The Executive is asked to recommend the Assembly to approve:

- (i) the submission of the Barking Town Centre Area Action Plan to the Secretary of State.

### **Reason(s)**

It is a statutory requirement for the Action Plan to be submitted to the Secretary of State after the pre-submission consultation.

### **Implications**

#### **Financial**

Some of the proposals and design standards and requirements proposed in the Action Plan could result in additional capital costs. For private developments and social housing schemes, these costs will need to be met by the developer and/or the housing association. This may affect the size of the development, Section 106 receipts or possible land values where the Council wants to dispose of its own land or property. The cost to the Council of implementing the Action Plan on its own housing and other projects will have to be calculated on a case-by-case basis.

The costs of submitting the Action Plan and the holding of any Examination in Public have been/will be met in the main by the London Thames Gateway Development Corporation. There has, so far, been no cost to the Council and any minor costs involved will be met from the Regeneration and Economic Development existing budget.

#### **Legal**

The process of setting the final documentation is set out in the Town and Country Planning (Local Development) (England) Regulations 2004 (the “2004 Regulations”). These Regulations were significantly amended in June 2008 by the Town and Country Planning (Local Development) (England) (amendment) Regulations 2008.

The submission of the Action Plan will be undertaken in accordance with section 20 of the 2004 Planning and Compulsory Purchase Act and regulation 30 of the Town and Country Planning (Local Development) (England) (Amendment) Regulations 2008.

On submission of the Action Plan to the Secretary of State, a planning Inspector will be appointed to review it in light of the representations made on the pre-submission version. The Planning Inspector will then publish a report which will include recommendations

which are binding on the Council.

The Local Authorities (Functions and Responsibilities) (Amendment) (No 2) (England) Regulations 2004 reserves the approval of local development documents to an Authority's Council. This means that the council's draft local development plan documents must be approved by the Assembly before submission to the Secretary of State for independent examination.

**Contractual**

No specific implications

**Risk Management**

No specific implications

**Staffing**

No specific implications

**Customer Impact**

No specific implications

**Safeguarding Children**

No specific implications

**Crime and Disorder**

Section 17 of the Crime and Disorder Act 1998 places a responsibility on local authorities to consider the crime and disorder implications of any proposals. The Action Plan and its accompanying Sustainability Appraisal reports reflect policies and approaches aimed at contributing towards reducing crime and the fear of crime. The Action Plan's proposals for the encouragement of the evening economy have been particularly influenced by these considerations. The impact of all policies in relation to contributing towards reducing crime and the fear of crime has been appraised as part of the Sustainability Appraisal process and the pre-submission documents reflect the recommendations of that process.

**Property/Assets**

No specific implications

**Options appraisal**

It is a statutory requirement that this document must be approved by Assembly before being submitted to the Secretary of State.

<b>Head of Service:</b> Jeremy Grint	<b>Title:</b> Head of Regeneration and Economic Development	<b>Contact Details:</b> Tel: 020 8227 (2443) Fax: 020 8227 (3490) E-mail: (jeremy.grint@lbbd.gov.uk)
<b>Report Author:</b> Daniel Pope	<b>Title:</b> Group Manager Development Planning	<b>Contact Details:</b> Tel: 020 8227 (3929) Fax: 020 8227 (3490) E-mail: (daniel.pope@lbbd.gov.uk)

## **1. Consultees**

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

### **Lead Member(s):**

Councillor McCarthy Cabinet Member for Regeneration

### **Ward Members (for Ward related issues)**

### **Director / Head of Service**

Jeremy Grint Head of Economic Development and Regeneration

### **Departmental Head of Finance**

Alex Anderson Group Manager Finance

### **Legal Partner**

Yinka Owa

**Other internal consultees as appropriate** (list relevant officers by department)

### **Resources Dept**

Bill Murphy Corporate Director of Resources

## **2. Background Papers Used in the Preparation of the Report:**

- Regulation 28(2) statement of representations received on the AAP
- 13 May 2009 Executive Report, Barking Town Centre Area Action Plan
- Planning and Compulsory Purchase Act 2004
- Planning and Compulsory Purchase Act 2008
- Town and Country Planning (Local Development) (England) (Amendment) Regulations 2008.
- Planning Policy Statement 12: Local Development Frameworks (ODPM, 2004)
- London Borough of Barking & Dagenham Local Development Scheme
- London Borough of Barking & Dagenham Statement of Community Involvement
- Barking Town Centre Area Action Plan Preferred Options Report
- Barking Town Centre Area Action Plan Issues and Options Report

## **3. List of appendices:**

None

## THE EXECUTIVE

8 SEPTEMBER 2009

### REPORT OF THE CORPORATE DIRECTOR OF CUSTOMER SERVICES

<b>Title:</b> Highways Investment Programme – Accelerated Programme	<b>For Decision</b>
<p><b>Summary:</b></p> <p>The Highways Investment Programme (HIP) is seeing a transformational improvement in the Borough's street scene. By taking a consistent, high quality, area-based approach residents have seen an overall improvement in the look and feel of their neighbourhood.</p> <p>Members and Officers have listened to residents' views about what areas need to improve and then implemented a programme of work designed to answer those wishes.</p> <p>Feedback, especially from those residents who have received significant discounts on drop kerb driveways, has been very positive about the conduct of our contractor, Bardon, and the quality of workmanship.</p> <p>The scheme is working to budget and is now 6 months ahead of schedule. Officers have also identified that as the standard of the road network improves the need to spend money on emergency repairs has reduced. This now provides Members with the opportunity to bring the programme of work forward to a 3 year programme, finishing now in 2010/11 rather than 2011/12; and supplement the work with £2million of extra investment.</p> <p>This new investment programme is being drafted by officers, and if approved by the Executive, the detail will be discussed with the Cabinet Member for Environment and Sustainability and the Leader of the Council prior to implementation. Members should note that due to complementary engineering works such as the East London Transit Public Realm Improvements and the proposed Street Lighting Investment in 2010/11 in Mayesbrook ward, the final programme of works may provide the opportunity to bring forward additional areas into the current programme</p> <p><b>Wards Affected:</b> Potentially affects all wards</p>	
<p><b>Recommendation(s)</b></p> <p>The Executive is recommended to agree:</p>	

- (i) That the Highways Investment Programme is shortened to 3 years with the capital allocation for 2009/10 increased to £10 million, and the allocation for 2010/11 increased to £3.5 million.
- (ii) That £1million of additional investment is made in 2009/10 and a further £1million in 2010/11; found through prudential borrowing supported by reduced spend on emergency highways repairs.

**Reason(s)**

Many of the Borough's roads and footpaths need attention and following on from the approval of the Executive of 3 June 2008 much of the Borough has already been transformed. The quality of many residential streets is significantly better and community satisfaction in these areas is evident.

The momentum of the works provides an opportunity to significantly accelerate the rate of improvement, and additional funding will enable the successful outcomes to be rolled out further across the Borough.

**Implications**

**Financial**

At the Executive meeting of 3 June 2008 it was agreed that the £20m budget should be allocated in the following profile:-

2008/09 - £6.5m  
2009/10 - £6.5m  
2010/11 - £4.0m  
2011/12 - £3.0m

This report proposes to take advantage of 'better than expected' progress of the scheme, and produce a new three year investment profile:-

2008/09 - £6.5m  
2009/10 - £10.0m  
2010/11 - £3.5m

Through reduced expenditure on emergency highway repairs it is also possible to invest an additional £1m for 2009/10 and £1m for 2010/11. This will have the effect of reducing reactive highways maintenance budgets by £80,000 in 2009/2010 with a further £80,000 budget reduction in 2010/11. From 2010/11 the overall budget will be permanently adjusted by £160,000.



## **Legal**

There are no specific legal Implications. An effective highways maintenance programme will reduce the council's exposure to legal liability for accidents on its highways.

Any procurement exercise following on from the Executive's approval of the recommendations in this report should be in accordance with EU procurement rules, the UK Public Contract Regulations and the Council's Contract Rules.

The Legal Partner should be consulted in agreeing the terms and conditions of any contract entered into with the successful tendered pursuant to any such procurement exercise.

## **Contractual**

The contractor for the Highways Investment Programme was determined from a tendering exercise from Framework Contractors. The project contained the roads and footpaths in 11 areas. It is not considered to be beneficial or detrimental in contract terms to maintain the current spend profile or to accelerate the works.

## **Risk Management**

The primary risks in either discontinuing or accelerating the programme concern community anticipation of works and the reputation of the Council. The Council is now seen as caring for its roads and footpaths in a significant way – while work is underway around the Borough, residents have an acceptance that we cannot work everywhere. If works are deferred or insignificant further investment is agreed the rise in pride is likely to diminish.

## **Staffing**

No significant staffing issues.

## **Customer Impact**

The impact on the end user is already significant – and the aim of this project is to maintain and accelerate progress.

All groups of the community benefit especially the disabled, the partially sighted and the vulnerable.

## **Safeguarding Children**

Aside from providing better and safer roads and footpaths, there are no

significant impacts.

### **Crime and Disorder**

Aside from providing better and safer roads and footpaths, there are no significant impacts.

### **Property/Assets**

The HIP project proposals represent significant investment in the Council's Highway Asset. This approach to long term investment is seeing a reduction in the need for emergency maintenance. By adopting an area-based approach to spend, and by using a variety of techniques, we are able to deliver more metres of road maintained, than by adopting a traditional worst-first model.

<b>Head of Service:</b> Darren Henaghan	<b>Title:</b> Divisional Director of Environmental and Enforcement	<b>Contact Details:</b> Tel: 020 8227 5772 Fax: 020 8227 3116 E-mail: Darren.henaghan@lbbd.gov.uk
--	---	---

## **1. Background**

- 1.1 Members will be aware that the initial programme of projects within the Highways Investment Programme is well underway and ahead of programme. Of the 11 areas identified in the programme approved by the Executive on 3 June 2008, seven areas are complete, substantially complete or underway.
- 1.2 Response from the community within the areas is very good, although in some of the larger areas residents feel that they have waited too long for the carriageways to be completed after the footpaths have been upgraded. In future, smaller areas will be completed to resolve this problem.
- 1.3 As expected many residents who are not within the first 11 areas are now seeking inclusion in the programme. This is considered a testament to how well the initial phases have been received, how well the improvements look and the professional manner in which the contractor's work-force have conducted themselves.
- 1.4 If the current rate of progress is maintained, it is likely that the initial programme can be completed by the end of the 2010-2011 financial year – one year ahead of programme

1.5 The areas covered by the first programme are :-

	<b>Location</b> (and approximate boundaries)	<b>Ward Areas</b>
1	<b>Rose Lane Area</b> (Rose Lane/Whalebone Lane, Billet Road)	Chadwell Heath
2	<b>Kenneth Road Area</b> (High Road/Whalebone Lane North/ Station Road/Railway Line)	Whalebone
3	<b>Gorseway Area</b> (Rush Green Road/ Dagenham Road/River Road/Eastbrook End)	Eastbrook
4	<b>Rusholme Avenue Area</b> (Rainham Road North/Wood Lane/Oxlow Lane)	Heath
5	<b>Fanshawe Avenue</b> (Victoria Road/Park Avenue/Station Parade/Railway Line)	Abbey
6	<b>Cannington Road Area</b> (Lodge Avenue/Porters Avenue/Gale Street/Railway)	Mayesbrook
7	<b>Stamford Road Area</b> (Lodge Avenue/A13/Gale Street/railway)	Mayesbrook, Eastbury and Goresbrook
8	<b>Downing Road Area</b> (Downing Road/Park area/A13/Heathway/Railway)	Goresbrook and River
9	<b>Manor Road Area</b> (Rainham Road South/railway/Borough Boundary)	Village
10	<b>Westrow Drive Area</b> (Longbridge Road/Upney Lane/Mayesbrook Park/railway/)	Longbridge
11	<b>Blackbourne Road Area</b> (Heathway/Rainham Road South/railway/Siviter Way)	Village

1.6 Work has yet to commence in Areas 5, 6, 9 and 11. Area 10 has commenced but cannot be completed until funding is brought forward or works will be delayed until the new financial year.

1.7 Members will recall that the Executive, at their meeting of 24 March 2009, approved a number of improvements for the Heathway and agreed that these costs be set against the budget for the Highways Investment Programme (Minute 163 08/09 refers). Officers are maintaining their efforts to ensure that the HIP project is delivered on budget but it is unlikely that the £200,000 allocated for the Heathway upgrade can be absorbed into the £20m budget

## 2. Revised 3 year Programme

2.1 Due to the performance of the contractor and management of the project it has been possible to engage with the community, commence works and complete areas at an excellent pace.

- 2.2 By ensuring that residents are kept informed of impending works it has been possible to avoid obstacles that may have delayed the project (obstructive parking, resident complaints, etc)
- 2.3 The scheme is currently running to budget and has largely completed the work expected in the £6.5m allocation for the current financial year. Nevertheless, because the scheme is ahead of schedule without approval to bring forward the scheme the work in area 10 will be paused until the new financial year, although members should note individual roads or footpaths will not be left partially completed.
- 2.4 At present the contractor is able to maintain momentum at the existing pace to deliver works to a minimum of £10m (which will include completion of Area 10). Members are asked to approve advancement of the budget to allow the project to continue at the current pace, and to bring forward the completion budget of £3.5m into 2010/11 to complete the HIP programme.
- 2.5 Additionally, through reduced expenditure on emergency highway repairs it is also possible to invest an additional £1m for 2009/10 and £1m for 2010/11. This will bring the total value of investment in 2009/10 to £11m, and 2011/12 to £4.5 m.

### **3 Make up of the Revised Programme.**

- 3.1 For sound engineering reasons, for example, the planned investment in street lighting in Mayesbrook ward in 2010/11 and the programme of public realm improvements associated with the East London Transit, it will be necessary to adapt the current programme of works. This along with the additional £2m of investment will allow some additional areas to be dealt with within the revised programme.
- 3.2 Officers are working through the detail of this programme and if approved by the Executive will discuss the revised Investment Programme with the Cabinet Member for Environment and Sustainability and the Leader of the Council prior to implementation.

### **4. Links to Corporate and other Plans and Strategies**

- 4.1 **Cleaner** – better roads and footpaths enable easier cleaning with a reduction in debris from deteriorating carriageway and footway fabric.
- 4.2 **Safer** – reduction in unsafe and inconsistent highway fabric, enabling safer journeys for pedestrians, wheelchair users, cyclists, users of public

transport and drivers.

4.3 **Prosperous** – enhancement of the environmental outlook of many areas, which may lead to an increase in interest in living in the Borough.

4.4 **Healthy** – better pedestrian facilities should encourage an increase in walking, and better roads will hopefully encourage cycling.

## 5. **Consultees**

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

Councillor L Smith - The Leader of the Council

Councillor V Rush, Cabinet Member for Environment and Sustainability

Yinka Owa – Legal Partner

John Hooton, Group Manager, Accounting & Technical Finance

Jeremy Grint, Head of Regeneration & Economic Development

Dave Dare – Manager of Highways and Engineering, Capital Delivery

Tony Wiggins – Group Manager for the Capital Delivery Unit

Ian Saxby – Group Manager for the Asset Management

## 6. **Background Papers Used in the Preparation of the Report:**

Executive Minutes – 3 June 2008

Executive Minutes – 24 March 2009

## 7. **List of appendices:**

None

This page is intentionally left blank

## EXECUTIVE

8 SEPTEMBER 2009

## REPORT OF THE CORPORATE DIRECTOR OF RESOURCES

<b>Title:</b> Changing Governance Arrangements in 2010: New Executive Arrangements	<b>For Decision</b>
<p><b>Summary:</b></p> <p>The Council is required to adopt new Executive arrangements by 31 December 2009 in accordance with the Local Government and Public Involvement in Health Act 2007 (LGPIH 2007).</p> <p>During 2007, the Governance Working Party reviewed the Council's governance arrangements in the light of the proposals contained in the draft LGPIH Bill. On reporting to the Assembly in May 2007, the Assembly resolved that pending the final content of the Bill, that the size of the existing Executive should remain at ten Members and that based on the proposed models of executive governance, the option of an indirectly elected Leader and Cabinet be favoured.</p> <p>The decisions made at that time remain valid and this report sets out proposals for public consultation and the formalisation of the Council's position.</p> <p>For purposes of clarity reference in the legislation to a Leader and Cabinet model refers to the Council's existing Leader and Executive arrangements.</p> <p><b>Wards Affected:</b> None</p>	
<p><b>Recommendation(s)</b></p> <p>The Executive is recommended to:</p> <ul style="list-style-type: none"> <li>(i) Agree to reaffirm the previous decision taken at the Annual Assembly in May 2007 to retain the existing Executive arrangements on the basis of continuing to use the prescribed Leader and Cabinet model;</li> <li>(ii) Consider applying to the preferred option the additional provision of the power to remove the Leader during his/her term of office through a vote of no confidence taken at the Assembly;</li> <li>(iii) Agree the proposals for public consultation on the preferred and other options as detailed in section 5 of the report, and</li> <li>(iv) Note that in line with legislative requirements, a report will be presented to a specially convened meeting of the Assembly on 9 December 2009 seeking a resolution to formally adopt the new arrangements which will become effective immediately after the May 2010 municipal elections</li> </ul>	

**Reason(s)**

To ensure that the Council complies with its statutory duties under LGPIH 2007.

**Implications****Financial –**

No specific implications. Any costs associated with the public consultation will be met from existing budgets.

**Legal –**

The legal considerations and options for the Council are set out in the report. It should be noted that there must be reasonable consultation with the local government electors for and other interested persons in the Borough of Barking and Dagenham and further that the Assembly must pass a resolution as to its preferred model by 31<sup>st</sup> December 2009. Details of the respective models are set out in the report.

**Contractual –**

No specific implications.

**Risk Management –**

No specific implications.

**Staffing –**

No specific implications.

**Customer Impact –**

No specific implications.

**Safeguarding Children –**

No specific implications.

**Crime and Disorder –**

No specific implications.

**Property/Assets**

- No specific implications.

**Options appraisal**

- The options available to the Council in relation to its main governance arrangements post May 2010 are prescribed by legislation and the Assembly has previously indicated the preferred option for the Council.



<b>Head of Service:</b> Nina Clark	<b>Title:</b> Divisional Director of Legal & Democratic Services	<b>Contact Details:</b> Tel: 020 8227 2114 E-mail: nina.clark@lbbd.gov.uk
<b>Report Author:</b> John Dawe	<b>Title:</b> Group Manager Democratic Services	<b>Contact Details:</b> Tel: 020 8227 2135 E-mail: john.dawe@lbbd.gov.uk

## 1. Background

- 1.1 The Local Government Act 2000 radically changed the decision making structures of local government. Central to these reforms was the clear separation between Executive Councillors and the majority of Members. The 2000 Act required local authorities to adopt a new governance structure, moving away from decisions being taken by politically balanced committees and introducing an Executive with a wide-ranging leadership role. The new arrangements in Barking and Dagenham were agreed at the Council meeting on 22 March 2000 (Minute 1003) and came into effect in May 2000, and in common with the majority of Authorities the Leader and Cabinet model of governance was adopted.
- 1.2 The Assembly at its meeting on the 16 May 2007 received a final report from the Governance Working Party which had been established to respond to the then Corporate Peer Review conducted by the Improvement and Development Agency (IDeA). IDeA recommended, amongst other things, that there needed to be greater clarity around the Council's governance arrangements. As part of the process, the opportunity was taken to benchmark ourselves with other authorities and to consider the extent to which our political structure arrangements were seen as "fit for purpose".
- 1.3 The review was also timely in the light, at that time, of the publication of the LGPIH Bill which included a requirement to review the Council's existing executive arrangements based on proposed models of governance.
- 1.4 The Working Party concentrated mainly on the executive and scrutiny functions but also carried out a check of all other meetings to ensure that arrangements were still appropriate. Largely and notwithstanding the need to respond to the legislative changes around the operation of our executive arrangements, the foundation of the Council's political structures was seen as sound.
- 1.5 Consequently the Assembly resolved that pending the final content of the LGPIH Bill, the size of the Executive should remain at ten Members and, based on the proposed models of executive governance, the option of an indirectly elected Leader with a four year fixed term and Cabinet model be favoured.
- 1.6 Subsequent provisions of the LGPIH 2007 have amended the Local Government Act 2000 and require local authorities to adopt new executive arrangements, in the case of London Boroughs, by 31 December 2009 which shall be effective from the third day after the municipal elections in 2010 (9 May 2010).

## **2. Options**

- 2.1 The Council has to decide which of the two options provided for in the legislation it would like to adopt. The key features of both are outlined as follows:

### **Leader and Executive Model**

The Council appoints the Leader who then appoints and determines the size of the Executive. The Leader can appoint two or more Councillors to the Executive. The maximum number of Members on the Executive still remains as ten. The new style Leader will have a fixed term of office of four years. However, the Council may resolve to give itself the power to remove the Leader during his/her term of office through a vote of no confidence taken at the Assembly. The purpose of the fixed term of office is to give the leadership greater stability and encourage elected leaders to take stronger long term decisions in the interests of residents. The Leader is required to appoint a Deputy Leader with power to act in his/her absence. The appointed Deputy Leader may also be removed by the Leader at any time during the four year term of the Council.

The Act vests in the Leader all of an Authority's executive functions; and he/she will have the power to determine how these powers are to be discharged – either directly by the Leader or delegated to the Executive group of Councillors either as a collective (as is the current position) or individually (i.e. Portfolio decision-making) or to officers. As the power to appoint Executive Members no longer falls to the Council on an annual basis they may be appointed or dismissed by the Leader at any time during the four year term of the Council

### **Elected Mayor and Executive Model**

Under this model the Council holds elections for its electors to directly elect a Mayor who would again hold office for a term of four years. Where a Mayor has been directly elected, there would be no option for the Council to remove him/her during the period of office. Since a Mayor is not appointed by the Council, it is possible that he/she may not be a member of any political party nor does he/she have an electoral ward to represent. The Mayor will be a full time role.

A directly elected Mayor would have a mandate from the electors to deliver his/her election programme. Having set out policies before taking office (a manifesto) the Mayor would have more autonomy to deliver them with the executive powers held by them personally. However, the Mayor would be reliant upon the Council to pass any budget proposals. The Mayor would have the authority to appoint his/her own Executive group and allocate all Executive functions.

- 2.2 A summary of the differences between the current position and the two options now available is set out at Appendix A.

### **3. Current Position and Implementation**

- 3.1 The Council, having agreed to adopt the Leader and Cabinet model of governance in 2000, has since intimated that in the light of the 2007 Act it would wish to continue with this model (as amended) beyond the 2010 elections, expressing the view that the size of the Executive should remain at ten Members (the maximum allowed for under the legislation). The Council believes this model is best for continuous improvement as it provides for more open and transparent decision making.
- 3.2 The Leader and Executive model has worked well for Barking and Dagenham. Since 2004 the Council's improvement has been widely recognised and it is now part of an elite group of local authorities in the country to win the dual top rating of 'excellent' (4 stars) and an 'improving strongly' direction of travel.

### **4. Proposed Timetable**

- 4.1 Having decided its preferred option of Executive arrangements, the Council must consult with the local government electors and other interested persons in its area before convening a special meeting of the Assembly to ratify its decision, by no later than 31 December 2009.
- 4.2 The proposed timetable for this process is as follows:
- 08 September 2009 - report to Executive
  - 18 September 2009 until 18 October 2009 – Online consultation portal open for feedback.
  - 19 September 2009, 28 September 2009 – public notice of options asking for feedback published in 'The News'.
  - 17 November 2009 - outcome of consultation reported to Executive and decision taken on proposal to be recommended to Council
  - End November 2009 - publication of proposal, taking into account feedback from consultation.
  - 09 December 2009 - Special Assembly (on rising of scheduled meeting) to formally adopt revised arrangements
  - 9 May 2010 – new Executive arrangements take effect

### **5. Public Consultation**

- 5.1 The legislation states that local authorities must take reasonable steps to consult the local government electors for, and other interested persons in, the authority's area before adopting new Executive arrangements. As the preferred option of the Council does not radically change its Constitution the consultation does not have to be as extensive as those authorities who wish to change their models dramatically.

Those authorities are required to consult for 12 weeks and can, if considered appropriate, hold a referendum.

5.2 It is proposed that this Council conducts two consultations that run concurrently, namely:

- An online consultation will open on LBBD website running for 4 weeks from 1 October 2009 until 31 October 2009 (see Appendix B for draft of survey), and
- An advertisement will feature in the local community newspaper 'The News' appearing in issues published on 12 October 2009 and 26 October 2009 (see Appendix C for draft advertisement).

5.3 Both consultations will invite residents of Barking and Dagenham to submit their comments on the proposals, electronically or in writing, to the Council. Responses to the consultation will be analysed and a report produced indicating whether the public agree with the Council's position on this matter. If the consultation evidence supports the Council's proposal then the agreed Executive arrangements will go to a specially convened meeting of the Assembly in December 2009 to finalise, ready for implementation in May 2010.

5.4 If however the consultation response is overwhelmingly contrary to the preferred option of the Council, it must consider the reasons given by members of the public and provide justification for choosing the model it decides to adopt, if different to the preferred option of the public.

## **6. Links to Corporate and other Plans and Strategies**

6.1 There are no direct links to other Plans and Strategies.

## **7. Consultees**

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

- Councillor Liam Smith (Leader of the Council)
- Nina Clark (Divisional Director of Legal and Democratic Services)
- Winston Brown, Legal Partner
- Alan Dawson (Team Manager Leader and Executive Team)
- Ryan Ocampo (Team Manager Partnerships and Statutory Team)

## **8. Background Papers Used in the Preparation of the Report:**

- Local Government and Public Involvement In Health Act 2007
- Communities in Control: Real People, Real Power: Changing Council Governance Arrangements – Mayors and Indirectly Elected Leaders. A Consultation
- "Modernising the Political Structure" Report and Minutes, Council 22 March 2000
- "Report of the Governance Working Party" Report and Minutes, Assembly 16 May 2007.

**9. List of appendices:**

- Appendix A - Summary of Options
- Appendix B - Draft On-line Consultation Survey
- Appendix C - Draft Advertisement

This page is intentionally left blank

## Summary of Differences between Options

	Current Leader and Executive model	Options available under the Local Government and Public Involvement in Health Act 2007	
		New Leader and Executive model	Elected Mayor and Executive model
<b>Appointment and term of office</b>	Leader appointed by the Council annually	Leader appointed by Council for a 4 year term (or until the expiry of the Leader's term of office as a Councillor)	Elected directly by the electorate for a 4 year term
<b>Removal</b>	No current provision to remove the Leader in office	Council can choose to adopt procedures which would allow the removal of the Leader from office during the 4 year term	Cannot be removed during his/her term of office
<b>Executive functions</b>	Council agrees the delegation of executive functions	All executive functions would be vested in the Leader who can then delegate	All executive functions would be vested in the Mayor who can then delegate
<b>Appointment of Executive</b>	Council appoints Leader, Deputy Leader and the Executive. The Leader allocates responsibilities	Council appoints Leader who in turn appoints his/her Executive members and allocates responsibilities	Mayor appoints his/her Executive Members and allocates responsibility
<b>Deputy Leader</b>	No legal requirement to have a Deputy Leader but appointed through local choice	Legal requirement to have a Deputy Leader, appointed by the Leader	N/A
<b>Position as a Councillor</b>	Will be a Councillor and member of the Majority Group	Will be a Councillor and member of the Majority Group.	Does not need to be a Councillor or a member of a political party

This page is intentionally left blank



## DRAFT ONLINE CONSULTATION SURVEY (text only)

### New Executive Arrangements

The Council is required to adopt new Executive Arrangements by 31 December 2009 in accordance with Local Government and Public Involvement in Health Act 2007.

The Leader and Executive model has worked well for Barking and Dagenham, since 2004 the Council has improved greatly, it is now part of an elite group of local authorities in the Country to win the dual top rating of 'excellent' (4 stars) and 'improving strongly' direction of travel. For this reason the Council has identified the Leader and Executive model as its preferred choice.

The Council must decide which of the two options prescribed under the legislation it favours for adoption Outlined below are the key features of each

#### Option 1 – Leader and Executive

The Leader would be supported by a Cabinet chosen by the Leader. This is similar to the current system that has been operating since 2002. The main difference is that the Leader would be elected by Councillors for a term of four years as opposed to annually, and they would then be able to appoint and dismiss Cabinet Members. However, the Council can also resolve to give itself the power to remove the Leader during their term of office

#### Option 2 – Elected Mayor and Executive Model

With this option there would be a separate election process to elect a Mayor. As with the Leader option, the Mayor would be elected for a term of four years and would choose their Cabinet. However there is no provision to allow for the removal of the Mayor during their term of office

For the avoidance of doubt the election of a Mayor is separate from the existing annually appointed Ceremonial Mayor. Who would continue to carry out ceremonial duties.

Whichever model is chosen will be implemented immediately after the May 2010 municipal elections.

### Which option of leadership style do you think is right for Barking and Dagenham?

New Style Leader and Cabinet Executive [  ]

Directly elected Mayor and Cabinet [  ]

No preference [  ]

Please state why you favour your chosen option:

[Optional]

You can also **e-mail** your preferred option with additional comments to

[leader@lbbd.gov.uk](mailto:leader@lbbd.gov.uk)

Alternatively, you can **write** to us at:

Executive Arrangements Consultation  
Democratic Services  
London Borough of Barking and Dagenham  
Civic Centre  
Dagenham RM10 7BN

You will need to attach a stamp to the letter!

The above address is also where the proposal documents can be found for inspection.

If you would like more information about the new Executive Arrangements please contact Glen Oldfield, Scrutiny Officer, on 0208 227 5796 or e-mail: [glen.oldfield@lbbd.gov.uk](mailto:glen.oldfield@lbbd.gov.uk)

**DRAFT NEWSPAPER ADVERTISEMENT (text only)**

How the Council will make its decisions in the future – **HAVE YOUR SAY!**

The Council is required to adopt new Executive Arrangements by 31 December 2009 in accordance with Local Government and Public Involvement in Health Act 2007.

**The Council's viewpoint**

The Leader and Executive model (Option 1) has worked well for Barking and Dagenham, since 2004 the Council has improved greatly, it is now part of an elite group of local authorities in the Country to win the dual top rating of 'excellent' (4 stars) and 'improving strongly' direction of travel. For this reason the Council has identified the Leader and Executive model as its preferred choice. Nationally only 3% of Councils have opted for a directly elected Mayor.

**Options**

**Option 1 – Leader and Executive**

The Leader would be supported by a Cabinet chosen by the Leader. This is similar to the current system that has been operating since 2002. The main difference is that the Leader would be elected by Councillors for a term of four years as opposed to annually, and they would then be able to appoint and dismiss Cabinet Members. However, the Council can also resolve to give itself the power to remove the Leader during their term of office

**Option 2 – Elected Mayor and Executive Model**

With this option there would be a separate election process to elect a Mayor. As with the Leader option, the Mayor would be elected for a term of four years and would choose their Cabinet. However there is no provision to allow for the removal of the Mayor during their term of office

**Choosing option 1 would mean:**

- Keeping a similar system to the arrangements currently operating.
- The Council will elect the Leader every four years.
- The Leader will appoint and dismiss Cabinet Members.
- The Leader can be removed from the Council at any time.
- The Ceremonial Mayor will continue to carry out ceremonial duties.

**Choosing option 2 would mean:**

- The people of Barking and Dagenham elect a Mayor every four years.
- The Mayor can make most decisions on his/her own.
- Once elected the Mayor cannot be removed from office.
- The Mayor does not need to be a Councillor or a member of a political Party

**Do you agree?** Please tell us which option you prefer, with any comments, by **18 October 2009**

You can **write** to us at:

Executive Arrangements Consultation  
Democratic Services  
London Borough of Barking and Dagenham  
Civic Centre,  
Dagenham RM10 7BN

You will need to attach a stamp to the letter!

The above address is also where the proposal documents can be found for inspection.

Alternatively, you can **e-mail** your preferred option with additional comments to [leader@lbbd.gov.uk](mailto:leader@lbbd.gov.uk)

Or, you can visit our **on-line consultation** at:

*Insert consultation portal link*

If you would like more information about the new Executive Arrangements please contact Glen Oldfield, Democratic Services, on 0208 227 5796 or e-mail: [glen.oldfield@lbbd.gov.uk](mailto:glen.oldfield@lbbd.gov.uk)

**Thank you for having your say.**

## EXECUTIVE

8 SEPTEMBER 2009

## REPORT OF THE CORPORATE DIRECTOR OF ADULT &amp; COMMUNITY SERVICES

The Appendix to this report is **Private and Confidential** as it concerns information regarding negotiations for a contract for the supply of a service to the Council - relevant legislation: paragraph(s) 3 of Part I of Schedule 12A of the Local Government Act 1972 as amended

<b>Title:</b> Award of Tender: Supporting People Funded Domestic Violence Services	<b>For Decision</b>
<p><b>Summary:</b></p> <p>This report advises Members of the result of the tendering exercise for the Provision of Housing Related Support Services to Women Fleeing Domestic Violence and seeks approval for the recommendations on contract award.</p> <p><b>Wards Affected:</b> All</p>	
<p><b>Recommendation(s)</b></p> <p>The Executive is asked to agree the: -</p> <p>(i) Approval of the award of the contract for Provision of Housing Related Support Services to Women Fleeing Domestic Violence to “Refuge” for a period of 3 years with an option to extend up to a maximum of 5 years. The annual cost will be approximately £237,000 with a planned commencement date of 1 November 2009.</p>	
<p><b>Reason(s)</b></p> <p>The recommended provider will give best value for money to the council and will be able to deliver the appropriate support to meet the needs of occupants at the refuge schemes and deliver floating support to women living in the community.</p>	
<p><b>Implications</b></p> <p><b>Financial</b></p> <p>Costs will be met from the existing Supporting People Programme Budget as agreed by Executive. The submitted tender price is an annual expenditure of £237,000, subject to contractual terms on any inflationary uplift.</p> <p><b>Legal</b></p> <p>The Council has the power to provide the service set out in this report (<i>Local Government Act 2000, s2</i>).</p> <p>This is a Part B Service and therefore not subject to the full requirements of EU procurement rules. The tender procedures followed were in accordance with the Council’s Contract Rules, best practice and all applicable law.</p>	

If the Executive approves the recommendation of this report , an award notice will need to be placed in OJEU (*Regulations 5(2)(b)(ii) and 31 of the Public Contracts Regulations 2006*).

The Legal Partner should be consulted in agreeing the terms and conditions of any contract entered into with the successful bidder.

### **Contractual**

The contractual framework is that established under the national Supporting People programme, with detailed terms and conditions developed and amended by Legal Partners.

Contract management follows our recently revised commissioning cycle and will consider outcomes, performance, quality and the views of users and stakeholders on an ongoing basis.

Local, regional and national benchmarking is used to ensure robustness.

### **Risk Management**

The depth and regularity of contract monitoring will be shaped by the services risk assessments, which take into account outcomes, individuals, finance and reputation as risk areas which are graded and agreed with the provider. This rating is reviewed regularly.

Stakeholders will be involved in contract monitoring processes and ensure the risk management and safety planning for women and their children is robust and linked to the borough's existing arrangements.

### **Staffing**

No specific implications.

### **Customer Impact**

Women experiencing domestic violence are particularly at risk of multiple exclusions and these services have been specified to tackle those issues. In the current services, in 2008/09, 54% of clients were from BME communities. Issues including honour based violence and forced genital mutilation were considered in the assessment of tenders based on written submissions and particularly interview.

Half of clients in 08/09 received support on mental health problems, but there were low levels of physical, sensory or learning disability recorded. We considered both areas when scoring tenderers responses to dealing with complex or secondary needs to ensure an accessible and holistic service would be secured.

The recommended provider exceeded or met the standards we required.

Supporting People funded services operate under a national Quality Assurance Framework with standards on equalities, diversity and inclusion. The provider will have to

demonstrate good performance in these areas throughout the life of the contract.

Learning from the previous contracts and the tendering process will be taken into the contract implementation phase to ensure full recording and high quality services are in place. We also work with partners in disability focused services to ensure they are aware of these services and how and when to access them.

### **Safeguarding Children**

This contract does not fund work directly with children. The refuge does provide safe and supportive housing for children at risk and who have experienced the trauma of domestic violence.

The provider will work with local Children's Centres to ensure integration where possible, and seek to augment those services with specialist assistance for children funded from other sources.

### **Crime and Disorder**

Both the refuges and the floating support are critical parts of our strategy for reducing repeat incidents of domestic violence and offering women and their children a safe route away from violence and abuse.

The Tenderers were intensely scrutinised on their ability to ensure the safety of women and their children from violence and crime.

### **Property/Assets**

No specific implications

### **Options appraisal**

Not applicable

<b>Head of Service:</b> Karen Ahmed	<b>Title:</b> Head of Adult Commissioning	<b>Contact Details:</b> Tel: 020 8227 2331 Fax: 020 8227 2241 E-mail: <a href="mailto:karen.ahmed@lbbd.gov.uk">karen.ahmed@lbbd.gov.uk</a>
<b>Report Author:</b> Tim Miller	<b>Title:</b> Strategic Commissioning Manager	<b>Contact Details:</b> Tel: 020 8227 2884 Fax: 020 8227 2820 E-mail: <a href="mailto:tim.miller@lbbd.gov.uk">tim.miller@lbbd.gov.uk</a>

## **1. Background**

- 1.1 Members received and approved a report setting out the process and progress in undertaking of a full tendering exercise on Tuesday 16 December 2008, Minute 98 .- 08/09.

- 1.2 Key objectives of the service specifications are to provide:
- Appropriate accommodation and support to meet the needs of the occupants at two refuge schemes within the Borough.
  - Floating support to women fleeing domestic violence living within the community.
- 1.3 The tender looked to achieve this through seeking effective staffing and management arrangements, service and quality standards, experience and innovation, organisational and strategic strengths.
- 1.4 There were no major changes to the service model currently provided by Eaves Women's Aid, but there have been improvements in the specification and standards required to reflect our continued learning and our increased ambition for vulnerable residents.

## **2. Advertisement and Pre Qualification**

- 2.1 An advertisement was published in February 2009 on [www.Supply2.gov.uk](http://www.Supply2.gov.uk), the Council's own website and various specialist sites including the Supporting People web site, in accordance with the Authority's advertising requirements. This invited expressions of interest on a restricted tender basis.
- 2.2 Initial responses were received from interested parties who were all sent an application pack including a tender pre-qualification questionnaire with a closing date for return of noon on Friday 17 March 2009.
- 2.3 Completed pre-qualification applications were received with supporting documentation and assessed in the manner previously outlined to applicants. Eight applications were short-listed based on their organisation's experience, business profile and financial standing. Those were: -
- Eaves Women's Aid
  - East Thames
  - Hestia
  - Harlow and Broxbourne Women's aid
  - Solace
  - Refuge
  - Kirhan
  - Imkaan Women's Aid

## **3. Invitation to Tender**

- 3.1 The eight organisations were invited to tender with a closing date for final return of tenders by noon on Friday 3 July 2009. The invitation to tender stated that assessment would be based on a weighted quality/cost matrix, with a quality weighting of 70% and price weighting of 30%, as agreed by Executive. 70% of the total quality weighting was allocated to the method statements, with 30% reserved for the interview and presentations. This enabled a fair and even handed approach to be taken.
- 3.2 A tender briefing meeting was held on Wednesday 8 June 2009 for those organisations to explain the process of invitation to tender and subsequent



interviews. It also allowed them opportunity to seek any clarifications where necessary.

- 3.3 Six of the above organisations submitted tenders by the return date. Imkaan notified us prior to the closing date that they were withdrawing and Kirhan did not submit a tender.
- 3.4 The evaluation took place on the 7 July 2009. The evaluation panel comprised of 3 officers of the Council (from Commissioning, Procurement and the Domestic Violence & Hate Crime team), along with the Domestic Violence lead officer of NHSBD. Councillors were able to request being on the Panel when permission to tender was sought, but chose not to do so.
- 3.5 The panel evaluated the method statements. The average score was used for each answer and weighted by the allocated weighting for each question to arrive at a final quality score for the method statements. The 30% of score available for price was calculated on the basis of the submission of overall contract price and support hours funded. The finance scores were then weighted as described to tenderers in the invitation to tender. All tenderers were invited to interview.

#### **4. Interview Process**

- 4.1 Tenderers were each allocated one hour, with fifteen minutes for them to make a presentation based on a topic previously notified to them in the Invitation to Tender. They were asked a series of questions on issues of quality, service delivery and management to identify their proposals for meeting the requirements of the service specifications.
- 4.2 The interview equated to 30% of the overall quality score. Scores were awarded in the following way within that: -
  - 8 % for presentation
  - 22 % for the eight questions
- 4.3 Each panel member scored each organisations' presentation and responses to the questions. The average score for each answer was used to score each question and weighted appropriately. Weighted scores from the interviews were added to the method statement scores to arrive at a final quality score. These were then added to the weighted price evaluation scores. The results are in Appendix 1.

#### **5. Implications & Benefits**

- 5.1 The provider with the highest overall score – Refuge – is the country's largest provider of domestic violence services and demonstrated a high level of ability across the areas of assessment in the tender. They also bring considerable strategic awareness and operational good practice which will be an asset to the borough.
- 5.2 Refuge also has considerable experience of taking on existing services and managing staff transfers under the TUPE Regulations. Approximately 6 staff members will transfer from Eaves Women's Aid to Refuge, and this process will be entirely managed by those two organisations. Existing staff funded through the contracts with Eaves are therefore in a good position to be transferred lawfully.

There are no staffing implications for Council employed staff as a consequence of this tender.

- 5.3 The Evaluation Panel's scores support the award on the basis of the most economically advantageous tender. All panel members were unanimous and so it is recommended that the contract be awarded to Refuge.
- 5.4 Subject to the agreement of Executive, tenderers will be notified of the decision and unsuccessful tenderers will be offered a de-briefing to provide feedback on their submission's strengths and weaknesses.
- 5.5 The cost of the service will achieve a cashable saving of £40,000 per annum on 2008/09 costs. Savings will be directed towards Departmental savings already required by Executive.

## **6. Links to Corporate and other Plans and Strategies**

- 6.1 These services help towards aims in the Council's Plan and the LSP's Local Area Agreement to address high rates of domestic violence. They have a central role in delivering the borough's domestic violence strategy.
- 6.2 Using the tendering process to secure the best provider available helps us to achieve the ambition for excellent services outlined in the Supporting People 5 year strategy.

## **7. Consultees**

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

- Councillor H. Collins, Cabinet Member for Adults and Public Health
- Councillor J. Alexander, Safer Neighbourhoods and Communities Portfolio
- Yinka Owa, Legal Partner (Procurement, Contracts, Property)
- Karen Ahmed, Head of Adult Commissioning
- Glynis Rogers, Head of Community Safety & Neighbourhood Services
- Steve Whitelock, Departmental Head of Finance
- James Goddard, Group Manager Housing Strategy
- David Robins, Group Manager, Corporate Procurement
- Sharon Roots, Corporate Risk Manager

## **8. Background Papers Used in the Preparation of the Report:**

- "Retendering Domestic Abuse Services", report to Executive dated 18<sup>th</sup> Nov' 08

## **9. List of appendices:**

- Appendix 1; Quality Scores of Tenders

Document is Restricted

This page is intentionally left blank