

Notice of Meeting



CABINET

Tuesday, 16 April 2013 - 5:00 pm
Council Chamber, Civic Centre, Dagenham

Members: Councillor L A Smith (Chair); Councillor R Gill (Deputy Chair); Councillor J L Alexander, Councillor H J Collins, Councillor C Geddes, Councillor M A McCarthy, Councillor L A Reason, Councillor P T Waker, Councillor J R White and Councillor M M Worby

Date of publication: 8 April 2013

Graham Farrant
Chief Executive

Contact Officer: Alan Dawson
Tel. 020 8227 2348
E-mail: alan.dawson@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 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 meetings held on 19 and 26 March 2013 (Pages 1 - 12)**
4. **Modernisation of Cashiering Services (Phase 2) (Pages 13 - 23)**
5. **Demand for School Places - Proposed Investment Strategy (Pages 25 - 35)**
6. **Proposed Transfer of Land at Robert Clack School (Gosfield Road site) to All Saints School and Technology College (Pages 37 - 41)**
7. **Disposal of 89 Axe Street, Barking (Pages 43 - 51)**
8. **Adoption of Powers under London Local Authorities Act 2007 - Mail Forwarding Businesses (Pages 53 - 59)**
9. **Award of Contract for Provision of Taxi Services for Children with Special Educational and Complex Needs (Pages 61 - 65)**
10. **Any other public items which the Chair decides are urgent**

11. **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 Cabinet, 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). ***There are no such items at the time of preparing this agenda.***

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

CABINET

Tuesday, 19 March 2013
(5:00 - 5:07 pm)

Present: Councillor L A Smith (Chair), Councillor C Geddes, Councillor M A McCarthy, Councillor L A Reason, Councillor P T Waker, Councillor J R White and Councillor M M Worby

Apologies: Councillor R Gill, Councillor J L Alexander and Councillor H J Collins

104. Declaration of Members' Interests

There were no declarations of interest.

105. Finance Portfolio

The Leader advised that he had temporarily taken responsibility for the Finance Portfolio whilst the Deputy Leader was absent following the sad death of his father, Councillor Nirmal Singh Gill.

106. Minutes - 12 February 2013

The minutes of the meeting held on 12 February 2013 were confirmed as correct.

107. Budget Monitoring 2012/13 - April 2012 to January 2013

The Leader presented a report on the Council's revenue and capital budget position for 2012/13 financial year as January 2013 projected to the year end.

The General Fund position had continued to improve. At the end of January 2013 the total service expenditure for the full year was projected to be £174.7m, providing a projected under spend of £2.7m. This would result in the General Fund balance increasing to £17.0m. The Housing Revenue Account (HRA) continued to project an under spend of £200,000, increasing the HRA reserve to £8.5m.

The Capital Programme had been updated to reflect project roll-overs and changes previously agreed by Cabinet. At the end of January 2013 the budget stood at £110.937m, which equated to a projected variance of £20.319m, and it was noted that officers would ensure that all appropriate capitalisations occurred.

Cabinet agreed:

- (i) To note the projected outturn position for 2012/13 of the Council's revenue budget at 31 January 2012, as detailed in paragraphs 2.3 to 2.11 and Appendix A of the report;
- (ii) To note progress against the 2012/13 savings targets at 31 January 2012, as detailed in paragraph 2.12 and Appendix B of the report;
- (iii) To note position for the HRA at 31 January 2012, as detailed in paragraph 2.13 and Appendix C of the report; and

- (iv) To note projected outturn position for 2012/13 of the Council's capital budget at 31 January 2012, as detailed in paragraph 2.14 and Appendices D and E of the report.

108. Performance House - Quarter 3, 2012/13

The Leader presented the corporate performance report for the third quarter period October to December 2012.

The report contained a summary of the wide range of performance monitored and managed across the Council and drew attention to Eastbrook and Eastbury secondary schools, which were both recently inspected under the tougher inspection framework introduced in January 2012, and both schools had now moved from 'satisfactory' to 'good'. This meant that eight of the nine secondary schools were now rated as good or better, which put the Borough's secondary school performance in the upper quartile position and above the England and London average of 66% and 79.5% respectively.

Cabinet **agreed** to note the corporate performance information for the third quarter of the 2012/13 financial year as set out in Appendices A to D of the report.

109. Community Strategy 2013 - 2016 and Corporate Plan 2013/14

The Leader presented a report on the Community Strategy 2013 to 2016 and Corporate Plan for 2013/14 which were developed by drawing together the priorities of the Council, as the community leader for the Borough, and its partners to form a vision for Barking and Dagenham.

The overall vision was to "Encourage growth and unlock the potential of Barking and Dagenham and its residents" which would be delivered via the five priorities:

- Ensure every child is valued so that they can succeed
- Reduce crime and the fear of crime
- Improve health and wellbeing through all stages of life
- Creating thriving communities by maintaining and investing in high quality homes
- Maximise growth opportunities and increase the income of borough residents

Cabinet **agreed to recommend the Assembly to approve:**

- (i) The draft Community Strategy 2013-16 attached at Appendix 1 to the report; and
- (ii) The draft Corporate Plan 2013/14 attached at Appendix 2 to the report.

110. "Celebrating our past, looking forward with pride": A Heritage Strategy for Barking and Dagenham

The Leader presented a report on the Borough's Heritage Strategy, the purpose of which was to provide a shared vision and a framework for the delivery and promotion of Heritage Services over the next three years.

The development of the draft strategy had been informed by presentations to the Safer and Stronger Community Select Committee and Assembly.

Cabinet **agreed** the Heritage Strategy 2013 to 2016, as attached at Appendix 1 to the report.

111. Helping Council Housing Tenants into Work

Cabinet received the joint report of the Cabinet Members for Housing and Regeneration which sought approval to direct funding of up to £160,000 from the Housing Revenue Account (HRA) in 2013/14 to support Council tenants into paid employment.

The report explained that employment was the clearest route to raising household incomes and was central to the Government's welfare reforms of making work pay. It was proposed that a pilot 'payment by results' mechanism would be established during 2013/14 with the Job Shop service, facilitated by the Council's Regeneration Division. The £160,000 was based upon 200 tenants supported into employment at a cost of £800 each. It was intended that the pilot period would be used to assess impact and to develop a more sophisticated funding mechanism for future years.

Cabinet **agreed**:

- (i) Up to £160,000 in HRA monies be made available in 2013/14 on a pilot basis to support the Council's Job Shop service, based on evidencing 200 tenants into work; and
- (ii) A more detailed proposal for 2014/15 and future years be worked up over the pilot period and brought back before Cabinet which better reflected the level of difficulty in helping some groups of people into work and the need to keep people in employment.

112. Programme for the Acquisition of Market Housing

(The Chair agreed that the report could be considered at the meeting as a matter of urgency under the provisions of Section 100(4)(b) of the Local Government Act 1972, in order to allow progress the street purchase programme, particularly in relation to the imminence of the Welfare Reform programme.)

The Cabinet received the joint report of the Leader and Cabinet Member for Housing on the programme to acquire housing from private market sources.

By Minute 3 (24 July 2012), the Cabinet established a £2.5m budget to fund a programme of buying existing street properties for the Council's Housing Revenue Account (HRA). The details in the report set out how that budget would be used over a two year period to:

- Purchase private market homes in the Borough,
- Focus on houses which had formerly been in Council ownership that were in poor condition and were causing or were likely to cause blight in a

neighbourhood, and

- Consider ways to extend choice to Council tenants in terms of options for moves to homes out of the Borough.

The funds would enable the exploration of options to provide a further supply of social rented / Council homes during the period before the steady stream of new Council housing and the homes being developed by Barking & Dagenham Reside were ready to let. It would also provide the added benefit of extended choice for local tenants seeking a transfer to alternative accommodation, particularly as a result in the upcoming changes to the benefit system.

It was noted that the programme was only part of the Council's new build housing investment programme of over £130m over 10 years and the Barking & Dagenham Reside build programme in excess of £70m. The Greater London Assembly had also indicated it would accept bids for grant under the Affordable Housing Programme 2011/15 in relation to market homes acquired by the Council. The GLA grant could be in the region of £24,000 per property but would not be available for purchases outside London.

Cabinet agreed:

- (i) To pursue the purchase of appropriate private market homes within the Borough within the programme of £2.5m;
- (ii) That officers further explore the options referred to in paragraphs 4.2 - 4.5 of the report and present a report to a future Cabinet meeting on a package of potential purchase or development opportunities in the selected areas; and
- (iii) To delegate authority to the Corporate Director of Housing and Environment in consultation with the Chief Financial Officer, the Head of Legal and Democratic Services and the Cabinet Member for Housing and on advice from the Council's Property Advisory Group, to agree terms and enter into all necessary legal documentation for purchasing properties under recommendation (i) above.

113. Merry Fiddlers Junction Improvements - Consultation Findings

The Cabinet Member for Environment presented a report on the Merry Fiddlers Junction Improvements and consultation results.

By Minute 38 (28 September 2010), the Cabinet had approved the Local Implementation Plan Delivery Programme for 2011/12 - 2013/14 which included £1.1m, spread over the three years, for improvements to the Merry Fiddlers junction and several adjacent turnings, together with improvements to the local public realm (including the nearby shopping parades on Whalebone Lane and Becontree Avenue).

A total of 340 responses had been received from the public following consultation on a range of options for the improvement of the Merry Fiddlers junction. This had resulted in the proposed congestion reduction and road safety improvements, including improvements to the quality of the public realm and conditions for

pedestrians and cyclists. Apart from the proposal to ban the right hand turn from Whalebone Lane into Green Lane, all the proposals were supported by the public. However, it was not proposed to proceed with the option to open up the Broadway to allow traffic from Whalebone Lane to access the Broadway due to its impact on pedestrians and limited benefits to road users. The junction and associated improvements now formed part of the wider master plan proposals for the area.

It was noted that detailed designs would need to be drawn up for the junction and associated improvements and consultation commenced with a range of statutory undertakers to address any outstanding issues. It was anticipated that work could begin on site in May 2013 and would be phased to ensure that disruption to residents, car users and businesses was kept to a minimum.

Cabinet agreed:

- (i) To the implementation of the improvements to the Merry Fiddlers Junction and surrounds, as set out in Appendix 1 to the report, including:
 - Replace the paving around the junction.
 - Reduce the number of lanes on Wood Lane next to the leisure centre from 5 to 3.
 - Make the dangerous Wood Lane / Homestead Road junction safer.
 - Link the Becontree Leisure Centre and Morrisons car parks together.
 - Ban the dangerous right hand turns into and out of Althorne Way and out of Morrisons onto Wood Lane. Open up Stour Road to allow access from Althorne Way to Rainham Road North.
- (ii) To undertake a consultation on the nature and extent of a localised parking plan for the area, including the Stour Road area and the area outside the Merry Fiddlers shopping parade on Becontree Avenue; and
- (iii) To authorise the Chief Executive, in consultation with the Cabinet Members for Environment and Regeneration and the Valence and Heath Ward Members, to:
 - (a) agree and implement specific measures for the Wood Lane / Homestead Road junction, following consideration of the options to improve safety in that area,
 - (b) to undertake further investigative work to establish the feasibility of banning the right turn out of the Shell petrol station onto Wood Lane and changing the access into the Merry Fiddlers shopping parade from Wood Lane to Green Lane.

114. Youth Offending Service: Proposed Joint Working Arrangements with the London Borough of Havering

Cabinet received the report of the Cabinet Member for Crime, Justice and Communities on the progress made on the integrated service model between the Council and the London Borough of Havering and discussions that had taken place on the initial joint working arrangements of the two Youth Offending Services.

The initial joint arrangements had already been seen as beneficial to the London Borough of Havering and partners and its Cabinet had approved a report on direction of travel towards a joint Youth Offending Service at its meeting held on 13 February 2013.

Cabinet **agreed**:

- (i) To note that the pilot joint working arrangements had been successful;
- (ii) To develop the joint-working arrangements further with a view to formal merger of the two Youth Offending Services by March 2014; and
- (iii) To continue the consideration of the extension of the joint service arrangement to include other authorities in the event that it was considered to be in the Council's interest to do so.

115. Public Health Transfer Order

The Cabinet Member for Health presented a report on the transition of staff, information and contracts to the Council upon it taking up the statutory duty to improve the health of people in the Borough from 1 April 2013.

It was noted that under the Social Care Act 2012, the Secretary of State would transfer assets, property, liabilities, contracts and staff from the former Primary Care Trust (PCT) to the Council by way of a Transfer Scheme, yet to be published by the Department of Health, and the Council would need to ensure that the necessary governance framework was in place to give effect to the directions of the Secretary of State. The flow of information up to the 31 March 2013 deadline would be a rapid and the Cabinet Member explained that there would be insufficient time to seek Cabinet instruction on the necessary decisions and actions to comply with the directions on the establishment of the public health function within the Council.

Cabinet **agreed**:

- (i) To delegate authority to the Corporate Director of Adult and Community Services, in consultation with the Cabinet Member for Health and the Head of Legal and Democratic Services, to approve and sign off on the Council's behalf all Transfer Schemes, grant such waivers of Council Contract Rules and approve or sign off, conclude and enter into all necessary negotiations, contracts, agreements and any other governance or ancillary transfer-related documentation and take all such other action as may be required under the Act or by law or otherwise to facilitate and implement the effective transfer of the public health functions (including any necessary contractual, staffing and service commitments) from NHS North East London & City cluster of Primary Care Trusts to the Council, and
- (ii) To authorise the Head of Legal and Democratic Services, or an authorised delegate on her behalf, to enter into and execute all contracts, agreements and legal documentation deemed necessary and appropriate to facilitate the transfer.

116. Urgent Action - Transfer of Contracts for Public Health Services

Cabinet noted the following action taken by the Chief Executive under the urgency procedures contained within paragraph 17 of Article 1, Part B of the Council's Constitution:

- (i) To agree the proposals set out in the report at Appendix 1 and delegate authority to the Corporate Director of Adult and Community Services, working with the Director of Public Health and the Head of Legal and Democratic Services, to conclude all necessary contract negotiations for novation, extension, amendment and, where necessary, re-contracting of the services outlined and any others that relate to the need to maintain stable public health services and meet statutory duties through the transition of public health functions to local authority management; and
- (ii) To authorise the Head of Legal and Democratic Services or an authorised delegate on her behalf, to enter into and execute all contracts, agreements and legal documentation deemed necessary and appropriate to facilitate the necessary transfers.

117. Proposals for Further Shared Central Services

The Chief Executive presented a report on the outcome of discussions with Thurrock Council and a number of its neighbouring authorities regarding the potential opportunities of shared central services.

The Chief Executive advised that his discussions with the Chief Executives of Basildon, Havering, Medway and Southend Councils regarding potential shared services covering communications and policy, performance and strategy had not resulted in any specific interest. However, a full options analysis had identified that there would be clear benefits in the sharing of those services with Thurrock Council.

Cabinet **agreed:**

- (i) That consultation commence with affected staff on proposals for shared communications and policy, performance and strategy functions with Thurrock Council; and
- (ii) To delegate authority to the Chief Executive, in consultation with the Leader of the Council, to agree and implement the proposed joint structure following the completion of formal consultation, to provide a shared service with Thurrock Council for communications and for policy, performance and strategy.

118. Betting Shops - Withdrawal of Permitted Development Rights

Further to Minute 67 (19 December 2012), the Cabinet Member for Regeneration presented a report explaining the need to amend the resolution agreed at that meeting in order for the Council to withdraw permitted development rights for betting shops through the use of powers under the Town and Country Planning (General Permitted Development) Order 1995.

Cabinet **agreed** to the making of a non-immediate Article 4 Direction, covering the whole Borough, withdrawing permitted development rights for changes of use from Use Classes A3, A4 and A5 to Use Class A2 (betting office).

119. Children's Social Care Reviews

The Cabinet Member for Children's Services presented a report on the significant operational service developments and inspections over the past 18 months relating to the Complex Needs and Social Care teams within Children's Services, together with proposals to revise corporate parenting arrangements.

The overall outcome of the inspections were:

- 'Outstanding' for the Fostering service
- 'Good' for the Adoption Agency
- 'Good' for Safeguarding
- 'Adequate' on a multi agency basis with regard to services for Looked After Children.

The Cabinet Member advised on the work of the Barking and Dagenham Safeguarding Children Board and other service improvements including the introduction of Triage and Assessment services and the implementation of the Borough's local Quality Assurance Strategy. Specific details regarding the Council's looked after children's population, including some key performance indicators linked to placement availability and performance targets for the future, were also set out in the report.

The Cabinet Member for Children's Services referred to the inspection recommendation that corporate parenting arrangements and strategic planning be strengthened to ensure that they properly reflected the Council's responsibilities to looked after children. As a result, the Corporate Parenting Group had been refreshed and governance arrangements had been revised leading to the establishment of a single portfolio lead for Children's Services and all Cabinet portfolio holders assuming a corporate parenting responsibility for their areas.

Cabinet **agreed**:

- (i) To note the service improvements contained within the review report and as described within the inspection reports;
- (ii) To note the outcomes from inspections over the past 18 months and actions taken so far in response to inspection findings; and
- (iii) To task the Members Corporate Parenting Group to co-ordinate, produce and monitor the Council's Corporate Parenting Strategy, which shall report annually to Cabinet and replace the need for individual reports on inspections as indicated within the report.

120. Debt Management Performance and Write-Offs 2012/13 (Quarter 3)

The Leader presented the quarterly performance report for the period 1 October to 31 December 2012 in respect of the debt management function carried out by the

Revenues and Benefits Service within Elevate East London, together with details of the debts written-off as uncollectable during the period and comparable information from the previous financial year.

Cabinet agreed:

- (i) To note the contents of the report as it relates to the performance of the debt management function carried out by the Revenues and Benefits service operated by Elevate East London, including the performance of bailiffs; and
- (ii) To note the debt write-offs for the third quarter of 2012/13 and that a number of these debts will be publicised in accordance with the policy agreed by Cabinet.

121. Abbey Road Creative Industries Quarter - Options Relating to the Acquisition of 138 Residential Units and Ancillary Commercial Space

The Cabinet Member for Housing presented a report on the acquisition and management of the 138 new homes at Abbey Road Creative Industries Quarter (Phase 2) and advised that detailed discussion had been held with Bouygues UK Limited which has an agreement with the GLA to acquire and develop the site in two phases. The proposed terms were set out in the report.

The Cabinet Member for Housing commented that the Creative Industries Quarter area was an important regeneration priority for the Council and regeneration of the site would help in delivering the Barking Town Centre Strategy and also provide decant capacity for the Gascoigne Estate renewal programme. The acquisition of the units would need to be funded from existing resources within the HRA, as additional borrowing cannot be undertaken by the HRA to purchase the units. The £18.3m affordable Housing Programme Grant from the Homes and Communities Agency to provide 763 affordable homes by 31 March 2015 could, in part, be used to support the acquisition of these units.

Cabinet agreed:

- (i) To the acquisition of the long leasehold of 138 homes and commercial space at the Abbey Road Phase 2 site directly by the Council as a new build scheme within the Housing Revenue Account under a fixed price contract of approximately £22.3m;
- (ii) To delegate authority to the Chief Executive, in consultation with the Corporate Director of Housing and Environment, the Head of Legal and Democratic Services, the Chief Financial Officer and the Cabinet Members for Finance and Housing, to negotiate terms and agree the contract documents to fully implement and effect the Project; and
- (iii) To authorise the Head of Legal and Democratic Services, or an authorised delegate on her behalf, to execute all of the legal agreements, contracts and other documents on behalf of the Council.

(The above matter was considered after a resolution had been passed to exclude the public and press from the meeting, by virtue of paragraph 3 of Part 1 of

Schedule 12A to the Local Government Act 1972 (as amended), as the report contained commercially sensitive information relating to the proposed developer.)

122. Proposed Amendments to the Procurement Gain Share Arrangements for the Elevate Joint Venture with Agilisys

Cabinet agreed to defer consideration of the report and adjourn the meeting until Tuesday 26 March 2013, in order to allow the Cabinet Member for Customer Services to be in attendance and present his report.

CABINET

Tuesday, 26 March 2013
(1:00 - 1:12 pm)

Present: Councillor L A Smith (Chair), Councillor J L Alexander, Councillor H J Collins, Councillor L A Reason and Councillor P T Waker

Also Present: Councillor A K Ramsay

Apologies: Councillor R Gill, Councillor C Geddes, Councillor M A McCarthy, Councillor J R White and Councillor M M Worby

123. Declaration of Members' Interests

There were no declarations of interest.

124. Proposed Amendments to the Procurement Gain Share Arrangements for the Elevate Joint Venture with Agilisys

The Cabinet Member for Customer Services presented a report on proposals to vary certain aspects of the gain share arrangements that apply to the procurement service provided on behalf of the Council by the joint venture company Elevate East London LLP ("Elevate").

The Cabinet Member explained that when the Partnership Agreement was first entered into the Accounts Payable and Corporate Procurement functions were not charged for by Elevate. Instead, the contract allowed for Elevate to benefit from savings generated on procurement activity under a savings gain sharing arrangement. The contract provided for all identified and agreed procurement savings on 'in scope' services to be split 60% to the Council and 40% to Elevate, and it was from the 40% that the cost of the Accounts Payable and Corporate Procurement functions would be recovered by Elevate, with any surplus / shortfall being paid to / met by Agilisys. The intention was that the arrangement would act as an ongoing incentive for Agilisys, as the Managing Partner of Elevate, to continue to invest in the development of the service.

In light of the lower than expected procurement spend by the Council and additional investment by Agilisys in areas relating to procurement, a new arrangement for the provision of Accounts Payable and Corporate Procurement services was requested by both partners in order to better reflect the new position while continuing to provide an incentive for continual improvement.

The Cabinet Member advised that a range of options had been considered by the parties and a composite solution was proposed as follows:

- A fixed annual contribution to the Accounts Payable service of £200,000, payable from 1 April 2012;
- All pre-2012/13 savings continue at their agreed rate. This represented approximately £226,000 from identified savings of £565,000;
- The next £5m of agreed savings in each year to be split 80:20 (Council:Agilisys);

- Above that cap, any agreed savings would be split 90:10 (Council:Agilisys);
- Social care (Adult Services) expenditure would be considered as an 'in scope' service and added to the services for which gain share could be earned by Elevate. All social care savings would be at 90:10 (Council:Agilisys) and would be outside the £5m savings cap.

It was noted that in the event that the composite solution was not agreed, the partners would revert to the existing contractual arrangement and gain share would be paid according to those terms. The Cabinet Member also advised that Elevate's charge for abortive costs incurred on work undertaken in preparation for the renewal of the Housing Repairs and Maintenance contract, which the Council subsequently decided would be provided in-house on the expiry of the current contract, had been reduced from £217,000 to £148,600 following further discussions between the parties.

Arising from the discussions on the proposals, the Cabinet Member for Adult Services and Human Resources stated that she would wish for social care projects to be determined on a case by case basis.

In respect of whether or not Housing Revenue Account (HRA) services should be considered as an 'in scope' service, the Divisional Director of Finance advised that as a starting point for the discussions to date it had been assumed that those services were 'in scope' and the gain share arrangements would apply. However, it was noted that the legal position had still to be determined and the Cabinet Member for Housing suggested that no commitment should be made until that matter had been resolved and the implications fully understood, particularly as the Incremental Partnership Services Agreement currently made no reference to HRA services.

Cabinet agreed:

- (i) Subject to confirmation that (a) social care savings would be considered on a case-by-case basis, and (b) HRA services would be considered separately from the proposed variation, that the Incremental Partnership Services Agreement between the Council and Elevate East London LLP and Agilisys Ltd be varied to make amendments to the Procurement Gain Share arrangements as detailed in paragraph 3.2 of the report; and
- (ii) To delegate authority to the Chief Executive, in consultation with the Head of Legal and Democratic Services and the Cabinet Members for Housing and Adult Services and HR, to finalise terms and agree all legal agreements and ancillary documentation necessary to fully implement and effect the proposals.

CABINET**16 April 2013**

Title: Modernisation of Cashiering Services (Phase 2)	
Report of the Cabinet Member for Finance	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Jonathan Bunt, Divisional Director of Finance	Contact Details: Tel: 020 8724 8427 E-mail: jonathan.bunt@lbbd.gov.uk
Accountable Divisional Director: Jonathan Bunt, Divisional Director of Finance	
Accountable Director: Graham Farrant, Chief Executive	
<p>Summary:</p> <p>The cashiering service has been implementing a modernisation strategy designed to reduce the use of cash and promote electronic methods of payment both internally within the Council and by its customers. The objective of the modernisation strategy is to create a more cost-effective service and one which will provide alternative means of making payments for customers which does not require attendance at a council building, allowing them to pay bills by direct debit, by phone, or at local shops close to their own home.</p> <p>In April 2012, Cabinet approved Phase 1 of the project which saw the withdrawal of the face-to-face cashiering service at the Barking Learning Centre (BLC) from Friday 1st June 2012. In the light of lessons learned in Phase 1, Phase 2 of the project is proposed to close the remaining face-to-face cashiering service at the Civic Centre, leading to the cessation of back office cash transactions and activities in the borough. This will result in savings to Elevate of c£185,000 as part of the savings they are contractually committed to realise, and free up further valuable office space at the Civic Centre, contributing to the fulfilment of the Council's Asset Management Strategy.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to agree that Phase 2 of the Cashiers Modernisation Strategy, namely the withdrawal of face-to-face cashiering services at the Civic Centre and the internal cash-van collections/deliveries, is completed by the end of August 2013.</p>	
<p>Reason(s)</p> <p>To contribute toward the Council's Policy House aim to be a well run organisation which is innovative, leaner and more efficient with lower support costs and which uses technology to modernise working practices.</p>	

1. Introduction and Background to Phase 1

- 1.1 In April 2012 Cabinet approved a report recommending the withdrawal of the face-to-face cashiering service at Barking Learning Centre (BLC) as the first phase of the Cashiers Modernisation Strategy.
- 1.2 An analysis of customer's channel shift behaviour since the withdrawal of the face-to-face service at BLC is presented at appendix 2. This shows that overall the impact of the closure has been positive with customers successfully making the transition to alternative payment channels without any reduction in income collection rates.
- 1.3 Phase 2 of the strategy will focus on internal users that have continued to use cash services at the Civic Centre and/or cash-van collections and deliveries.

2. Proposal and Issues for Phase 2

- 2.1 A small number of internal users require access to cash for operational purposes and some external customers continue to use the face-to-face cashiering service at the Civic Centre. These residual users of the cashiering service can be split into four main categories as follows;

	Category	Proposed Solution
1	Users requiring ongoing access to cash for vulnerable clients	Pre-paid voucher/card system
2	Users requiring cash collection services	Contracted cash collection
3	Users requiring cash/cheque deposit service	Current drop safe/use of High Street Banks
4	Customers using cashiers' window at the Civic Centre	SCAN COIN machines at Dagenham OSS

- 2.2 It is likely that the closure of the Civic Centre cashiers office will act as a further catalyst for customers to switch to Direct Debit (the most cost efficient method of payment) realising further savings that would contribute to a reduction in the target cost bringing further savings for the council.
- 2.3 The closure of the cashiers' service at the Civic Centre will free up valuable office space on the ground floor. Although there is no proposal to sub-let the area used by the cashiers at the Civic Centre, the space freed up would make a substantial contribution to the council's asset strategy and could help the council rationalise building use in other areas thereby realising further savings.

Pre-paid Voucher/Card Solution

- 2.4 This will be delivered through a PayPoint 'Cash Out' service at shops within the borough. Many local shops already offer a PayPoint / AllPay payment facility and this service allows staff to provide printed barcode vouchers to vulnerable clients which can be cashed at local shops displaying the PayPoint logo. Vouchers can also be emailed or sent via SMS to a client's smartphone thus saving a visit to a council building.

- 2.5 Elevate is proposing to introduce this over a two-month period running from May 2013 to June 2013 for the 120 vulnerable clients. This will be a carefully supported process, with the close involvement of Adults and Community Services to ensure all detailed issues are fully addressed.

Contracted cash collections

- 2.6 The internal cash-van currently makes 558 collections per month. From 1 April 2013 this will reduce to 346 as schools become cashless.
- 2.7 For those services requiring secure cash collection, such as Leisure Centres and Parking Machines, a contracted cash collection service can be put in place with commercial operators. Contracts with a commercial cash carrying firm are already in place for collecting cash from the Civic Centre and taking it to a central clearing depot.

Cash/cheque deposit service

- 2.8 Cashiers currently receive cheques from various services such as Penalty Charge Notice (PCN) payments. A 'drop safe' is provided in a secure room at the BLC which allow internal users to deposit cash/cheques.
- 2.9 It is proposed that the drop-safe service remains in place for as long as it is needed to deposit cheques/cash but that emptying the safe is carried out by a contracted collection service.
- 2.10 A further option for services requiring a cash/cheque deposit service is to use one of the High Street banks, although this is only proposed for small amounts of cash that do not require cash-van collections as described above. Using banks for cheque deposits and small amounts of cash would be much more efficient than the drop-safe method and will save money if fewer contracted collections are required.

Existing Customers using Civic Centre Cashiers' Window

- 2.11 It is proposed that the remaining customers using the face-to-face window service at the Civic Centre should be encouraged to channel shift to alternative payment methods such as direct debit or AllPay (payment at shops), or else use the automated SCAN COIN machines at the Dagenham Library and One Stop Shop. This is the approach taken for Phase 1 of the strategy.

3. Options Appraisal

- 3.1 The following options were considered:
- I. Proceed with Phase 2 of the Cashiers Modernisation Programme as outlined in the headline project plan shown at appendix 1; this will allow the council to deliver on its Customer Access Strategy by the end of August 2013.
 - II. Retain the Dagenham Civic Centre cashing service. Although the Civic Centre cashiers office has been kept open for a short while after the BLC closed, keeping it open long term is not a practical option as the reduced

staffing level will be insufficient to service the new SCAN COIN machines and provide the public service for an extended period. Moreover, this would result in an imbalance of service provision between Barking and Dagenham and would fail to deliver the aims to the cashiering service modernisation strategy.

3.2 It is recommended that option 1 is approved for the reasons stated.

4. Consultation & Equalities Impact

4.1 A full equalities impact assessment was carried out with the assistance of the Equalities Unit as part of Phase 1 of the Project. This found that the preferred method of payment for customers varied between individuals but that the proposals did not appear to have any major disadvantages for any particular group.

5. Financial Implications

Implications completed by: Martin Henwood, Deputy S151 Officer

5.1 The proposed changes in this report are part of providing a better service at a lower overall cost. The changes approved in April 2012 have now been implemented, and the lessons learned from that experience have been reflected in the further proposals in this report.

5.2 The responsibility for providing this service now rests with Elevate. They have a contractual commitment to deliver agreed services and realise significant recurring savings as part of the target cost the Council pays them each year – £3.475m by 2014/15.

5.3 The proposals here are part of the changes to realise these savings whilst providing a similar or better service. The current cost of this service is just over £300k, and the revised service will cost £115k. The net impact is therefore a saving of £185k as part of the overall target of £3.475m.

5.4 The cost of the cashiering function is charged to Services as part of the Council's Support Services' recharge during the year. The Council pays Elevate and then allocates their costs according to the demand by Services. The charges are determined at the start of the year, and a key assumption has been that savings will be realised in line with budget projections. Therefore the charge to Services has already been reduced to reflect the implementation of these changes.

6. Legal Implications

Implications completed by: Eldred Taylor-Camara (Legal Group Manager)

6.1 This report sets out proposals for the next phase of the Modernisation of the Cashiers service. It is anticipated that in developing the service in accordance with proposals set out in the report, there may be some contract extensions and/or new contracts entered into. Officers need to ensure that they take legal advice from the Legal Service before agreeing any extensions or entering into new agreements to ensure that such actions do not breach any EU or national procurement laws or the Council's Contract Rules.

7. Other Implications

- 7.1 **Risk management** Phase 1 of the Modernisation Programme has demonstrated that the risk of income collection levels dipping following the closure of the cashier offices was not as high as first thought though it will obviously continued to be monitored during Phase 2. The work undertaken to encourage customers to use alternative payment channels will continue and further communication activity will be planned for each step of the programme.
- 7.2 **Staffing issues.** Staffing levels in the cashiering service across the Borough had already reduced from 22.5 to 10 at the start of Phase 1 of the Modernisation Programme. Current restructure plans will see this establishment figure reduce to eight. If the recommendations of this report are agreed the posts currently providing cashiering functions may be redeployed or else made redundant if no suitable redeployment is available.
- 7.3 **Customer Impact.** A detailed Equalities Impact Assessment was carried out before Phase 1 of the project was put in place and found there would be no negative impact on any grouping of our customers. The existence of over 90 Allpay facilities across the borough at many shops and at post offices allows customers who prefer to deal with a person to do so. Other customers may choose to use electronic alternatives which are cheaper for the council and more convenient for many customers. It will still be important to communicate further changes to the customer carefully emphasising the benefits of alternative methods of payment.
- 7.4 **Crime and disorder Issues.** During the 2010/11 financial year almost £12m was paid over the cashier counters in cash and there is still a substantial amount being moved around the borough from building to building. As well as encouraging customers to use safer methods of payments, this proposal will 'put the council's own house in order' and set an example by eliminating unnecessary cash carrying around the borough.
- 7.5 **Property / Asset Issues.** The accommodation occupied by cashiers at the Civic Centre will become available for use by the council as part of its wider Property Asset Management Strategy.

Background Papers Used in the Preparation of the Report:

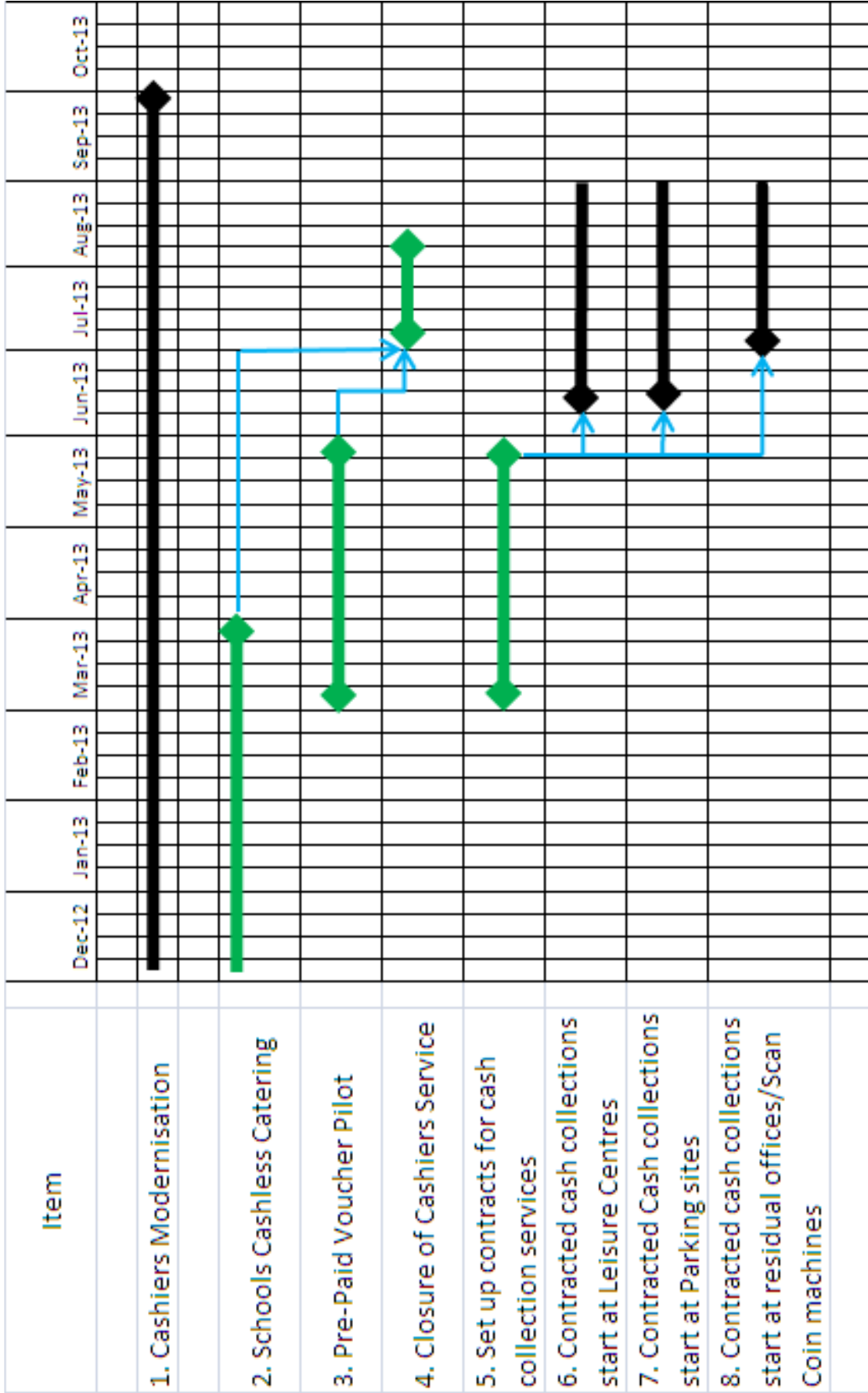
Cashiers Modernisation Report - 24 April 2012

List of appendices:

Appendix 1 – Headline project plan
Appendix 2 – Phase 1 Analysis

This page is intentionally left blank

Headline Project Plan



This page is intentionally left blank

Cashiers Modernisation Strategy – Phase 1 Analysis.

1.0 Phase 1

- 1.1 In April 2012 Cabinet approved the closure of the cashiers’ window at the Barking Learning Centre (BLC), from Friday 1st June 2012 as part of the Cashiers modernisation Strategy.
- 1.2 An objective of the strategy is to create a more cost-effective service and one which provides alternative means of making payments for customers which does not require attendance at a council building. Specifically this means encouraging customers to pay bills by direct debit (the most cost efficient method of payment) whilst allowing a range of payment options such as phone payments and the use of AllPay/PayPoint cards at local shops and Post Offices close to their own home.

Direct Debits

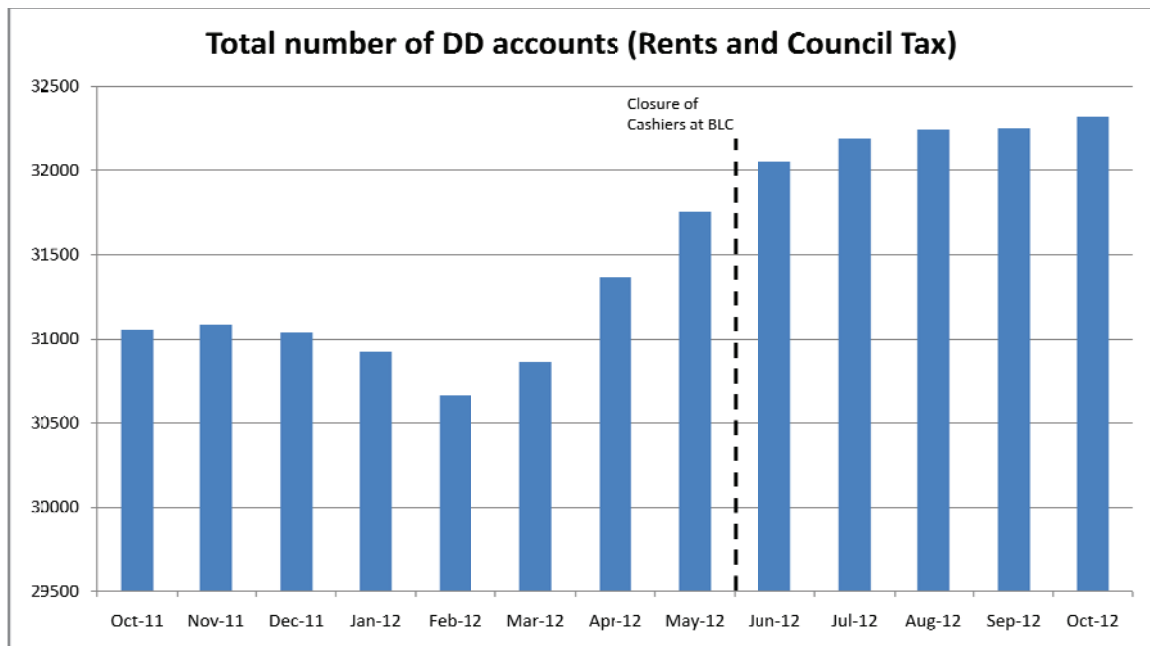


Fig 1

- 1.3 The total number of DD accounts for rents and Council Tax in October 2012 stands at 32,322. This is up 1,272 on the same period for the previous year.

SCAN COIN Machines

- 1.4 Usage statistics for the SCAN COIN machines at BLC and Dagenham Library & One Stop Shop (DLOSS) show that, taking into account the increase in DDs mentioned above, Phase 1 took place with no significant loss in the number of transactions that customers had been carrying out at the BLC and that they had not been 'frightened off' by the new technology. Service at the Civic Centre and DLOSS was unaffected by the closure at BLC.

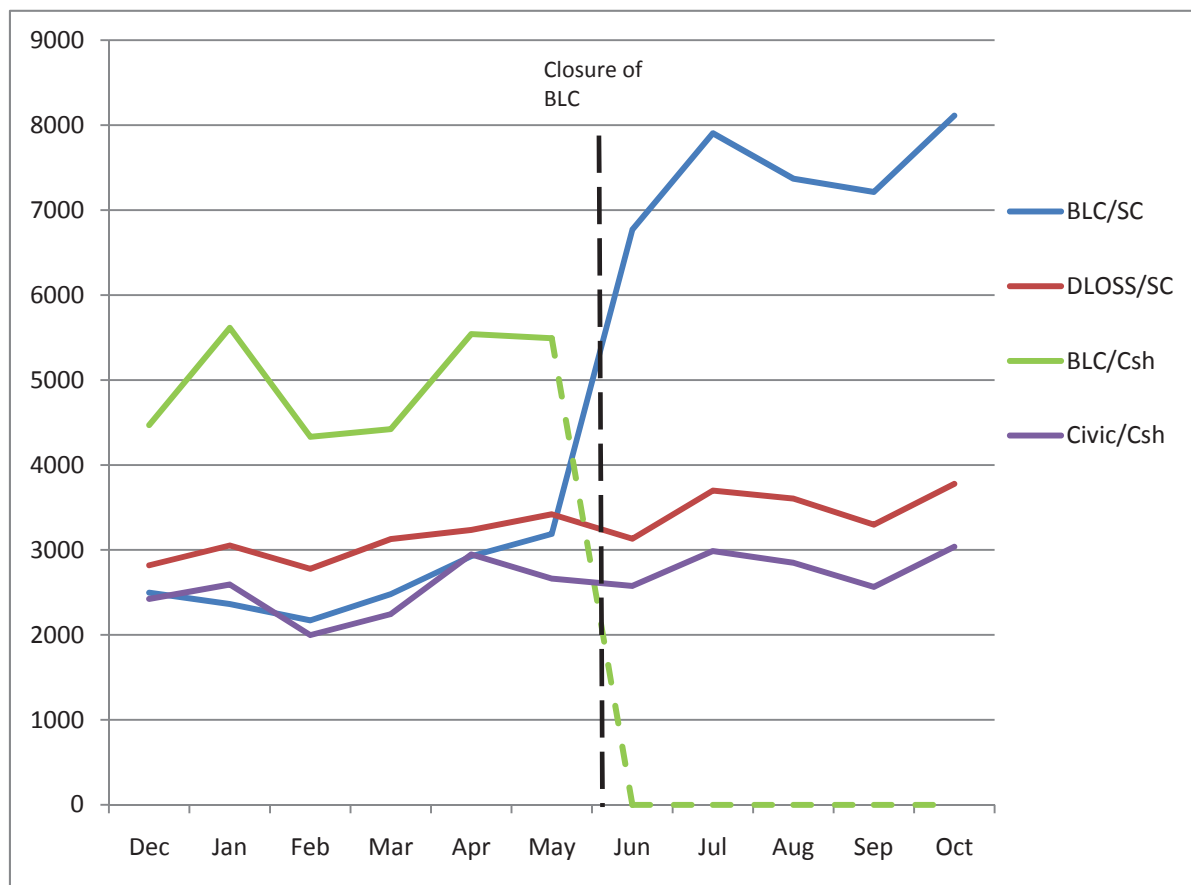


Fig 2

AllPay

- 1.5 The graph below (Fig 3) shows that there was small increase in average AllPay usage over the period analysed, however, a whole year's worth of figures is likely to show a fall based on this trend as February and March traditionally see a low level of transactions due to Council Tax being payable over 10 months.

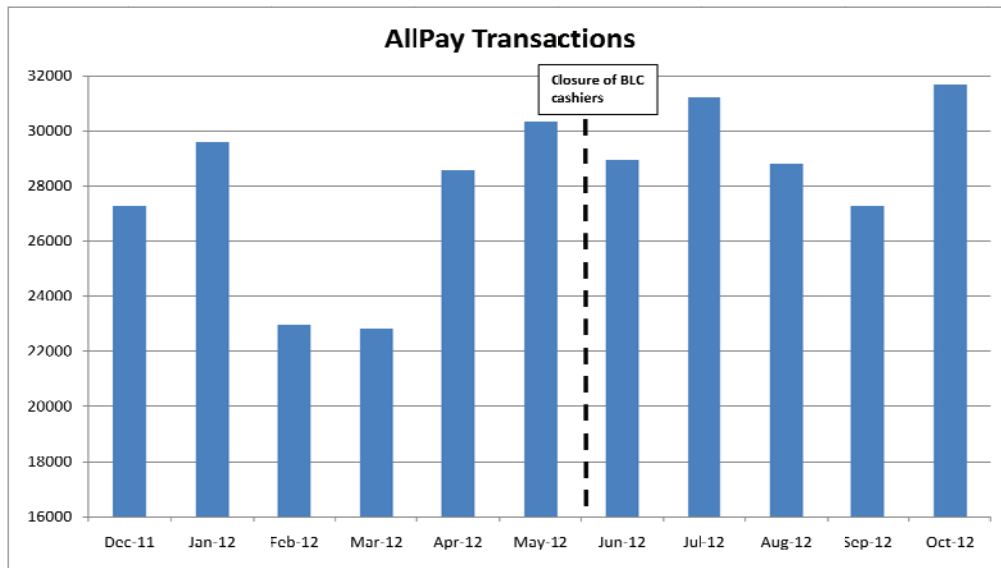


Fig 3

2.0 Managing new processes

2.1 SCAN COIN machine performance has remained strong even during periods of high activity within the one stop shops.

End.

This page is intentionally left blank

CABINET

16 April 2013

Title: Demand for School Places - Proposed Investment Strategy																
Report of the Cabinet Member for Children's Service																
Open Report	For Decision															
Wards Affected: All	Key Decision: Yes															
Report Authors: Mike Freeman, Group Manager School Estate and Admissions	Contact Details: Tel: 020 8227 3492 E-mail: mike.freeman@lbbd.gov.uk															
Accountable Divisional Director: Jane Hargreaves, Divisional Director of Education																
Accountable Director: Helen Jenner, Corporate Director of Children's Services																
<p>Summary:</p> <p>There have been regular reports to Cabinet highlighting the issues around the increasing pupil population which have been a feature of the demand for places over the last three years and projected through to 2020. It is anticipated that pupil places in Primary Reception will continue to grow through to 2020 by 687 places or 26 forms of entry, and for Year 7 (first year secondary) by 1,223 places or 41 forms of entry in the same period.</p> <p>The report also gives a progress on the development of secondary school places as work approved by Cabinet at its meeting on 13 November 2012, minute 51 refers.</p> <p>Details are given about funding allocations to the Council announced on 1 March 2013 to support improvements to building condition and for the creation of school places as follows:</p> <table border="0"> <tr> <td>Devolved Formula for LA Schools</td> <td>£</td> <td>619,320</td> </tr> <tr> <td>Devolved Formula for VA Schools</td> <td>£</td> <td>88,495</td> </tr> <tr> <td>Maintenance for LA Schools</td> <td>£</td> <td>3,633,262</td> </tr> <tr> <td>Maintenance for VA Schools</td> <td>£</td> <td>487,034</td> </tr> <tr> <td>Basic Need (2013/15)</td> <td>£</td> <td>28,104,818</td> </tr> </table> <p>The report also includes details about opportunities to bid for additional resources from the following DfE funds:</p> <p>Targeted Basic Need Programme 16 – 19 Demographic Capital Growth Fund 2013 -15.</p> <p>The recommendations cover the actions necessary to develop school places and to develop opportunities to increase the available funds.</p>		Devolved Formula for LA Schools	£	619,320	Devolved Formula for VA Schools	£	88,495	Maintenance for LA Schools	£	3,633,262	Maintenance for VA Schools	£	487,034	Basic Need (2013/15)	£	28,104,818
Devolved Formula for LA Schools	£	619,320														
Devolved Formula for VA Schools	£	88,495														
Maintenance for LA Schools	£	3,633,262														
Maintenance for VA Schools	£	487,034														
Basic Need (2013/15)	£	28,104,818														

Recommendation(s)

The Cabinet is recommended to

- (i) Note the allocation of the Basic Need Grant Funding of £28,104,818 from the DfE to help address the need for additional school places and that a further report will be presented to Cabinet once specific schemes have been identified;
- (ii) Approve the bid programme set out at paragraph 4 of the report in respect of the Targeted Basic Need Programme and note that the projects meet with the original strategy document approved by Cabinet on 13 November 2012 and are recommended following a consultation with all schools;
- (iii) Approve the bid proposal set out at paragraph 5 in respect of the 16 – 19 Demographic Capital Growth Fund 2013-15, noting that the project for Barking Abbey is included in the original strategy document approved on 13 November 2012 and is recommended following a consultation with all Secondary Schools and Trinity School;
- (iv) Approve the purchase of the land known as the Eldonwall site shown hatched on plan LOC10 attached as Appendix 1 to the report to facilitate the expansion of Robert Clack School as set out in paragraph 2.8 of the report, subject to agreement of terms with the GLA and advice from the Council's property and legal services;
- (v) Approve the inclusion in the 2013/14 Capital Programme of the School Improvement grant for capitalised repairs from the DfE in the sum of £3,633,262, to support the improvement of condition and modernisation of the Borough's schools and the wider Children's Services property portfolio.

Reason(s)

This decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and achieving its core values of: 'Achieving Excellence' and 'Treating each other fairly and respectfully' through making school places available in appropriate settings as it is part of the mitigation of Corporate Risk 31 – Inability to Provide School Places.

1. Background

1.1 Cabinet have received regular reports about the continuing demand for school places and the need to develop additional provision. The most recent information about demand shows the following based on our submission to the DfE for resources through the School Capacity Return 2012:

- Primary Reception Places – to rise from 3,580 (2012/13 forecast) to 4267 places by 2020, an increase of 687 places or 26 forms on entry.
- Secondary YR7 Places – we currently have spare capacity in secondary schools, however, the demand will rise to 3,773 places for YR7 by 2020, compared to the 2,550 places available for September 2013. This represents a difference of 1,223 places or 41 forms of entry, after allowing for the current spare capacity.

1.2 Cabinet will recall that there has been investment to support some schemes for developing school places in previous years as follows:

Original Basic Need Allocation 2011/12	£14.2m
Redirected Basic Need Nov 2011	£23.9m
Basic Need 2012/13	£21.9m
Additional Basic Need 2012/13	£29.8m
Total	£89.9m

1.3 This report includes details of the allocation of funding for the current year and opportunities to bid for additional resources through DfE bidding processes. It also contains information about the opportunities and progress on the 4 main secondary projects approved by Cabinet at its meeting on 13 November 2012. Minute 51.

2 Development of Secondary School Facilities

2.1 The projected forecast for demand in YR7 is being affected in the short term by the impact of out of borough school places availability particularly in Havering and Redbridge. In September 2012 around 100 pupils in addition to the usual 300 seeking out of borough places chose a school outside the Borough. This will be repeated in September 2013. However, there is evidence from neighbouring boroughs that their primary places are gradually filling – in Havering they are expanding 8 primary schools from September 2013 – and this inward demand will mean that less opportunity will exist for pupils to seek out of borough placements in the future.

2.2 The impact for Barking and Dagenham in the short term means that we will not need to have additional year 7 places available until 2015 – rather than the planned 2014 in our strategy. We need to look at ways we can continue to create spaces without the impact on schools for the revenue costs of the schools.

2.3 It is proposed where possible to continue developing places and to try to get buildings in place ahead of demand and set out below is information about current progress on schemes approved by Cabinet as follows:

Barking Abbey	- 5fe	£15m
All Saints	- 2fe	£6m
Jo Richardson	- 2fe	£3m
Barking Riverside	- 4fe	£4.4m
Robert Clack	- 2fe	£6m

2.4 Barking Abbey

2.4.1 In conjunction with colleagues in the Corporate Client Unit, Walters & Cohen Architects were appointed from the frameworks schedules following a short competitive exercise.

2.4.2 Walters & Cohen have worked with the school to understand the impact of such a major rise in forms of entry possibly up to 14 forms from 9 forms and the accommodation needs matched to the timetable and curriculum offer. This has produced a comprehensive report which highlighted that investment would need to

be above the level set out in the budget and nearer to £21m because of the complexities and split site nature of the school.

- 2.4.3 Walters & Cohen were asked to investigate the options for construction and in particular to look at the £ per m². It is proposed to seek additional funding for this project through bids as set out in section 4 of this report. If the bids for additional funding are not successful the whole programme for Barking Abbey will have to be reviewed.

2.5 All Saints

- 2.5.1 The Diocese of Brentwood have appointed Living Architects who know the building well and have carried out a number of projects at the School. Living Architects have worked with the school to develop the extent of the brief to achieve this 2 form entry expansion.
- 2.5.2 In order to achieve this project the design incorporates the replacement of the current art block which is beyond economic repair condition and replaces it with a new block. There will be some additional buildings added to the existing science and sports blocks to make this work, together with some internal remodelling. To accommodate this, a small area of land adjoining the science and sports block will need to be sold to the School. A specific item covering this proposal is included on this Cabinet report – Proposed Transfer of Land - Robert Clack to All Saints.
- 2.5.3 There is also an emerging issue regarding heating distribution for the site and in particular the new additions. A more detailed report has been requested by Children's Services through the Diocese Architect and their mechanical engineering consultants. Again this may result in some additional cost but we are aiming to keep such costs to a minimum at this time we are not looking to increase budgets.

2.6 Jo Richardson

- 2.6.1 The Council has determined to close the public library located at Castle Green, however, this was a shared library with Jo Richardson Community School. As a consequence some of the vacated space is to be turned into a library for the school with some other internal works to move rooms and create two classrooms for the school. This will be phase 1 of the works and be carried out using the existing PFI contractor. The School/Castle Green are liaising to secure a price for the work from the PFI Contractor. It is estimated this work will be accommodated within the current allocation of £3m.
- 2.6.2 The second phase will be to provide a 10 classroom block adjoining the site of the school/Castle Green which will allow a department of the school to be rehoused. Some initial sketch plans are being drawn up and there will need to be some consultations before we can move this forward.

2.7 Barking Riverside – Proposed Riverview Free School

- 2.7.1 A comprehensive report was given at the meeting of Cabinet on 12 February 2013 setting out the route to secure this project – minute 98 refers.

2.7.2 An order for the provision of buildings on the former City Farm site has now been placed.

2.8 Robert Clack

2.8.1 This project was conceived originally to provide for two forms of entry; however, the complex nature of a split site school, which was discovered at Barking Abbey, will mean that some of the original costs will increase. The initial piece of work being carried out by the school is to examine the demand for teaching spaces and they have provided an analysis of teaching spaces required. This piece of work is continuing.

2.8.2 Officers are now exploring the opportunity of purchasing a piece of land adjoining the Robert Clack School Green Lane site and currently referred to as the Eldonwall site. This is in the ownership of the GLA and initial discussions have indicated the GLA are looking to dispose of this site. The site is 2.3 acres and is shown hatched on plan no. LOC 10 attached at Appendix 1 to this report.

2.8.3 The benefits of this land are seen as the opportunity to support the development of Robert Clack to have two sites each accommodating up to 8 forms of entry with a joint sixth form remaining as part of the North East Consortium located mainly on the Gosfield Road site, but also providing the opportunity to develop the proposed three- form entry primary school planned at Lymington Fields to be developed as an integrated provision at Robert Clack. The expansion of Robert Clack in this way will mean that the traditional intake to the School will be maintained.

2.8.4 Permission is therefore being sought to secure the land indentified as the Eldonwall site subject to an independent valuation and negotiations with the GLA and appropriate property and legal advice to protect the Council's interest. The purchase of this land is to be funded from the original allocation of £6m and the balance, along with hoped for additional funding from the bidding process, funding the capital expansion works. If the bids for additional funding are not successful, the whole programme for Robert Clack will have to be reviewed.

3 School Capital Funding

3.1 The Secretary of State has released details of the capital allocation for 2013/14 and for basic need for 2013/15. For Barking and Dagenham the following apply.

Devolved Formula for LA Schools	£619,320
Devolved Formula for VA Schools	£88,495
Maintenance for LA Schools	£3,633,262
Maintenance for VA Schools	£487,034
Basic Need (2013/15)	£28,104,818

3.2 The Basic Need allocation covers two years and therefore will help with planning but is a disappointing settlement when we have estimated that need is in excess of £40m per year.

3.3 Approval from Cabinet is sought to include £3,633,262 in the capital programme for investment to address condition aspects of existing Children's Services buildings in accordance with the funding criteria.

- 3.4 Cabinet is asked to note the allocation of the £28.104m Basic Need funding for 2013 to 2015. A spending programme for this sum will be brought back to Cabinet for approval when specific schemes have been identified.

4 Targeted Basic Need Programme

- 4.1 Clearly if the Council is going to secure any additional funding the opportunities will need to be taken to bid for additional resources. The Targeted Basic Need programme of £982m is such an opportunity. In the Autumn Statement on 5 December 2012, the Chancellor announced that the Government will provide an additional £982m invest in schools in England over the remainder of this Parliament over and above existing allocations. The Department for Education (DfE) followed this announcement with the launch of the Targeted Basic Need Programme to fund the provision of new high quality school places in locations experiencing basic need pressures in order to prepare for further rises in pupil numbers. The DfE want to ensure that basic need is met with higher quality and more diverse provision. The programme will therefore provide additional support to those local authorities experiencing the greatest pressure on places through the funding of new academies and Free Schools as well as enabling investment to permanently expand good and outstanding schools with high levels of demand. The LA must provide the land.
- 4.2 The Programme was formally launched on 1 March and applications close on 30 April so timescales are tight. LAs can bid for new free schools or academies or to expand existing good or outstanding schools. The LA must provide the land. Given the timescales both for bidding and the need to complete projects for September 2015 proposals to expand existing schools are likely to be the most realistic as we do not have sites available. It is proposed to make applications from existing schemes approved by Cabinet, and subject to consultation with other schools.
- 4.3 It was originally hoped that the Council would be able to bid for a number of projects from this fund, and then to re-cycle the current project fund to other schemes. This now appears not to be an option as we have to demonstrate when making the bids to the DfE what we are doing with our existing allocations.
- 4.4 It is proposed following consultation with all schools that we bid for the following projects.
- 4.4.1 Barking Abbey – as indicated at 2.4 we have a shortfall of £6m for this scheme and it is a priority to create secondary school places for 2015.
- 4.4.2 Robert Clack – as indicated at 2.8 we have set aside some funding to support the land purchase, legal costs, site clearance and preparation of £6m, but to develop a scheme to expand the school is expected to be in the region of £15m to £18m.
- 4.4.3 Eastbury Secondary – the provision of improved facilities at the school to replace poor quality accommodation and allow for the development of primary facilities is included in the Priority Schools Building Programme. It is becoming increasingly a problem to accommodate primary pupils in the Faircross area with a number of housebuilding projects in central Barking. The funding for the Priority Schools Building Programme is not due to be available – as PFI Credits – until 2015 at the

earliest. It is proposed to bid for £16m to bring this forward as a grant funded project.

5 16-19 Demographic Capital Growth Fund 2013-15

- 5.1 The 16-19 Demographic Growth Capital Fund (DGCF) for 2013/15 is now open and local authorities are eligible to apply. At present DfE do not plan to have a further round in 2014/15. The total budget for the two year period is £80m. The purpose of the DGCF is to support the cost of additional places needed by young people 16-19 years of age as a result of increases in population and / or participation and by young people 16 – 25 years of age who have learning difficulties and / or disabilities. The Education Funding Agency (EFA) is asking Local Authorities to submit applications on behalf of eligibility institutions. The deadline for submitting applications is 30 April 2013 and each bid is limited to £2.5m. .
- 5.2 The Council has had successful bids in the last two years – Robert Clack and Trinity 6th Form provision. It is proposed to determine the best bids and, subject to consultation and Cabinet agreement, make an application. The most pressing need at present appears to be at Barking Abbey.

6. Options appraisal

- 6.1 The main option outside of the report's immediate proposals is to do nothing more than accept the current and proposed levels of funding which then exposes the Council to risks of poor accommodation and a challenge to its ability to fulfil its statutory obligations.

7. Financial Implications

Implications verified by: Dawn Calvert, Finance Group Manager

- 7.1 The capital funding for maintenance for LA schools of £3.633m and Basic Need funding (2013/15) of £28.104m is expected to be received monthly in 2013/14.
- 7.2 In November 2013 Cabinet approved a capital allocation of £6m for a two form of entry expansion at Robert Clack. This allocation will be partly used to fund the purchase of the Eldonwall Site with the balance, along with hoped for additional funding from the bidding process, funding the capital expansion works. If additional funding is not secured, the whole programme for Robert Clack will have to be reviewed.

8. Legal Implications

Implications verified by: Lucinda Bell, Safeguarding Lawyer

- 8.1 S 14 of the Education Act 1996 imposes a duty on each Local Authority to secure that sufficient schools for providing primary and secondary education are available for their area. Schools must be sufficient in number, character and equipment to provide for all pupils the opportunity of appropriate education. The Authority must secure diversity in the provision of schools and increase opportunities for parental choice.

9. Other Implications

- 9.1 **Risk Management** - Risk that funding levels will not be sufficient to create new school places needed. This risk is high impact (4) and medium (3) probability = 12 red. This risk is being managed by purchasing the most affordable accommodation which is system build where possible. Post control the risk is high impact (4) and low (2) probability = 8 amber.

Risk that funding levels will not be sufficient to create suitable new school places. This risk is high impact (4) and high (4) probability = 16 red. This risk is being managed by purchasing the most affordable accommodation which is system build, and blending it with site specific proposals. Post control the risk is high impact (4) and low (2) probability = 8 amber.

Primary schools: risk that site availability would prevent delivery of school places in the areas where demand is highest. This risk is high impact (4) and medium (3) probability = 12 red. This risk is being mitigated, as far as practicable, by expanding all available sites in high demand areas, and reviewing other buildings for potential school use. Post control the risk is still high impact (4) and medium (3) probability = 12 red.

Risk that the cost of the rate of deterioration of school estate will outrun the funding available to maintain it. This risk is high impact (4) and high (4) probability = 16 red. This risk is being mitigated as far as practicable by lobbying DfE for improvements in funding. Post control the risk is high impact (4) and medium (3) probability = 12 red.

The provision of school places is a matter which is directly identified in the Corporate Risk Register and listed at Corporate Risks 31 – Provision of School Places.

- 9.2 **Contractual Issues** - Legal, procurement and other professional advice will be sought regarding the appropriate procurement routes and contractual agreements to procure and secure the individual projects which fall within the second phase, consisting of the secondary and primary school schemes.

It is anticipated that projects will be secured through options related either to the Local Education Partnership or through the Council's Framework of Contractors. It will also be necessary to explore other specialist providers where there is value for money and a clear support from the Government or its agents to secure projects in this way.

A further report on new projects and the suggested procurement route will be brought back to Cabinet once the projects have been scoped and the implications understood more fully.

- 9.3 **Staffing Issues** - There are no specific staffing issues although the growing demand for school places will create additional opportunities in schools for both teaching and non-teaching staff.

- 9.4 **Customer Impact** - The short term impact of the recommendations for the coming year would be positive for customers on all counts of: race, equality, gender, disability, sexuality, faith, age and community cohesion.
- 9.5 **Safeguarding Children-** Adoption of the recommendations in the short term would contribute to the Council's objectives to improve the wellbeing of children in the borough, reduce inequalities and ensure children's facilities are provided in an integrated manner, having regard to guidance issued under the Children Act 2006 in relation to the provision of services to children, parents, prospective parents and young people.
- 9.6 **Crime and Disorder Issues** - Appropriate consideration of the development of individual projects will take into account the need to design out potential crime problems and to protect users of the building facilities.
- 9.7 **Property / Asset Issues** - This proposed decision would facilitate the improvement and renewal of Council assets.

Background Papers Used in the Preparation of the Report:

Cabinet Report – School Capital programme – Basic Need Allocation 2012/13
Phase 2 – 13 November 2012 (Minute 51)

List of appendices:

Appendix 1 - Robert Clack Green Lane Site – Eldonwall Estate/Site
Location Plan No: LOC10

This page is intentionally left blank

Proposed SafeLease (0.359 Hectares)

Current Access Under Proposal

548600

187400

Superstore

548700

El Sub Sta

El Sub Sta

0088
Shed 9

16.8m

152
150
138

187300

Eldonhall Estate

129-15-169

Warehouse

PURLAND CLOSE

TCBs

127



Homes & Communities Agency

Spring
Intellicore
Tel: 0200 32 7000
Email: spaceandplanning@hca.gov.uk

THE
LWNINGTON FIELDS
WHALESPONE LANE SOUTH
AREA AVAILABLE FOR LEASE
OR PURCHASE



DATE: 24/10/2011 17:50
SCALE: A3

PROJECT: 21/11/11

LOC10 Appendix 1

This page is intentionally left blank

CABINET**16 April 2013**

Title: Proposed Transfer of Land at Robert Clack School (Gosfield Road site) to All Saints School and Technology College	
Report of the Cabinet Member for Children's Services	
Open Report	For Decision
Wards Affected: Heath	Key Decision: Yes
Report Authors: Mike Freeman, Group Manager School Estate and Admissions	Contact Details: Tel: 020 8227 3492 E-mail: mike.freeman@lbbd.gov.uk
Accountable Divisional Director: Jane Hargreaves, Divisional Director of Education	
Accountable Director: Helen Jenner, Corporate Director of Children's Services	
Summary: This report is being presented to Cabinet for a decision about a small area of land measuring 1714 m ² which currently forms part of the Robert Clack School site in Gosfield Road and would need to be disposed of to the Diocese of Brentwood for use by All Saints School and Technology College. This proposal is part of the strategy to expand All Saints School and Technology College from its current 180 pupils per year group to 240 pupils which is being supported by the Council through its funds provided by the Government grant for Capital Basic Need.	
Recommendation(s) The Cabinet is recommended to: (i) Approve the disposal of the freehold interest in the land referred to and shown hatched on plan 916 SK14 attached as Appendix 1 to the report in favour of the Diocese of Brentwood for the sum of £20.00 only, subject to the approval of the Secretary of State for Education; and (ii) Authorise the Head of Legal and Democratic Services to enter into all necessary legal documents on behalf of the Council to secure this disposal.	
Reason(s) This decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and achieving its core values of: 'Achieving Excellence' and 'Treating each other fairly and respectfully' through making school places available in appropriate settings.	

1. Background

- 1.1 At the meeting of Cabinet on 13 November 2012 (Minute 51) a range of projects were approved for the provision of additional school places and the consequential use of grant from the Government to the Council to support the provision of Basic Need places.
- 1.2 Included in those proposals was a sum of £6.1m to support the development of additional pupil places at All Saints School and Technology College to increase the school by 2 forms of entry making it a school which will admit up to 8 forms of entry (240 pupils per year).

2. Proposal

- 2.1 The School in consultation with the Diocese of Brentwood have employed the Diocese architect, Living Architects, to develop a scheme which will allow the school to expand appropriately. However, there are issues about the restricted nature of the site as it is currently configured and an approach has been made by the Diocese to see if it would be possible to slightly expand the site in order to allow for the All Saints School and Technology College expansion.
- 2.2 The architect has worked extremely hard to develop a proposal on the site but a small area to the rear of the school to increase the building and provide additional science teaching areas, changing facilities attached to the existing PE facility and a small outside area to increase external spaces is required. A plan showing the area is attached to this report at Appendix 1.
- 2.3 This area currently forms part of the Robert Clack School Gosfield Road site but was not thought to be used extensively as the school have other and better areas. In order to progress matters discussions took place with the Headteacher of Robert Clack School and the Governing Body were asked to consider the implications of the loss of this land if it were disposed of to All Saints School and Technology College.
- 2.4 The Governing Body's Finance Committee considered the land issue at its meeting on the 14 December and subsequently the Chair of Governors wrote to Children's Services as follows:

"As the land is of no strategic use to the school the governors felt no need to raise any objections to this proposal. The full governing body will be advised at its meeting in March 2013"
- 2.5 The Governing Body met on 4 March 2013 and there was no disagreement to this recommendation. The Governors wanted to ensure that the area between the two school buildings as indicated on the Plan 916 SK14 was protected and this is confirmed by the plan.

3. Options Appraisal

- 3.1 The design context of the proposed development of the school did consider other options including increasing the height of buildings however this was not favoured

as there are neighbours in Temple Avenue who would be overlooked and to the north of the site the school building abuts open land.

- 3.2 In view of these other options the solution to develop low level on the expanded site is felt to be the best solution.

4. Consultation

- 4.1 The proposals have been discussed in detail with representatives of both Robert Clack and All Saints Schools.

5. Financial Implications

Implications verified by: Dawn Calvert, Finance Group Manager

- 5.1 The proposed expansion of All Saints Schools and Technology College is allocated a capital budget of £6.1m which was approved by Cabinet on 13 November 2012.
- 5.2 The legal and democratic costs associated with the disposal will be met within current resources.

6. Legal Issues

Implications verified by: Jason Oforu, Property Lawyer

- 6.1 Under Section 123 of the Local Government Act 1972 ("LGA" 1972), the Council has powers to dispose of land in any manner that they wish which includes the sale of a freehold interest. One constraint under the LGA 1972 is that a disposal must be for the best consideration reasonably obtainable. The "best consideration obtainable" is the market value of the property plus "special value". The issue here is that the Council intends to dispose of land for £20.00 which may not be the market value of the property. Secretary of State's consent is needed for a disposal which is not best consideration unless the transfer is to further local well-being and the value of the land is under £2 million. Subject to a valuation being carried out on the land, it is unlikely that the land is over this threshold and the Council and the transfer is for the benefit of the community. Therefore, the Council will not need the specific consent of the Secretary of State for selling the land for less than market value.
- 6.2 Schedule 14 of the Education Act 2011 repealed Schedule 35A to the Education Act 1996. The Act extends the requirement to obtain consent of the Secretary of State. A local authority can not dispose of land at a community school or land which has been used as community school land (including any academy) in the last 8 years without first obtaining the consent of the Secretary of State. This includes freehold and leasehold land. It also removes the disapplication of the requirement for Secretary of State consent in the case of a transfer to an academy for nil consideration. Therefore, the Council would need to apply for Secretary of State consent before it can dispose of the land. The Council should not commence any works on site or anticipate any future proceeds of sale in anticipation of Secretary of State consent.

7. Other Implications

- 7.1 **Risk Management** - The provision of school places is a matter which is directly identified in the Corporate Risk Register and listed at Corporate Risks 31– Provision of School Places.
- 7.2 **Contractual Issues** - Legal and other professional advice will be sought regarding the correct form and wording for the document and process for disposal of the freehold of the land.
- 7.3 **Staffing Issues** - There are no impacts for current staff, but as the school expands there will be new opportunities for employment as staff are recruited for both teaching and non-teaching staff.
- 7.4 **Customer Impact** - There will be a greater availability of school places thus responding to increased demand as the impact of the growing primary places reaches the secondary school sector.

The short term impact of the recommendations for the coming year would be positive for customers on all counts of: race, equality, gender, disability, sexuality, faith, age and community cohesion.

- 7.5 **Safeguarding Children** - Adoption of the recommendations in the short term would contribute to the Council's objectives to improve the wellbeing of children in the borough, reduce inequalities and ensure children's facilities are provided in an integrated manner, having regard to guidance issued under the Children Act 2006 in relation to the provision of services to children, parents, prospective parents and young people.
- 7.6 **Health Issues** - In the short term there are no specific implications, but in the longer term the outlook is unlikely to be positive on the proposed funding levels.
- 7.7 **Crime and Disorder Issues** - In the short term there are no specific implications, but in the longer term the outlook is unlikely to be positive on the proposed funding levels.

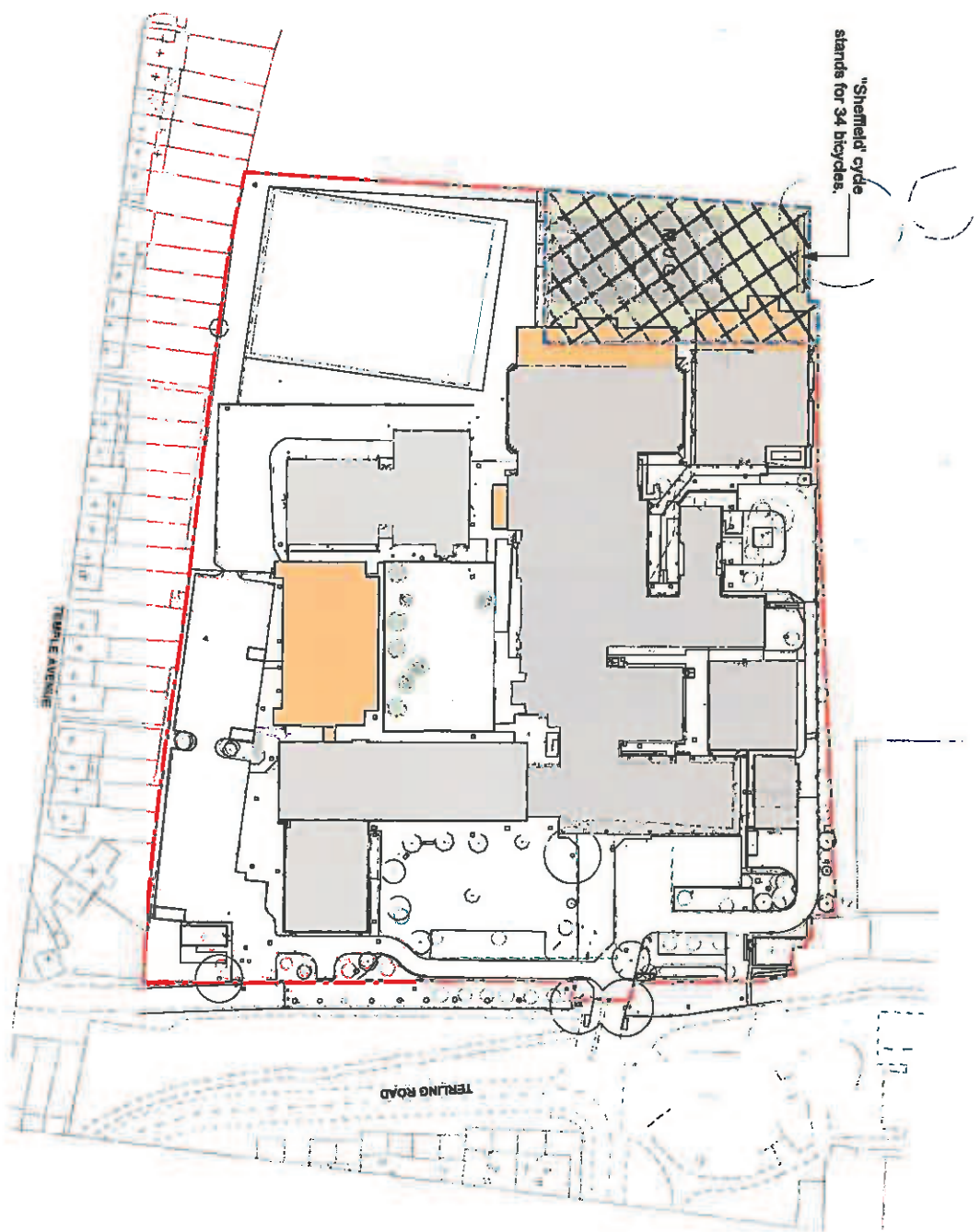
Appropriate consideration of the development of individual projects will take into account the need to design out potential crime problems and to protect users of the building facilities.

- 7.8 **Property / Asset Issues** - The release of this land by the Council for a nominal sum of £20.00 does reduce the Council's assets but the Council are sponsoring this project as a direct intention to support the provision of additional school places for pupils.

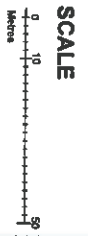
Background Papers Used in the Preparation of the Report: None.

List of appendices:

Appendix 1 – Plan 916 SK14.



- KEY:**
- · - · - Existing Boundary
 - Existing Buildings
 - Proposed New Build + Extensions
 - Area of extended site



unusual risks identified in CDM assessment

NOTES

REVISIONS

living-architects
 14 LINEN HOUSE, 253 KILBURN LANE
 LONDON W10 4EP FAX: 020 892 8991
 TEL: 020 892 8990 suzanne@living-architects.com
<http://www.living-architects.com>
living-architects copyright reserved

**All Saints School
 Dagenham RM8
 School Expansion
 Site boundary agreement**

DO NOT SCALE THIS DRAWING
 SCALE: 1:1000 @ A3 DATE: MARCH 2015
 DRAWN BY: BT CHECKED BY: BT
 DRAWING NO.: 916 SK14
 STATUS: DESIGN REVISION: -

This page is intentionally left blank

CABINET

16 APRIL 2013

Title: Disposal of 89 Axe Street, Barking	
Report of the Cabinet Member for Finance	
Open Report	For Decision
Wards Affected: Abbey	Key Decision: Yes
Report Author: Adam Wright, Estate Surveyor	Contact Details: Tel: 020 8227 5952 E-mail: adam.wright@lbbd.gov.uk
Accountable Divisional Director: Jonathan Bunt, Divisional Director of Finance	
Accountable Director: Graham Farrant, Chief Executive	
<p>Summary:</p> <p>The Council is the freeholder of 89 Axe Street, which is the cross hatched area identified by the arrow on the plan attached as Appendix 1. The property was originally residential, and was most recently used as a parking attendant's office. The property is now vacant and is considered surplus to the Council's requirements, and suitable for disposal.</p> <p>The property is being recommended for disposal to achieve the maximum capital receipt. A valuation and marketing strategy of the property has been undertaken by an external valuer to inform the likely capital receipt from the disposal of the property.</p> <p>The sale of the property will provide the Council with a capital receipt, and will ensure more efficient use of resources as a surplus property will be disposed of and the costs to the Council of owning the property will be saved. The disposal should bring a vacant property located in Barking town centre back into purposeful use.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to agree:</p> <ul style="list-style-type: none"> (i) The disposal of 89 Axe Street, Barking as set out in the report; (ii) To authorise the Chief Executive, in consultation with the Head of Legal and Democratic Services, to negotiate terms for the disposal of the freehold interest in the property; and (iii) That a further report be presented setting out the offers received in order for Cabinet to agree a successful purchaser of the property. 	
<p>Reason(s)</p> <p>The proposal will assist the Council in achieving its Policy House Agenda for a "Better Future" and "make better use of our resources and assets".</p>	

1. Introduction and Background

- 1.1 The Council is the owner of 89 Axe Street, Barking IG11 7LZ shown on the plan at **Appendix 1** to this report. A photograph of the property is shown for Members information at **Appendix 2** to this report.
- 1.2 The property was originally constructed as a residential dwelling with three bedrooms and has most recently been used as an office for parking attendants. Officers have made enquiries with the Council's Planning Department, who have advised that the previous consent for office use has lapsed, and the property is now considered to have Planning consent as a residential dwelling.
- 1.3 The property is currently vacant and is surplus to the Council's operational requirements. The Council presently incurs a number of costs relating to the property including maintenance of the physical property and its grounds and boundaries, security, rates, and utilities.
- 1.4 Following a site visit with the Cabinet Portfolio holders, it was expressed that the Council's freehold interest in the property should be disposed of and that Cabinet authorisation to do so should be sought.
- 1.5 Cabinet Portfolio holders requested that Property Services obtained a District Valuer's valuation of 89 Axe Street. This has now been obtained, and the property has been valued at £250,000 (two hundred and fifty thousand pounds). The valuation has been undertaken based on the property's current planning use designation and may be used to inform the negotiations or evaluation of any bids received.
- 1.6 The Council's Housing and Environment department had expressed an interest in acquiring the property for the Housing Revenue Account. Following the District Valuer's valuation, the Housing and Environment department has now confirmed that their interest is withdrawn as it made the business case unviable for their intended purpose.
- 1.7 A neighbouring land owner has informally expressed an interest in the property, and it may be possible that a special interest party might be prepared to pay above the market value for the site. It is intended that all interested parties will be given the opportunity to consider the purchase of the site.
- 1.8 The Council may place a restrictive covenant upon the title, preventing a neighbouring land owner from combining the site with their existing property to deliver a larger development scheme that may be contrary to the preferences of the Council for this location.
- 1.9 Further to PAG of 29 November 2012, Property Services in consultation with Officers of Asset management agreed the 'Brief for the disposal of 89 Axe Street – Terms and Conditions'. This brief is attached as **Appendix 3**.

2. Proposal and Issues

- 2.1 It is proposed that the Council's freehold interest of 89 Axe Street is sold to achieve the maximum capital receipt. The property will be placed on the open market, and the neighbouring land owner, and all parties that have registered an interest will be approached to ensure that special interest parties have been engaged.
- 2.2 If Cabinet wants to restrict the future use or development of the site, the property can be sold with LBBB having the benefit of a restrictive covenant. The covenant can restrict the future use of the property, including a prohibition against future development, or certain types of development on the site.
- 2.3 The disposal would bring a vacant property located in Barking Town Centre back into purposeful use.

3. Options Appraisal

- 3.1 If Cabinet are not in favour of the proposal, the Council has the option to retain the property. The Council could market the property for a commercial letting; subject to planning consent. This option may provide the Council with a recurring income of £10,000 to £12,000 per annum.
- 3.2 There was also an option for appropriation of the property between the Council's General Fund and the Housing Revenue Account (HRA) who had expressed an interest in acquiring the property, but only subject to a second valuation from the District Valuer's Office. Following the District Valuer's valuation, the Housing and Environment Department confirmed that they will be withdrawing their interest.

4. Consultation

- 4.1 The Council's Planning Department have been consulted with regard to the property's permitted use, as described earlier in the report.
- 4.2 The Cabinet Members for Finance, Housing, and Regeneration have been consulted as part of a review of the future options for the site.

5. Financial Implications

Implications completed by Martin Henwood, Deputy Chief Financial Officer

- 5.1 The property is no longer of use to the Council's General Fund on an operational basis and is proposed for disposal.
- 5.2 Disposal of the property will create a capital receipt towards the current capital programme, and remove the current revenue costs. Additional capital receipts will enable the Council to reduce its level borrowing and related charges i.e. interest on borrowing.
- 5.3 Disposal costs, including the marketing strategy, will be included in the final business case options appraisal preceding an agreed sale. Disposal costs of up to 4% can be charged against the capital receipt.

5.4 The options appraisal undertaken after bids are received will establish the optimal overall value for money for the Council / taxpayer, consistent with best consideration requirements.

6. Legal Implications

Implications completed by Evonne Obasuyi, Senior Lawyer

6.1 The report is seeking approval for the disposal of the property. The Council is required to obtain best consideration in the disposal of its assets.

6.2 The Council has the power to enter into the proposed transaction but must do so in compliance with law and the Council's acquisition and land disposal rules.

6.3 The Council's disposal powers are contained in section 123 of the Local Government Act 1972, and Section 1 of the Localism Act 2011 also provides local authorities with a general power of competence.

6.4 The Legal Practice should be consulted for advice as to how the land should be disposed of and assistance with the preparation and completion of the necessary legal agreements.

7. Other Implications

7.1 **Contractual Issues** - The transaction is a disposal of property.

7.2 **Crime and Disorder Issues** - Vacant properties are considered vulnerable to vandalism, and illegal occupation.

7.3 **Property / Asset Issues** - The Council has the option to dispose of the property by way of sale of the freehold.

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

List of appendices:

Appendix 1 - Location Plan

Appendix 2 - Photograph of Property

Appendix 3 - Brief for the Disposal of 89 Axe Street, Barking – Terms and Conditions

(Land Disposal 89 Axe Street, Barking)



This page is intentionally left blank

APPENDIX 2

(Land Disposal – 89 Axe Street, Barking)



This page is intentionally left blank

Brief for the disposal of 89 Axe Street – Terms and Conditions

- 1.0 The property is to be sold on the open market, for any use, subject to the purchaser obtaining Planning consent;
- 2.0 The sale of the property is to be subject to 10% of the sale price payable on exchange and the balance payable on completion;
- 3.0 The responsibility for the property is to transfer to the purchaser on completion.
- 4.0 All terms and conditions are subject to the purchaser obtaining the appropriate planning consents through the local planning authority;
- 5.0 The Council retain the right to accept or reject any / all bids;
- 6.0 All bids are subject to final board / Members approval.
- 7.0 The marketing of the property is to commence once Cabinet approval has been obtained.
- 8.0 Cabinet may instruct for the site to be sold with a restrictive covenant restricting the type of use and development permitted on site

This page is intentionally left blank

CABINET

16 April 2013

Title: Adoption of Powers under London Local Authorities Act 2007 – Mail Forwarding Businesses	
Report of the Cabinet Member for Crime, Justice and Communities	
Open Report	For Decision Yes
Wards Affected: All	Key Decision: Yes
Report Author: Theo Lamptey, Trading Standards and Licensing	Contact Details: Tel: 0208 227 5655 E-mail: theo.lamptey@lbbd.gov.uk
Accountable Divisional Director: Robin Payne, Divisional Director of Environment	
Accountable Director: Darren Henaghan, Corporate Director of Housing and Environment	
Summary:	
<p>The report requests that the Cabinet support the adoption of section 75 of the London Local Authorities Act 2007 (“the Act”). This is a measure introduced to control mail forwarding businesses which can be a source of fraudulent activities by requiring those businesses in the borough to register with the Council and to pay a registration fee.</p> <p>The adoptive process is set out in the Act and requires a specific resolution of the Council to adopt the measures and to set an appointed date as to when they will take effect. Therefore, subject to the Cabinet’s support of the proposals this report will be presented to the Assembly on 15 May 2013.</p>	
Recommendation(s)	
<p>The Cabinet is asked to recommend the Assembly to resolve:</p> <ul style="list-style-type: none"> (i) That the Council adopt the provisions of section 75 of the London Local Authorities Act 2007 to require mail forwarding businesses in the Borough to register with the Council from the appointed day; (ii) That the appointed day from which the measures will take effect be 16 June 2013; and (iii) That the fee for the registration of mail forwarding businesses be set at £110 for 2013/14, to be reviewed annually. 	
Reason(s)	
<p>To enable the Council to take action to support the priorities of Better Future and Better Home by ensuring that residents are protected and businesses allowed to trade fairly.</p>	

1. Introduction and Background

- 1.1 Historically mail forwarding businesses were required to register with the Police and keep records under the Official Secrets Act 1920. However this Act was repealed in 2000.
- 1.2 The London Local Authorities Act 2007 introduced the power for London Boroughs to control of mail forwarding businesses by requiring registration under section 75 backed by robust powers of enforcement
- 1.3 If the Council does implement these provisions all current and future mail forwarding business will be required to register with the council, keep records of persons using mail forwarding and holding services and to keep those records open to inspection by the police and authorised officers. The Act creates offences and makes provision for enforcement of section 75 using powers contained within section 28 of the Trade Descriptions Act 1968.
- 1.4 The council is required to set a date, known as the Appointed Day, on which the measures under section 75 come into force. This date must be at least one month after the expiry of a notice placed in the London Gazette and a newspaper circulating in the borough.

2. Proposal and Issues

- 2.1 A mail forwarding business is one where a postal address is made available to a person for receipt of postal packages that are held for collection of forwarded on. (an accommodation address). Currently in Barking and Dagenham there are no legal requirements for such businesses to record the identity of their users or to keep records etc. The operators of most accommodation addresses are responsible and run their businesses within the law. However it is known that the anonymity provided by an accommodation address enables them to be used by unscrupulous individuals and even on occasions by organised crime.
- 2.2 This report proposes that the provisions are adopted to deal with the issue of accommodation addresses, an increasing issue in the borough where a business sets up a postal address but does not trade in the area. This gives the opportunity for fraudulent activity. I
- 2.3 Adoption of this legislation will bring us in line with other London boroughs, most of who have already adopted the powers and will enable us to contribute to the overall management of the issues around accommodation addresses across London.
- 2.4 Barking and Dagenham Trading Standards receives significant number of complaints regarding traders/business clients who use the services of mail forwarding businesses. Often money has been sent in response to various kinds of scams and frauds. The services of mail forwarding business are also used by those involved in serious crime who takes advantage of the confidentiality assured by the service and lack of record keeping avoiding detection.
- 2.5 Adopting these powers will stop the opportunity for rogue traders to conceal their identity behind the façade of a mail forwarding business. The legislation enables the

the Council to have robust and practical criminal powers such as to enter premises and seize goods and documents, with sufficient penalties to act as a deterrent. The requirement to register with the Council will assist in the identification and location of the mail forwarding businesses.

- 2.6 Apart from having to register with the Council, a person carrying on a mail forwarding business will be required to keep a record of:
- a) The full name, address and telephone number of all persons for whom the post is received or who has requested postal packets received to be held or forwarded to them.
 - b) The nature of the business carried out by that person
 - c) Any instructions as to delivery and forwarding of postal packets
 - d) The name and address of person(s) to whom postal packets are to be forwarded, if different from a) above.
 - e) Copies of originals of two documents of identifying the person and verifying the addresses required in a) above.
- 2.7 The types of identification considered by the Divisional Director of Environment to be relevant and acceptable are listed in **Appendix 1**.
- 2.6 It is recommended that a fee is set for registration in line with other London Boroughs and reflecting the actual cost, as set out in **Appendix 2**.

3. Options Appraisal

- 3.1 There are two options available to the Cabinet in considering these matters. Firstly to do nothing, secondly to adopt the powers.
- 3.1.1 Option One. The use of accommodation addresses is increasingly common and has the potential for abuse. If the power is not adopted the potential is for criminal activities to continue without controls.
- 3.1.2 Option Two. By adopting the powers the Council can take action to ensure that accommodation addresses are properly regulated and be able to use the full range of powers to make sure footway crossings are properly controlled.

4. Consultation

- 4.1 These are administrative arrangements and do not require consultation to take place.

5. Financial Implications

Implications completed by: Martin Henwood, Deputy S151 Officer

- 5.1 It is estimated that there are eight Mail forwarding businesses in Barking and Dagenham. The Trading Standards Services uses the Flare Database to record and maintain records of all business activities within the borough. By implementing the legislation a register of the businesses will be kept within the Flare database. This database will be audited and review on a regular bases to ensure compliance with the Council's enforcement policy.

- 5.2 The setting of a registration fee for such premises is inline with the council's licensing policy and any fee agreed will be reviewed annually in line with all other fees and charges.
- 5.3 An annual fee of £110 is in line with other London Boroughs and reflects costs the Council is likely to incur and able to recover.

6. Legal Implications

Implications completed by: Paul Field, Corporate Governance Lawyer

- 6.1 The London Local Authorities Act 2007 contains a number of measures which require a Council make a specific decision to adopt. The adoptive process is set out in the Act and requires a specific resolution of the Council to adopt the measures and setting an appointed date as to when they will take effect.
- 6.2 Notice of the passing of the resolution to adopt the provision, the nature of the measure and the appointed date must be published in a local newspaper and in the London Gazette at least one month before the said appointed date.
- 6.3 Once Section 75 of the London Local Authorities Act 2007 is adopted it will become a criminal offence carrying a potential £5,000 fine to carry on a mail forwarding business that does not comply with the registration requirements or to provide false information for the purpose of acquiring registration.

7. Other Implications

- 7.1 **Customer Impact** - The services of mail forwarding business are used by a wide range of persons and any list compiled must reflect the diversity of the community.

Background Papers Used in the Preparation of the Report:

- London Local Authorities Act 2007

List of appendices:

Appendix 1 – Acceptable Identification

Appendix 2 – Registration Costs

Acceptable Identification

One document from each list below is required:

1. Photo identification

- Passport
- Driving Licence (with photocard)
- National Identity Card
- HM Forces Identity Card
- A current student card
- Connexions Card
- Employment identification Card
- Freedom Travel Pass
- Disabled Driver Blue Badge

2. Proof of address provided both name and address is shown

- Gas or Electricity Bill
- Telephone Bill
- Water Bill
- Mortgage Statement
- Council Tax Bill
- Bank/Building Society Statement (include credit card and store card)
- TV Licence
- Valid Insurance Certificate
- Pay Slip
- P45/P60
- Financial Statement (e.g. pension, endowment)
- Current Benefit Book
- Letter from Benefit Agency
- HM Revenue and Customs Notice of Coding
- Student hall of residence agreement or other proof of accommodation.

This page is intentionally left blank

Registration Costs

Table showing estimated cost of annual Registration for Mail Forwarding Service:

S75 LLA 2007 Mail Forwarding Costs			
TYPE OF ACTIVITY		Calculation	£ (rounded)
Information and advice by P02 Trading Standards Officer	1 hr	£23.24 x 1	23
Inputting details into system, information check for Admin. process	1 hr	£16.47 x 1	16
Inspection of premises by Trading Standards Officer (incl. travel)	1 hr	£25.2 x 1	25
Review and compliance checks by Licensing manager	0.25 hr	£29.14 x 0.25	7
Issue License	0.5hr	£16.47 x 0.5	8
Other costs - other disbursements, supplies and postage			5
Directorate and support costs			25
Total			110

This page is intentionally left blank

CABINET

16 April 2013

Title: Contract for Provision of Taxi Services for Children with Special Educational and Complex Needs - Update Report	
Report of the Cabinet Member for Children's Services	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Chris Bush, Commissioning and Projects Manager, Strategic Commissioning and Safeguarding, Children's Services	Contact Details: Tel: 0208 227 3188 E-mail: christopher.bush@lbbd.gov.uk
Accountable Divisional Director: Meena Kishinani; Divisional Director Strategic Commissioning and Safeguarding	
Accountable Director: Helen Jenner; Corporate Director of Children's Services	
<p>Summary:</p> <p>At Cabinet on 22 January 2013 (Minute 83) authority was sought, and given, to commence a procurement exercise to appoint providers to a Framework Agreement for the provision of taxi services for children with special educational and complex needs. At the same time, it was agreed that officers should present a further report at the appropriate time on the outcome of the procurement exercise in order for the Cabinet to appoint the successful tenderer(s) to the Framework Agreement.</p> <p>It has subsequently come to light that the ongoing procurement and tender evaluation exercise for this service will not be concluded in time to meet the statutory publication deadlines for the 16 April Cabinet meeting. The next Cabinet meeting, on 21 May, takes place after the current contractual arrangements terminate on 30 April. In view of the potential risks associated with operating these services with no contractual arrangements in place, officers have advised that the appointment of contractors to the new Framework Agreement should not be delayed to the 21 May Cabinet meeting</p> <p>This report is therefore seeking authorisation for the Corporate Director of Children's Services, in consultation with the Cabinet Member for Children's Services, the Chief Financial Officer and the Head of Legal and Democratic Services, to monitor progress of the procurement and approve the appointment of the successful bidders onto the framework agreement upon conclusion of the procurement process.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to authorise the Corporate Director of Children's Services, in consultation with the Cabinet Member for Children's Services, the Chief Financial Officer and the Head of Legal and Democratic Services, to approve the appointment of the successful bidders onto the Framework Agreement upon conclusion of the procurement process and to execute all contracts relevant to the procurement.</p>	

Reason(s)

To support the Council's key theme of "Better Health & Well-being" and helping to deliver the following Children and Young People Plan strategic priorities (2011-16):

- Priority 1: Ensure children and young people in our borough are safe
- Priority 4: Improve support and fully integrate services for vulnerable children, young people and families (particularly children in care and children with disabilities)

1. Introduction and Background

- 1.1 The Council has a duty to provide reasonable assistance in transporting children with special educational and complex needs. Children may require transport for a number of reasons, including but not limited to:
- transportation to their appropriate schools,
 - attending family contact with birth families, and
 - facilitating other activities that have been identified as important and necessary to the child's well being.
- 1.2 There were two previous procurement exercises for the provision of a Supplementary Passenger Support (Taxis) Framework Contract, led through East London Solutions (ELS) by London Borough of Newham (LBN), was originally initiated in July 2009. This procurement exercise was on behalf of the London Boroughs of Barking and Dagenham, Havering, Newham and Redbridge. These procurement exercises were unsuccessful.
- 1.3 In January 2013 authority was sought, and given, for LBBD to commence a single-authority procurement exercise to appoint providers to a Framework Agreement for the provision of taxi services for children with special educational and complex needs. This procurement is progressing according to timetable and without issue at this stage.
- 1.4 LBBD subsequently secured a waiver, for the maximum allowable amount, to ensure contracts were in place underpinning existing arrangements. These contracts were arranged to run concurrently with the above procurement exercise, expiring as they do on 30 April 2013. These contractual arrangements cannot legally be extended beyond the 30 April 2013 due to the value of the contracts. At no point prior to 30 April 2013 have these services been delivered without a contractual basis.
- 1.5 However, when this procurement exercise was approved Cabinet did not agree for the Corporate Director of Children's Services to appoint the successful tenderer(s) to the Framework Agreement on behalf of the Council following completion of the procurement exercise. It was instead agreed that a subsequent report be submitted at the conclusion of the procurement exercise so that Cabinet may appoint providers to the Framework Agreement themselves.
- 1.6 This has presented a particular issue as the statutory publication deadline for the April Cabinet is before the anticipated date of the completion of the procurement. The May Cabinet falls after the expiration of the current contractual arrangements on 30 April 2013. Operating without contractual arrangements in place would

expose the authority to significant risks that are outlined in more detail later in this report. .

2. Proposal and Issues

- 2.1 This report proposes that that authority be delegated to the Corporate Director of Children's Services, in consultation with the Cabinet Member for Children's Services, the Chief Financial Officer and the Head of Legal and Democratic Services, to award Framework Agreement for the provision of taxi services for children with special educational and complex needs.
- 2.2 The contracts awarded will be for a period of four years and are likely to be awarded to multiple providers. Forecasts indicate that total expenditure in this area over the four year period will be approximately £4.5m.
- 2.3 The current contractual arrangements cannot legally be extended beyond the 30 April 2013 due to the value of the contracts.
- 2.4 There is no financial commitment involved with this proposed arrangement as the nature of a Framework Agreement is such that it does not oblige the local authority to purchase any particular volume from any provider.
- 2.5 The contract terms and conditions which would be used would be the London Borough of Barking and Dagenham standard short terms and conditions. In the event that any variations are recommended, the Council's Legal Department will be required to approve prior to issue to the supplier.

3. Options Appraisal

- 3.1 **Delegate Authority:** This option would allow the procurement exercise to conclude successfully without the need to operate beyond the 30 April 2013 without contractual arrangements in place. This is the preferred option.
- 3.2 **Do not Delegate Authority:** This option would mean that Cabinet would take the final decision regarding the appointment of providers to the Framework Agreement, but would mean that from the 30 April 2013 until such a time as appointments have been made and contracts issues and signed, no contractual arrangements would be in place underpinning this provision.

4. Consultation

- 4.1 This report has been circulated to key stakeholders whose comments have been incorporated within the report.

5. Financial Implications

Implications completed by: Dawn Calvert, Group Manager (Finance)

- 5.1 There is no financial commitment involved with this proposed arrangements, though the tendering arrangements must not preclude any future efficiency arrangements.

- 5.2 There would, however, be a significant degree of risk associated with operating these services without contractual arrangements in place. This would expose the Council to potential price increases and potential deficit budgetary positions.

6. Legal Implications

Implications completed by: Bimpe Onafuwa, Contracts and Procurement Solicitor

- 6.1 This report requests that Cabinet authorise the Corporate Director of Children's Services, in consultation with the Cabinet Member for Children's Services, the Chief Financial Officer and the Head of Legal and Democratic Services to approve the appointment of the successful bidders and the execution of the framework contract.
- 6.2 In line with Contract Rule 3.6.4, Cabinet can indicate if it is content for the Commissioning Chief officer to award the contract following a procurement exercise.
- 6.3 Furthermore Contract Rule 13.3 provides that the commissioning Corporate Director, in consultation with the Chief Financial Officer, may accept tenders in a duly conducted procurement exercise, in the absence of any direction to the contrary from Cabinet.

7. Other Implications

- 7.1 **Risk Management:** There are no adherent financial risks with regard to this contract as it commits the Council to no expenditure with any particular provider. There are, however, risks of operating these services with no contractual arrangements in place, as follows:

- Purchasing these services outside of contract would result in non-contracted spend, potentially non-licensed taxis providing a service to vulnerable children and young people;
- Absence of contractual arrangements would make it difficult to mandate that transport providers have valid insurances in place;
- Similarly, it would be difficult to enforce mandatory enhanced Criminal Records Bureau (CRB) checks upon providers;
- Cost of services would be much more likely to suffer from fluctuation in the absence of contracted rates.

A suitable and safe taxi service provision for children, young people and adults with special needs would, however, mitigate these risks. Formal contractual arrangements would tie providers into contractual obligations that would better ensure continuity of provision, as well as service quality for young people:

- vehicles will carry a first aid kit, at least one appropriate fire extinguisher, a kit adequate to deal with any spillages (including bodily fluids), safely and without hazard to the driver, or other passengers;
- contractors will provide Passenger Assistants as required by the Council;
- contractors must arrive at the specified collection and drop-off points by the times stated in the Schedule of Journeys;
- all taxi drivers and passenger assistants will be CRB checked (for work with adults and children)

7.2 **Contractual Issues:** In January 2013 authority was sought, and given, for LBBD to commence a single-authority procurement exercise to appoint providers to a Framework Agreement for the provision of taxi services for children with special educational and complex needs. This procurement is progressing according to timetable and without issue at this stage. At no point prior to 30 April 2013 have these services been delivered without a contractual basis.

LBBD subsequently secured a waiver, for the maximum allowable amount, to ensure contracts were in place underpinning existing arrangements. These contracts were arranged to run concurrently with the above procurement exercise, expiring as they do on 30 April 2013. These contractual arrangements cannot legally be extended beyond the 30 April 2013 due to the value of the contracts.

7.3 **Safeguarding Children:** Wellbeing of children in the borough – ensuring that potentially vulnerable children and young people are safely transported and, where appropriate, escorted, is a fundamental responsibility for the Council, staff and Members. Indeed, this is a responsibility for all Members as corporate parents.

Integrated service provision – the ability for children and young people to be safeguarded while transported to school allows them to experience services within the community in a safe way, thereby contributing to positive life chances, educational and social development.

Background Papers Used in the Preparation of the Report:

Cabinet Report 22 January 2013: *“Contract for Provision of Taxi Services for Children with Special Educational and Complex Needs”*

List of appendices: None

This page is intentionally left blank