

Notice of Meeting



CABINET

Tuesday, 18 February 2014 - 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: 10 February 2014

Graham Farrant
Chief Executive

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AGENDA

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

In accordance with the Council's Constitution, Members are asked to declare any interest they may have in any matter which is to be considered at this meeting. Members are reminded that the provisions of paragraphs 12.3 and 12.4 of Article 1, Part B in relation to Council house rent arrears and Council Tax arrears apply to agenda items 6 and 7 respectively.
3. **Minutes - To confirm as correct the minutes of the meeting held on 21 January 2014 (Pages 3 - 6)**
4. **Budget Monitoring 2013/14 - April to December 2013 (Month 9) (Pages 7 - 39)**
5. **Fees and Charges 2014/15 (Pages 41 - 82)**
6. **Housing Revenue Account Estimates and Review of Rents and other Charges 2014/15 (Pages 83 - 104)**
7. **Budget Framework 2014/15 (Pages 105 - 135)**
8. **Treasury Management Strategy Statement 2014/15 (Pages 137 - 175)**
9. **Pay Policy Statement 2014/15 (Pages 177 - 188)**

- 10. Private Rented Property Licensing Scheme (Pages 189 - 229)**
- 11. Any other public items which the Chair decides are urgent**
- 12. 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 paragraph of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

- 13. Implementation of Phase 1 of the Leys Estate Redevelopment and Purchase of Units at 699 Rainham Road South (Pages 231 - 249)**

Contains commercially sensitive financial information (paragraph 3).

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

Barking and Dagenham's Vision

Encourage growth and unlock the potential of Barking and Dagenham and its residents.

Priorities

To achieve the vision for Barking and Dagenham there are five priorities that underpin its delivery:

1. Ensure every child is valued so that they can succeed

- Ensure children and young people are safe, healthy and well educated
- Improve support and fully integrate services for vulnerable children, young people and families
- Challenge child poverty and narrow the gap in attainment and aspiration

2. Reduce crime and the fear of crime

- Tackle crime priorities set via engagement and the annual strategic assessment
- Build community cohesion
- Increase confidence in the community safety services provided

3. Improve health and wellbeing through all stages of life

- Improving care and support for local people including acute services
- Protecting and safeguarding local people from ill health and disease
- Preventing future disease and ill health

4. Create thriving communities by maintaining and investing in new and high quality homes

- Invest in Council housing to meet need
- Widen the housing choice
- Invest in new and innovative ways to deliver affordable housing

5. Maximise growth opportunities and increase the household income of borough residents

- Attract Investment
- Build business
- Create a higher skilled workforce

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MINUTES OF CABINET

Tuesday, 21 January 2014
(5:00 - 5:43 pm)

Present: 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 and Councillor J R White

Apologies: Councillor M M Worby

83. Declaration of Members' Interests

There were no declarations of interest.

84. Minutes (18 December 2013)

The minutes of the meeting held on 18 December 2013 were confirmed as correct.

85. Betting Shops - Withdrawal of Permitted Development Rights and Consultation Draft Supplementary Planning Document

The report was withdrawn.

86. Budget Monitoring 2013/14 - April to November 2013 (Month 8)

The Cabinet Member for Finance presented a report on the Council's capital and revenue position for the 2013/14 financial year, as at 30 November 2013.

The General Fund showed a projected end of year surplus of £8.3m against the total approved budget of £178.3m, which exceeded the planned surplus of £5.2m and would result in a projected General Fund balance of £25.8m at the year end. The Housing Revenue Account (HRA) continued to show a projected break-even position while the Capital Programme showed a projected spend of £137.6m against the total revised budget of £138.2m.

Cabinet resolved:

- (i) To note the projected outturn position for 2013/14 of the Council's General Fund revenue budget at 30 November 2013, as detailed in paragraphs 2.4 to 2.9 and Appendix A of the report;
- (ii) To note the progress against the 2013/14 savings targets at 30 November 2013, as detailed in paragraph 2.10 and Appendix B of the report;
- (iii) To note the position for the Housing Revenue Account at 30 November 2013, as detailed in paragraph 2.11 and Appendix C of the report; and
- (iv) To note the projected outturn position for 2013/14 of the Council's capital budget at 30 November 2013, as detailed in paragraph 2.12 and Appendix D of the report.

87. Calculation and Setting of the Council Tax Base 2014/15

The Cabinet Member for Finance presented a revised report, which the Chair agreed could be considered at the meeting under the provisions of Section 100B(4)(b) of the Local Government Act 1972, in respect of the Council Tax Base for 2014/15.

The Cabinet Member referred to the powers available to the Council to set locally determined discounts, which were proposed to remain unchanged from 2013/14. The Cabinet Member also advised that the Council's new homes programme had contributed to an increase in the number of Band D equivalent properties for 2014/15 which would increase Council Tax revenue by up to £576,000 while, at the same time, enabling the Council to freeze the level of Council Tax for a sixth consecutive year should it choose to do so at the meeting of the Assembly on 19 February 2014.

Cabinet resolved:

- (i) That the existing discounts and exemptions for 2013/14, including the Council Tax Support Scheme as set out at Appendix B to the report, remain unchanged and those prescribed by statute be applied in calculating the tax base for 2014/15;
- (ii) That, consistent with previous decisions of the Council, no locally determined discounts based on categories of property or occupier be awarded for 2014/15;
- (iii) That, consistent with previous decisions of the Council, there be no award of reductions for prompt payment for 2014/15; and
- (iv) On the basis of (i), (ii) and (iii) above and in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, that the amount calculated by the London Borough of Barking and Dagenham Council as its tax base for the year 2014/15 shall be 40,522.12 Band 'D' properties.

88. Public Space CCTV Strategy and Delivery Plan 2013-2018

The Cabinet Member for Crime, Justice and Communities introduced the proposed Public Space CCTV Strategy and Delivery Plan for 2013-2018, which had been developed in consultation with the Community Safety Partnership constituent agencies.

The Cabinet Member explained that the overarching aims of the Strategy were to enhance community safety, assist in developing the economic well-being of the Borough and to encourage greater use of the town centres, estates and car parks. As part of that work, the Cabinet Member referred to possible future opportunities associated with mobile technology.

Cabinet resolved:

- (i) To adopt the Public Space CCTV Strategy and Delivery Plan 2013-2018 as

attached to the report; and

- (ii) That officers explore other opportunities for utilising mobile technology (such as cameras on Council vehicles or supporting the use of web cams) to combat crime and disorder.

89. Disposal of 145 Halbutt Street, Dagenham

The Cabinet Member for Finance introduced an options paper in respect of the former caretaker's house at 145 Halbutt Street, Dagenham.

The Cabinet Member advised that the property had been vacant for two years and a valuation had been commissioned last year to inform discussions between Council officers regarding the future of the property. The potential costs associated with transferring the property from the Council's General Fund to the Housing Revenue Account and bringing it up to a modern, habitable condition for letting as a Council house had initially been assessed as uneconomical. As a consequence, the Council's Property Asset Group had identified the property as appropriate for sale on the open market via public auction.

Arising from consideration of the options set out in the main report and the financial information contained in the exempt appendix to the report, it was suggested that a decision on the matter should be deferred pending a site visit and a reassessment by officers of all the options.

The Cabinet Member for Housing also stressed the need for proper arrangements to be in place within the Housing Service to ensure that the Council's exposure to repair costs for vacant properties are minimised.

Cabinet **resolved** that no action be taken in respect of the sale of the premises pending a further report to the Cabinet following a re-assessment by officers, in consultation with relevant Cabinet Members, of the options for the site.

90. Fanshawe Community Centre Site, Barnmead Road, Dagenham

The Cabinet Member for Finance presented a report on a proposal to market the Fanshawe Community Centre site as a potential housing development site.

The Cabinet Member advised that the site was currently used by the Fanshawe Community Association under a management agreement and by two religious organisations via licence agreements. The site had been identified as a potential redevelopment site several years ago at a time when a number of other community centres in the Borough were transferred into community management via long term leases.

In view of the expiry of the current licence agreements in August 2014, officers had recently commissioned a valuation of the site based on three types of housing development. The Cabinet Member referred to the valuations, contained in the exempt appendix to the report, the current usage of the building complex and noise-related complaints from local residents associated with some of the religious activities.

Cabinet resolved:

- (i) That the Fanshawe Community Centre site, which includes a community hall, committee room and former library and as shown edged red on the plan at Appendix 1 to the report, be marketed for sale as a housing development opportunity;
- (ii) That Option 4 be the preferred option to secure the redevelopment of the Fanshawe Community Hall site;
- (iii) That the marketing and development brief for the site include the following options:
 - development as flats or apartments.
 - development as three and four bedroom houses.
 - development as detached bungalows.
- (iv) That a further report be presented to Cabinet on the outcome of the marketing exercise following the submission of offers to purchase the site.

CABINET

18 February 2014

Title: Budget Monitoring 2013/14 - April to December 2013 (Month 9)	
Report of the Cabinet Member for Finance	
Open Report	For Decision
Wards Affected: All	Key Decision: No
Report Author: Kathy Freeman Group Manager, Corporate Finance	Contact Details: Tel: 020 8227 3497 E-mail: kathy.freeman@lbbd.gov.uk
Accountable Director: Jonathan Bunt, Chief Finance Officer	
<p>Summary</p> <p>This report provides Cabinet with an update of the Council's revenue and capital position for the nine months to the end of December 2013, projected to the year end.</p> <p>The Council began the current year in a better financial position than the previous year with a General Fund (GF) balance of £17.5m.</p> <p>The Council's approved budget of £178.3m for 2013/14 includes a budgeted surplus of £5.2m, agreed by Assembly in February 2013. The budgeted surplus is earmarked to address the funding issues of 2014/15.</p> <p>At the end of December 2013 (Month 9), the projected in-year surplus is £3.2m, an increase of £0.1m from November.</p> <p>The total service expenditure for the full year is projected to be £169.9m against the budget of £178.3m. The in-year surplus of £3.2m combined with the budgeted surplus of £5.2m results in a projected surplus of £8.4m. The projected year end surplus will increase General Fund balances to £25.9m at the year end.</p> <p>The Housing Revenue Account (HRA) is projected to make an in-year surplus of £0.2m, increasing the HRA reserve to £8.7m. The HRA is a ring-fenced account and cannot make or receive contributions to/from the General Fund.</p> <p>The Capital Programme has been updated to reflect changes approved at Cabinet, including roll forwards and reprofiles. The capital budget at 31 December stands at £138.2m. Capital budgets cannot contribute to the General Fund revenue position although officers ensure that all appropriate capitalisations occur.</p>	

Recommendation(s)

The Cabinet is recommended to:

- (i) Note the projected outturn position for 2013/14 of the Council's General Fund revenue budget at 31 December 2013, as detailed in paragraphs 2.4 to 2.9 and Appendix A of the report;
- (ii) Note the progress against the 2013/14 savings targets at 31 December 2013, as detailed in paragraph 2.10 and Appendix B of the report;
- (iii) Note the position for the HRA at 31 December 2013, as detailed in paragraph 2.11 and Appendix C of the report; and
- (iv) Note the projected outturn position for 2013/14 of the Council's capital budget at 31 December 2013, as detailed in paragraph 2.12 and Appendix D of the report.

Reason(s)

As a matter of good financial practice, the Cabinet should be regularly updated with the position on spend against the Council's budget. In particular, this paper alerts Members to particular efforts to reduce in-year expenditure in order to manage the financial position effectively.

1 Introduction and Background

- 1.1 This report provides a summary of the Council's General Fund and HRA revenue and capital positions. It also provides an update on progress made to date in the delivery of the agreed savings targets built into the 2013/14 budget setting out risks to anticipated savings and action plans to mitigate these risks.
- 1.2 It is important that the Council regularly monitors its revenue and capital budgets to ensure good financial management. This is achieved within the Council by monitoring the financial results on a monthly basis through briefings to the Cabinet Member for Finance and reports to Cabinet. This ensures Members are regularly updated on the Council's overall financial position and enables the Cabinet to make relevant financial and operational decisions to meet its budgets.
- 1.3 The Budget report to Assembly in February 2013 provided for a target of £15.0m of General Fund balance, plus a planned surplus of £5.2m to be carried forward into 2014/15. The Outturn for 2012/13 led to a General Fund balance of £17.5m. The current projected position keeps the Council on track to deliver a balanced budget and maintain the minimum general fund balance of £15.0m.

2 Current Overall Position

- 2.1 The following tables summarise the spend position and the forecast position of the General Fund and Housing Revenue Account (HRA) balances.

Council Summary	Net Budget	Full year forecast at end November 2013	Over/(under) spend Forecast
	£000	£000	£000
Directorate Expenditure			
Adult and Community Services	57,235	57,235	-
Children's Services	66,387	66,387	-
Housing and Environment	25,418	25,418	-
Chief Executive	22,473	22,114	(359)
Central Expenses	1,586	(1,214)	(2,800)
	173,099	169,940	(3,159)
Budget Surplus (Agreed MTFS)	5,234	-	(5,234)
Total Service Expenditure	178,333	169,940	(8,393)

	Balance at 1 April 2013	Forecast Balance at 31 March 2014	Budgeted Combined Balance at 31 March 2014*
	£000	£000	£000
General Fund	17,456	25,849	20,234
Housing Revenue Account (including Rent Reserve)	8,461	8,658	8,461

**Budget Combined Balance for General Fund comprises a target balance of £15.0m plus budgeted surplus of £5.2m*

2.2 The current Directorate revenue projections indicate a surplus of £8.4m for the end of the financial year, made up as follows:

- £0.4m underspend in the Chief Executive department as a result of shared arrangements with Thurrock Council and vacancies within Legal and Democratic services;
- £2.8m surplus in Central Expenses arising from interest budgets and a one off grant windfall from the Department of Education (DfE); and
- £5.2m surplus as planned and agreed in the Medium Term Financial Strategy 2013/14.

The forecast of an £8.4m underspend would result in the Council's General Fund balance remaining above the budgeted target of £15.0m. The Chief Finance Officer has a responsibility under statute to ensure that the Council maintains appropriate balances.

The Chief Finance Officer, after consideration of the factors outlined in the CIPFA guidance on Local Authority Reserves and Balances 2003 and the other financial provisions and contingency budgets held by the Council, set a target GF reserves level of £15.0m. The General Fund balance at 31 March 2013 was £17.5m and the

current forecast combined balance for the end of the financial year is £25.9m. If maintained, this position will provide added flexibility for the Council to address the forthcoming significant further reductions in funding from the government. This compares with a budgeted combined General Fund balance of £15.0m plus a planned surplus of £5.2m within the two year 2013-15 strategy.

At the end of December 2013, the HRA is forecasting an in-year surplus of £0.2m, increasing the HRA reserve to £8.7m.

2.3 Directorate Performance Summaries

The key areas of risk which might lead to a potential overspend are outlined in the paragraphs below.

2.4 Adult and Community Services

Directorate Summary	2012/13 Outturn £000	2013/14 Budget £000	2013/14 Forecast £000
Net Expenditure	60,701	57,235	57,235
Projected over/(under)spend			-

The Adult and Community Services directorate is forecasting a balanced budget position for 2013/14. This reported position is masking a number of pressures within the service, particularly for Mental Health (£0.4m) and non-residential care budgets for older people and learning disabilities clients. These pressures are being managed by management actions within the service and draw down from funding set aside to offset anticipated service pressures. The net budget includes the full allocation of £3.3m social care funding transfer from NHS England; this is allocated by local Section 256 agreement taken to the Health and Wellbeing Board (H&WBB). Final submission has been made to NHS London office and payment is expected by February 2014.

Proposals for use of Reablement monies totalling £0.7m were agreed by the Health and Wellbeing Board on the 17 September 2013 to improve Reablement services and outcomes for residents. The directorate has also been successful in negotiating Winter Pressures funding; £0.5m has been agreed for Barking and Dagenham, which amongst other pressures provides funding for 7-day social care working.

A challenging savings target of £4.3m is built into the 2013/14 budget. These have largely all been delivered and any shortfalls are being covered with relevant division.

The Adult and Community Services budget includes Public Health expenditure and income of £12.9m. The income is ring-fenced and contributes towards the Council's preventative agenda by promoting healthy outcomes for children and adults.

The future funding regime is going to become increasingly difficult with a number of existing funding streams being rolled up into a single grant that the local authority will have to agree with NHS England following local agreement at Health and Wellbeing Board. This comes at the same time as the planned implementation of the Care and Support Bill with significant costs for local authorities.

From April 2015 existing funding streams will be pooled in to the Better Care Fund (BCF), which will include the NHS social care funding transfer, CCG funding for Reablement, capital grants for Disabled Facilities and social care, as well as other CCG funding streams. Detailed work is currently underway to present two-year plans for the BCF to H&WBB, in order to meet Department of Health draft submission deadline of 14 February 2014.

2.5 Children's Services

Directorate Summary	2012/13 Outturn £000	2013/14 Budget £000	2013/14 Forecast £000
Net Expenditure	69,448	66,387	66,387
Projected over/(under)spend			-

The Children's Service delivered a balanced budget for 2012/13 but it was reported that this financial position was masking significant demand pressures within the Complex Needs and Social Care division.

During 2013/14, referral activity has increased consistently, suggesting more of a trend, rather than a 'spike' in demand. This has required additional resourcing to ensure that risks are manageable. The number of assessments carried out has increased by 21% in the year to date, compared to the same period in 2012/13..

For 2014/15, current levels of social care need would lead to a budget pressure of £6.0m as numbers of children in the borough increase. Despite the increase in numbers of Looked After Children subject to plans we remain below our statistical neighbour rates per 10,000 for Looked After Children. our caseloads, whilst moving to acceptable levels remain well above the Munro recommendation and lead to recruitment challenges.

The position is being managed in 2013/14 through flexible use of government grants. For example, the change from Local Authority Central Spend Equivalent Grant to Education Support Grant and the changes to the funding of statutory services to two year olds from General Fund to the Dedicated Schools Grant have released £2.7m of ongoing funding to invest in social care demand pressures. Grant flexibility of £0.6m is also available in 2013/14 to manage pressures.

Finally a drawdown of £2.7m is required from the Children Services Reserve to achieve a balanced budget position for 2013/14. This leaves the CS reserve fully earmarked. Savings in the Education staff budget have been identified to eliminate the £50k overspend reported in November's monitoring report.

2.6 Dedicated School Grant (DSG)

The DSG is a ring fenced grant to support the education of school-age pupils within the borough. The grant is allocated between the Schools and Centrally Retained budget in agreement with the Schools Forum. The 2013/14 DSG allocation is £218.0m which is inclusive of pupil premium and sixth form funding.

2.7 Housing and Environment

Directorate Summary	2012/13 Outturn £000	2013/14 Budget £000	2013/14 Forecast £000
Net Expenditure	24,040	25,418	25,418
Projected over/(under)spend			-

The projection to year end is to break even. Potential pressures have been identified within these budgets during the year, however, it is expected that they will be managed within the service.

The Environment Service is forecast to breakeven at year end; however, there are pressures of £0.5m to be managed. The service has absorbed pressure in the region of £0.3m due to external factors within Parking including the closure of the Axe Street car park, removal of CPZs on 6 roads and additional cost of cash collection. Other pressure is primarily within Direct Services, including Refuse Collection, Cleansing, Grounds Maintenance and Localities. The pressure is a result of shortfalls in achieving income targets, additional staff costs and increased vehicle costs. Some of these pressures are being mitigated through vacant posts and prudent use of other budgets across the division. An action plan has been developed to ensure a breakeven position is delivered at year end

Delivery of the action plan is essential to achieving a breakeven position at year end and includes introducing spend restraints across the service, reducing overtime, and ensuring recharges and income collection are up to date.

Housing General Fund is forecast to breakeven at the year end. The main risk to this position is the level of temporary accommodation placements, and in particular, the number within Bed and Breakfast.

The number of Bed and Breakfast placements reduced to 92 in December, from a high of 129 in November. This is a positive step as an increasing trend would significantly impact the services ability to continue managing this risk. These placements are a significant cost to the council due to the cap on benefits on this type of accommodation. The service has mitigated pressure through the use of alternative accommodation where possible, however, this action is limited and the impact of welfare reform provides further risk to this position.

The department started the year with a savings target of £1.67m. A high proportion of the savings will be fully delivered but there is currently an overall pressure of £44k. This is mainly due to the pressures facing the Environmental Services budget, but is being managed within the service.

2.8 Chief Executive's Department

Directorate Summary	2012/13 Outturn £000	2013/14 Budget £000	2013/14 Forecast £000
Net Expenditure	19,059	22,473	22,114
Projected (under)spend			(359)

At the end of December, the Chief Executive department is forecast to underspend against its revised budget by £0.359m at year end. This is mainly due to in year vacancies across the divisions, tighter controls of expenditure, savings from treasury management contracts and additional training income from schools and Elevate.

2.9 Central Expenses

Directorate Summary	2012/13 Outturn	2013/14 Budget	2013/14 Forecast
	£000	£000	£000
Net Expenditure	1,021	1,586	(1,214)
Projected (under)spend			(2,800)
Budget Surplus (Assembly agreed MTFs)		5,234	-
Projected Surplus			(5,234)

There is a £1.4m surplus expected due to the management of our cash balances enabling a lower than budgeted interest cost to be charged to the General Fund in 2013/14.

The Council has also received a windfall from the Department for Education (DfE) of £1.4m. This relates to the Academy Top Slice applied to the Council's Revenue Support Grant in 2012/13. Due to changes in how Academies are funded, previously top sliced sums are being returned to Local Authorities nationally. This one off payment increases the overall surplus on Central Expenses to £2.8m.

As planned within the MTFs a budget surplus of £5.2m has been built into the base budget and the current position is projected to meet this target.

2.10 In Year Savings Targets – General Fund

The delivery of the 2013/14 budget is dependent on meeting a savings target of £16.6m. Directorate Management Teams are monitoring their targets and providing a monthly update of progress which is summarised in the table below. Where there are shortfalls, these will be managed within existing budgets and do not affect the monitoring positions shown above.

A detailed breakdown of savings and explanations for variances is provided in Appendix B.

Directorate Summary of Savings Targets	Target £000	Forecast £000	Shortfall £000
Adult and Community Services	4,324	4,285	39
Children's Services	2,708	2,708	-
Housing and Environment	1,665	1,621	44
Chief Executive	2,733	2,583	150
Central Expenses	5,199	5,199	-
Total	16,629	16,373	233

2.11 Housing Revenue Account (HRA)

The HRA is currently forecast to make a surplus of £0.2m in 2013/14

Income

Income is expected to exceed budget by £1.0m. This is primarily through the recognition of an extra week's rent this year due to the rent week profile; additional leaseholder service charge income following the actualisation of charges; additional income through the collection of water charges and additional interest received on HRA balances. Leaseholder service charges are initially based on estimated cost and subsequently revised in line with actual cost. This results in an adjusted income position.

Expenditure

Expenditure is expected to exceed budget by £0.8m. This is primarily due to an increase in charges for water, which is predominantly offset by the collection of additional income stated above; increased spend of arboriculture following recent adverse weather conditions; increased spend on support provided to Council tenants in order to assist them into employment following the introduction of welfare reforms and increased pressure within the Repairs & Maintenance (R&M) service due to higher than expected bonus payments.

The position includes the first payment required to equalise TUPE transferred R&M staff within the Councils pension fund. Confirmation of the amount required has now been received through actuarial valuation and included in the HRA Business Plan. It is proposed to fund this over a 3 year period with a £2m contribution per year starting in 2013/14

As with the General Fund, the introduction of welfare reform is expected to increase pressure on the HRA with the combination of the bedroom tax, benefit cap and Universal Credit impacting on income levels. Some provision has been made within the budget through increased bad debt provision plus the availability of discretionary housing payments. The position is being monitored closely.

HRA Balance

The forecast underspend of £0.2m will increase the HRA reserve from £8.5m to £8.7m. There is a budgeted contribution to capital resources of £34.5m; however, this may be reviewed in line with forecast assumptions.

2.12 Capital Programme 2013-14

The Capital Programme (2013-14) forecast against budget as at 31 December is as follows:

	2013/14 Revised Budget £'000	Actual Spend to Date £'000	2013/14 Forecast £'000	Variance against Budget £'000
Adult & Community Services (ACS)	7,704	3,533	5,342	(2,362)
Children's Services (CHS)	34,740	21,031	28,684	(6,056)
Housing & Environment (H&E)	4,816	2,882	4,816	-
Chief Executive (CEO)	10,316	4,194	10,256	(60)
General Fund subtotal	57,576	31,640	49,098	(8,478)
Housing Revenue Account (HRA)	80,587	44,112	80,472	(115)
Total	138,163	75,752	129,570	(8,593)

The detail for schemes is in Appendix D.

Summary

The total approved capital programme currently stands at £138.2 million. Against this budget, Directorates are currently projecting to spend £129.6 million, representing an overall variance of £8.6m. Cabinet approval will be sought in June 2014 in order to roll forward the individual scheme variances into the 2014/15 budget, where those variances relate to slippage (i.e. delays in completing works).

The year-to-date capital expenditure total is £75.8 million meaning that £53.8m (or 42% of the annual forecast) is still expected to be spent in the remaining three months of the year. The high level of expenditure remaining represents a risk that parts of the programme will not be delivered as currently anticipated, and further slippage into the 2014/15 will occur. The Finance Service will continue to monitor this position closely in conjunction with service Project Managers and Sponsors, and will report updated slippage positions accordingly.

Adult & Community Services (ACS)

This directorate has a revised capital programme budget of £7.7m for 2013-14, and is forecasting a year-end underspend £2.4m. This is mostly due to slippage of £2.5m on the Barking Leisure Centre, where works have been delayed due to unforeseen archaeological work, and slippage of £0.5m on the Community Capacity Grant. As reported to Cabinet last month, the HRA funded Disabled Adaptations project is projecting to overspend by £0.3m due to high demand. The Barking Park Restoration project is also expected to overspend by £0.3m due to additional contractor fees.

Children's Services (CHS)

The Directorate has a revised budget for 2013/14 of £34.7m, which is currently projected an in year variance of £6.1m, due to slippage.

The majority of this underspend is made up of school expansion projects which are showing 2013/14 variances of approximately £4 million. The variances will be rolled forward into the 2014/15 budget, if approved by Cabinet in June 2014.

Within the overall variance there is also an in year underspend of £0.6m on the Barking Abbey Artificial Football Pitch scheme, which will now be delivered in 2014/15 and a projected underspend of £0.5m on the School Modernisation Fund, which will also be rolled forward into 2014/15.

Cabinet has recently approved an additional £27 million to be spent on expanding Robert Clack school, which apart from £0.05m, is all profiled to be spent in 2014/15 and 2015/16.

Housing & Environment (H&E)

HRA Programme

The HRA has a funded investment programme totalling £81.1 million following the last budget re-profiling exercise, £0.6m of which is managed by and shown within the ACS budget total. For the HRA managed schemes there is a forecast underspend for 2013/14 of £0.1m. Combined with the £0.3m overspend on the ACS managed scheme, there is currently a net overspend of £0.135m against HRA funding. Year to date spend is £44.1 million, therefore project managers are still expecting significant spend (£36.4m or 45% of the annual programme) to be incurred within the last three months of the year.

The underspend on the HRA managed schemes is due to underspends on Communal Lighting & Electrical Switchgear (£0.08m) and the Oldmead & Bartlett Remedial Works (£0.04m). These balances will be transferred back into the HRA available funding.

As noted within the ACS section, there is forecast overspend of £0.3m on Disabled Adaptations. As this scheme is HRA funded, this will potentially require additional HRA funds through the reallocation of budget from other existing HRA schemes, which is yet to be agreed.

Environmental Services

Environmental Services has a revised 2013/14 capital budget of £4.8 million, and the current forecast is still in line with this budget. The programme has been revised to reflect the amalgamation of budgets for Frizlands workshop major works scheme and brown wheeled bins scheme into the Environmental improvements and enhancements scheme.

The programme also includes an increase of £0.3m from Capital Reserves for highways improvement schemes. Spend to date on schemes recently added to the programme has not yet been incurred, such as the recently approved CPZ's and Parkmap scheme, however, spend is still expected to be to budget by the end of the financial year.

Chief Executive (CEO)

The Directorate has a revised capital programme of £10.3 million. Following re-profile submissions to the December Cabinet the various schemes within the Directorate are forecast to achieve a small underspend (£0.06m). Officers are working to ensure all external funding is drawn down from funding bodies and projects run according to schedule.

The ICT projects are currently shown as forecasting to spend to budget, despite a relatively low spend to date. These budgets will be reviewed and will likely be re-profiled in the next budget re-profile window.

2.13 Financial Control

At the end of December, the majority of key reconciliations have been prepared and reviewed. Where they are outstanding, an action plan has been put in place to ensure that they are completed by the end of the financial year.

3 Options Appraisal

- 3.1 The report provides a summary of the financial position at the relevant year end and as such no other option is applicable for appraisal or review.

4 Consultation

- 4.1 The relevant elements of the report have been circulated to appropriate Divisional Directors for review and comment.
- 4.2 Individual Directorate elements have been subject to scrutiny and discussion at their respective Directorate Management Team meetings.

5 Financial Implications

- 5.1 This report details the financial position of the Council.

6 Legal Issues

- 6.1 Local authorities are required by law to set a balanced budget for each financial year. During the year there is an ongoing responsibility to monitor spending and ensure the finances continue to be sound. This does mean as a legal requirement there must be frequent reviews of spending and obligation trends so that timely intervention can be made ensuring the annual budgeting targets are met.

Background Papers Used in the Preparation of the Report: Oracle monitoring reports

List of Appendices

- **Appendix A** – General Fund expenditure by Directorate
- **Appendix B** – Savings Targets by Directorate
- **Appendix C** – Housing Revenue Account Expenditure
- **Appendix D** – Capital Programme

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GENERAL FUND REVENUE MONITORING STATEMENT
December 2013/14

Directorate	Outturn 2012/13	Original Budget	Revised Budget	Forecast Outturn	Forecast Variance
	£000	£000	£000	£000	£000
<u>Adult & Community Services</u>					
Adult Care & Commissioning	43,122	39,149	39,366	39,366	-
Mental Health	3,583	3,197	3,222	3,222	-
Community Safety & Neighbourhood Services	3,665	2,772	2,825	2,825	-
Culture & Sport	9,112	5,966	5,026	5,026	-
Public Health	-	-	-	-	-
Management	1,219	6,145	6,796	6,796	-
	60,701	57,229	57,235	57,235	-
<u>Children's Services</u>					
Education	4,645	1,781	2,919	2,997	78
Targeted Support	11,958	7,987	8,125	7,291	(834)
Complex Needs and Social Care	35,312	29,151	29,427	30,181	754
Commissioning and Safeguarding	4,531	3,559	3,831	3,734	(97)
Other Management Costs	13,002	25,449	22,085	22,184	99
	69,448	67,927	66,387	66,387	-
<u>Children's Services - DSG</u>					
Schools	195,018	171,315	171,315	171,315	-
Early Years	4,621	16,285	16,285	16,285	-
High Needs	12,489	24,407	24,407	24,407	-
Non Delegated	2,508	2,850	2,850	2,850	-
Growth Fund	688	3,070	3,070	3,070	-
School Contingencies	1,544	-	-	-	-
DSG/Funding	(216,868)	(217,927)	(217,927)	(217,927)	-
	-	-	-	-	-
<u>Housing & Environment</u>					
Environment & Enforcement	21,858	20,378	23,097	23,097	-
Housing General Fund	2,186	2,215	2,321	2,321	-
	24,044	22,593	25,418	25,418	-
<u>Chief Executive Services</u>					
Chief Executive Office	(225)	(597)	(96)	(160)	(64)
Strategy & Communication	(152)	-	(62)	(126)	(64)
Legal & Democratic Services	304	410	581	436	(145)
Human Resources	(8)	-	160	83	(77)
Finance	(861)	(124)	(58)	(58)	-
Corporate Management	2,956	4,352	4,352	4,218	(134)
Regeneration & Economic Development	3,853	3,145	3,479	3,479	-
Assets & Facilities Management	1,146	1,153	1,206	1,134	(72)
Customer Services, Contracts & Business Improvement	12,046	11,422	12,911	13,108	197
	19,059	19,761	22,473	22,114	(359)
<u>Other</u>					
Central Expenses	(7,921)	(7,834)	(7,834)	(10,634)	(2,800)
Levies	8,942	9,620	9,420	9,420	-
Budget Surplus (Agreed MTFs)	-	5,234	5,234	-	(5,234)
	1,021	7,020	6,820	(1,214)	(8,034)
TOTAL	174,273	174,530	178,333	169,940	(8,393)

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GENERAL FUND SAVINGS MONITORING STATEMENT**December 2013/14****Adult and Community Services**

Ref:	Detail	Current Position	Target	Forecast	Variance
			£000	£000	£000
ACS/SAV/01	Community Cohesion and Equalities Team - reduced voluntary sector function	All staff have now moved or left, variance to be met within the division, no further action remaining	229	216	13
ACS/SAV/02	Statutory Social Care & Complaints - reorganisation of the team	Achieved	85	85	-
ACS/SAV/03	Occupational Therapy and Sensory Services Team - reorganisation of the team	Achieved	186	186	-
ACS/SAV/04	Drug & Alcohol Services - a reduction in support service to drug and alcohol users	Achieved	165	165	-
ACS/SAV/05	Youth Offending - Reduction in work to prevent young people becoming involved in crime and disorder and reoffending	Achieved	50	50	-
ACS/SAV/06	Withdraw or reduce Domestic Violence service	Achieved	211	211	-
ACS/SAV/07	Reduction in voluntary sector grants and commissions	Achieved	110	110	-
ACS/SAV/10 (a)	Free Leisure Offer - fund service from the Public Health Grant	Achieved	130	130	-
ACS/SAV/10 (b)	Active Age Centres - fund service from the Public Health Grant	Achieved	150	150	-
ACS/SAV/10 (c)	Advice, Information and Support for people with HIV/Aids provided by Positive East - fund service from the Public Health Grant	Achieved	49	49	-
ACS/SAV/10 (d)	Alcohol Co-ordinator - fund service from the Public Health Grant	Achieved	43	43	-

Ref:	Detail	Current Position	Target	Forecast	Variance
			£000	£000	£000
ACS/SAV/10 (e)	Floating Support for Homeless People - reduce capacity on the contract by £50k	Achieved	50	50	-
ACS/SAV/10 (f)	Specialist employment support for people with mental health needs	Saving being delivered by external funding from CCG, therefore GF funding not required	100	92	8
ACS/SAV/10 (g)	Decommission 6 beds of accommodation based support for 16 - 18 year olds at the Vineries (and possible transfer of accommodation to Children's Services)	Achieved	40	40	-
ACS/SAV/10 (h)	Supporting Employment Opportunities for People with Drug and Alcohol problems	Achieved	33	33	-
ACS/SAV/10 (i)	Domestic Violence - cessation of Refuge Floating Support contract	Achieved	105	105	-
ACS/SAV/10 (j)	Delete Administrator post in the Adult Safeguarding Team	Achieved	39	39	-
ACS/SAV/10 (k)	DV and Hate Crime Strategy Manager - reduce post to 0.6 FTE	Achieved	21	21	-
ACS/SAV/10 (l)	Delete post supporting administration of the Learning Disability Partnership Board	Achieved	28	28	-
ACS/SAV/10 (m)	Cessation of Service Development Budget for Older People	Achieved	30	30	-
ACS/SAV/10 (n)	Maximising Grant Flexibilities	Achieved	64	64	-
ACS/SAV/12	Management Reductions (reduce social care GM)	Achieved	40	40	-
ACS/SAV/17	Reduce hospital social work team	Achieved	84	84	-
ACS/SAV/18	Kallar Lodge staff reduction	Achieved	23	23	-

Ref:	Detail	Current Position	Target £000	Forecast £000	Variance	
					£000	£000
ACS/SAV/19	Reduce business support in Adult Social Care	Achieved	16	16	-	-
ACS/SAV/20	Delete Arts Team	Achieved	25	25	-	-
ACS/SAV/24	End support to the Create Festival	Achieved	25	25	-	-
ACS/SAV/27	Review CCTV monitoring	Achieved	153	153	-	-
ACS/SAV/28	Reduce strategic commissioning posts	Achieved	28	28	-	-
ACS/SAV/29	Reduce dedicated support to service users and carers	Achieved	19	19	-	-
ACS/SAV/32	Summers Sorted Holiday Activity Programme	Achieved	30	30	-	-
Feb 2012 Assembly	Non Staffing Supplies & Services Budgets	Achieved	90	90	-	-
Feb 2012 Assembly	Remodelling homecare services in line with the principles of personalisation	Achieved	100	100	-	-
Feb 2012 Assembly	Revisions to pricing framework for Care Home Placements	Achieved	20	20	-	-
Feb 2012 Assembly	Changes to in-house residential care service for adults with a learning disability (80 Gascoigne)	Achieved	75	75	-	-
Feb 2012 Assembly	Reconfiguration of mental health services	Achieved	100	100	-	-
Feb 2012 Assembly	Commissioning Contracts & Purchase Savings	Achieved	250	250	-	-
Feb 2012 Assembly	Changes to grants to voluntary organisations	Achieved	215	215	-	-
Feb 2012 Assembly	Remodel of learning disability day, volunteering and employment services	Achieved	100	100	-	-

Ref:	Detail	Current Position	Target £000	Forecast £000	Variance	
					£000	£000
Feb 2012 Assembly	Broadway theatre	Achieved	100	100	-	-
Feb 2012 Assembly	Closure of Goresbrook Leisure Centre	Achieved	371	371	-	-
Feb 2012 Assembly	Olympic unit	Achieved	218	218	-	-
Feb 2012 Assembly	Changes to the public events programme	Variance due to commitments made to still deliver St. Georges day and classical concert events. This has been funded by early delivery of Events staff saving, no further action remaining	90	83	7	7
Feb 2012 Assembly	Expanding commercial opportunities at heritage venues	Plans put in place to bring in more income from weddings and other events have not been successful. Steps being put in place to reduce expenditure to offset the income target	10	-	10	10
Feb 2012 Assembly	Libraries Review	Achieved	226	226	-	-
Total Adult & Community Services			4,324	4,285	39	39

Children's Services

Ref:	Detail	Current Position	Target	Forecast	Variance
			£000	£000	£000
CHS/SAV/01	Early Years - Changes to the delivery format of Phase 3 Children's Centres	On Target	500	500	-
CHS/SAV/02	Integrated Youth Service - Reduction in staff and commissioning	On Target	100	100	-
CHS/SAV/03	Borough Apprentice Scheme - Removal of apprenticeship wage subsidy to departments and reduction in 14-19 staffing	On Target	100	100	-
CHS/SAV/04	Education - school improvement - retirement and efficiency savings	On Target	25	25	-
CHS/SAV/05	Education - School Estates Team (capitalisation)	On Target	75	75	-
CHS/SAV/06	Education - Reduction of £100k in Education Inclusion	On Target	50	50	-
CHS/SAV/08	Commissioning & Safeguarding - Transfer of costs to catering traded services account as an overhead	On Target	50	50	-
CHS/SAV/10 (a)	Targeted Support - Reduction in repairs, maintenance and equipment budgets	On Target	300	300	-
CHS/SAV/10 (b)	Troubled Families Co-ordinator funding - For 2012/13, 13/14 and 14/15 (non-recurrent)	On Target	100	100	-
CHS/SAV/10 (c)	Commissioning - Youth Access card to be transferred to Public Health Grant	On Target	150	150	-
CHS/SAV/10 (d)	Commissioning - Misc budget savings	On Target	45	45	-
CHS/SAV/10 (e)	Education - Deletion of 1 Attendance Officer (vacant following resignation) and 1 Admin Support	On Target	50	50	-

Ref:	Detail	Current Position	Target	Forecast	Variance
CHS/SAV/10 (f)	Social Care and Complex Needs - Additional EP income	On Target	80	80	-
CHS/SAV/10 (g)	Efficiencies within Prevention - Long Term Care	On Target	120	120	-
CHS/SAV/10 (h)	Maximising of grant flexibilities	On Target	5	5	-
CHS/SAV/11	Adoption - Reduction in use of independent social workers	On Target	70	70	-
CHS/SAV/12	Complex Needs and Social Care, Assessment and Care Management.	On Target	60	60	-
CHS/SAV/15	School Estate Management - reduce to statutory only posts, and charge for lead manager from capital funding	On Target	45	45	-
CHS/SAV/17	Inclusion Services - Further reduce central support team, would only be funded from DSG but schools may feel not equipped to manage complex special needs - potential impact is increased SEN costs	On Target	35	35	-
CHS/SAV/20	Youth Service - Reduce to statutory provision only	On Target	140	140	-
Feb 2012 Assembly	Prevention/Crisis Intervention/ Family Group Conferencing Merger of the three preventative services to create efficiencies	On Target	50	50	-
Feb 2012 Assembly	CAMHS Schools Counselling contract ending that will not be renewed and reduction in primary and emotional team	On Target	100	100	-
Feb 2012 Assembly	Disabled Children's Team - Contribution from short breaks funding on mainstreamed into base budget	On Target	100	100	-
Feb 2012 Assembly	Adult College - contribution from the College towards management costs / overheads	On Target	100	100	-

Ref:	Detail	Current Position	Target	Forecast	Variance
Feb 2012 Assembly	Education Inclusion/School Improvement - Staffing Review and Reductions	On Target	100	100	-
Feb 2012 Assembly	School Improvement Income - Raising the SLA income - charging Schools for services/Other Local authorities	On Target	50	50	-
Feb 2012 Assembly	Training Reductions	On Target	23	23	-
Feb 2012 Assembly	Reduction of Management costs in the Multi-agency Locality Teams	On Target	55	55	-
Feb 2012 Assembly	Portage Amalgamation	On Target	30	30	-
Total			2,708	2,708	0

Housing and Environment

Ref	Detail	Current Position	Target £000	Forecast £000	Variance £000
H&E/SAV/01(a)	Catering income from Parks	Service manager currently working to implement, not yet up and running. Shortfall being absorbed within the department	20	20	0
H&E/SAV/01(b)	Park Ranger Services	Restructure Complete	260	260	0
H&E/SAV/02	Street Lighting - Energy efficiency savings	Complete	52	52	0
H&E/SAV/03	Rationalisation of recharges to the HRA - Street Lighting	Complete	200	180	20
H&E/SAV/04	Review of road safety service / schools crossings patrols	Complete	80	80	0
H&E/SAV/07	Cessation of night time cleansing	Night cleaning service still ongoing, however, alternative posts have been reduced to accommodate	210	210	0
H&E/SAV/09	Consolidation of Transport & Plant - 5% efficiency savings on kit, fuel & vehicle use	Reconciliation work in process to identify all kit in the department	120	120	0
H&E/SAV/11	Land Drainage - Efficiency saving on maintenance budget	Complete	60	60	0
H&E/SAV/12	Decommission of Depots	Likely to be achieved by closing of Parsloes depot.	40	40	0
H&E/SAV/15	Recharge GF works to the Parking Account	Linked to capital strategy; report being prepared for Cabinet to agree funding.	150	150	0
H&E/SAV/18	Reduction in Environmental Enforcement	Complete	140	140	0
H&E/SAV/21	Introduce charging for a bulky waste collection service	Complete	55	55	0
Feb 2012 Assembly	Transport savings from adjustments for affordability and reductions in use of buses	Dependent on ACS reducing the number of journeys required, but currently still requesting same number of routes.	100	100	0

Ref	Detail	Current Position	Target	Forecast	Variance
Feb 2012 Assembly	Reduced mowing to create naturalised environment	Original figures from 'confirm' are now inaccurate, so the actual savings will need to be delivered in a different way.	32	32	0
Feb 2012 Assembly	Making Parks more commercially sustainable	Parking charges in Parks not being implemented (£9K) as per members decision, Grazing and Education at Millennium Centre not achievable (£4.5k), only half of Bowling Greens savings and 'Golfwise' achievable (i.e.£25k) as original costings from 'Confirm' now inaccurate, Income from Lakes, Tennis and Education and Concessions achievable. Non-essential spend put on hold to cover the deficit.	96	72	24
Feb 2012 Assembly	Efficiencies within Parking services processes	Complete	50	50	0
Total			1,665	1,621	44

Chief Executive

Ref:	Detail	Current Position	Target	Forecast	Variance
			£000	£000	£000
FIN&RES/SAV/01	Regeneration - Transport Planning. Increase the LIP top slice in 2013/14	Achieved	25	25	0
FIN&RES/SAV/06	Efficiencies through implementation of Oracle R12	Achieved	200	200	0
FIN&RES/SAV/10	Reduction in ex Asset & Commercial Services central budgets i.e. supplies & services budgets, training budget reduction and other uncommitted budgets after Elevate transfer	Achieved	120	120	0
FIN&RES/SAV/12	Internal Audit - Removal of special projects provision	Achieved	26	26	0
FIN&RES/SAV/13	Risk Management - Staffing reductions	Achieved	31	31	0
FIN&RES/SAV/14	Reduction in CM Unit budget	Achieved	100	100	0
FIN&RES/SAV/15	Deletion of a Project & Technical officer post - PO4	Achieved	47	47	0
FIN&RES/SAV/16	Savings as a result of management and service restructure	Facilities Mgt transferred to H&E to deliver this saving. At present only £150k of the savings has been identified and the division is currently confirming details of achieving the rest. Shortfall is currently being absorbed within the CEX department and H&E.	300	150	150
FIN&RES/SAV/17	Increased charging of Economic Development & Sustainable Communities staff time to the HRA	Achieved	153	153	0
FIN&RES/SAV/18	Merger of the Corporate Client and Capital Delivery Teams	Achieved	125	125	0
FIN&RES/SAV/22	Regeneration - Deletion of one Development Management post	Achieved	38	38	0

Ref:	Detail	Current Position	Target £000	Forecast £000	Variance £000
CEX/SAV/01	CE Office - Reduction in supplies and services and third party payments	Achieved	30	30	0
CEX/SAV/02	Policy & Performance -Reduction in supplies and services, and one PO2 post from the team	Policy restructure completed	102	102	0
CEX/SAV/05	Marketing & Communications - Further reductions in supplies & services; and increased income generation from external suppliers	Achieved	100	100	0
CEX/SAV/06	Legal & Demo - Reduction in employee budgets, and increase in income	Achieved	100	100	0
CEX/SAV/08	Chief Executive Review	Achieved –a report was submitted to PASSC on the delivery of this savings. The Marketing & Communication element of the savings could not be fully delivered, but this has been mitigated by the savings from the joint CEX arrangement with Thurrock.	622	622	0
CEX/SAV/10	Policy - Further reduction and sharing of Service	Achieved through centralising Policy officers across the Council Departments	80	80	0
CEX/SAV/11	Cease publication of the News	Achieved – Publication has ceased.	60	60	0
CEX/SAV/12	Legal - Reduction in employee budgets / further sharing with Thurrock Council	Achieved through further sharing of GM posts in Legal	54	54	0
Feb 2012 Assembly	Savings in Sustainable Communities/Economic Development area	Achieved	40	40	0
Feb 2012 Assembly	Reduction in accommodation costs through the Modern Ways of Working project	Some buildings closed and some yet to be closed	226	226	0
Feb 2012 Assembly	Restructure of Senior Managers	Achieved	68	68	0
Feb 2012 Assembly	Merge Payroll and HR Support (within Elevate)	Achieved	86	86	0
Total			2,733	2,583	150

HOUSING REVENUE ACCOUNT MONITORING STATEMENT

December 2013/14

HOUSING REVENUE ACCOUNT	Outturn 2012/13	Original Budget	Revised Budget	Forecast Outturn	Forecast Variance
	£000	£000	£000	£000	£000
Rents	(83,901)	(86,627)	(86,627)	(87,044)	(417)
Non Dwelling Rent	(2,489)	(2,503)	(2,503)	(2,382)	121
Other Income	(19,785)	(17,530)	(17,644)	(18,063)	(419)
Capitalisation of Repairs	(2,700)	(1,000)	(1,000)	(1,000)	-
Repairs and Maintenance	22,960	20,000	20,000	20,106	106
Supervision and Management	37,363	37,025	39,229	39,945	717
Rent Rates and Other	443	700	700	700	-
Bad Debt Provision	632	3,159	3,159	3,159	-
Interest Charges	9,294	9,759	9,759	9,759	-
Corporate & Democratic Core	811	811	811	811	-
Interest	(642)	(336)	(336)	(642)	(306)
Revenue Contribution to Capital & Depreciation	11,345	35,542	34,453	34,453	-
Service Transformation		1,000		-	-
Repayment of Debt					
Transfer to Major Repairs Reserve	26,342				
Subsidy Limitation	135				
Contribution to HRA Reserve	(192)	-	-	(197)	(197)

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2013/2014 CAPITAL PROGRAMME - As at December 31st 2013

Project No.	Project Name	2013/14 Revised Budget (£'000)	Actual Expenditure (£'000)	2013/14 Forecast (£'000)	Forecast Variance (£'000)
Adult & Community Services					
Adult Social Care					
2872	Fews Lodge Extra Care Scheme		(18)		
2913	80 Gascoigne Road Care Home	198	135	198	
2888	Direct Pymt Adaptations	400	302	400	
100	Disabled Adaptations (HRA)	583	578	833	250
106	Private Sector Households	575	420	575	
2976	Community Capacity Grant	491		10	(481)
Culture & Sport					
1654	Ripple Hall (St Georges/Vol Group Relocation)	1	1	1	
191	Eastbury House	3		3	
2233	Valence Site Redevelopment	19	12	19	
2266	Barking Park Restoration & Improvement	100	54	400	300
2603	Becontree Heath Leisure Centre	159	228	228	69
2815	Goresbrook Leisure Centre - Olympic Training Venue		8		
2855	Mayesbrook Park Athletics Arena	251	59	251	
2870	Barking Leisure Centre 12-14	4,923	1,753	2,423	(2,500)
Total For Adult & Community Services		7,704	3,533	5,342	(2,362)
Children's Services					
Primary Schools					
2555	Eastbury	32	(62)		(32)
2736	Roding Primary School - Cannington Road Annex	137		137	
2745	George Carey CE Primary School (formerly Barking Riverside P	273	273	273	
2759	Beam Primary Expansion	82			(82)
2799	St Joseph's Primary - expansion	83	62	83	
2800	St Peter's Primary - expansion	34			(34)
2776	Thames View Infants - London TG Agreement	40	1	2	(38)
2787	Cambell Junior - Expansion & Refurb	18		18	
2786	Thames View Juniors - Expansion & Refurb	49	53	57	8
2784	Manor Longbridge (Former UEL Site)		(329)		
2789	Westbury - New Primary School			17	17
2790	St Georges - New Primary School	25		25	
2860	Monteagle Primary (Quadrangle Infill)	96	4	30	(66)
2862	Gascoigne Primary (Expansion)	989	897	989	
2863	Parsloes Primary (Expansion)	49	11	30	(19)
2864	Godwin Primary (Expansion)	1,674	1,695	1,695	21
2865	William Bellamy Infants/Juniors (Expansion)	750	188	350	(400)
2867	Southwood Primary (Expansion)	13	5	13	
2900	Becontree Primary Expansion	42	18	42	
2924	St Josephs Primary Extn	352	229	300	(52)
Other Schemes					
2972	Implementation of early education for 2 year olds	750	57	500	(250)
2793	SMF - School Modernisation Fund	412	510	550	138
2751	School's Kitchen Extension/Refurbishment 10/11	12			(12)
2724	Basic Needs Projects (formerly Additional School Places)2011/	231	54	131	(100)
2826	512a Heathway - Conversion to a Family Resource	185	97	145	(40)
2878	512a Heathway (phase 2)- Conversion to a Family Resource with	7			(7)
9999	Devolved Capital Formula	1,639	832	1,200	(439)
2906	School Expansion SEN Projects	863	287	500	(363)
2909	School Expansion Minor Projects	473	14	250	(223)
Children Centres					
2310	William Bellamy Childrens Centre	6	(14)		(6)
2311	Becontree Childrens Centre		(232)		
2217	John Perry Childrens	10	(5)	10	

2013/2014 CAPITAL PROGRAMME - As at December 31st 2013

Project No.	Project Name	2013/14 Revised Budget (£'000)	Actual Expenditure (£'000)	2013/14 Forecast (£'000)	Forecast Variance (£'000)
Secondary Schools					
2818	Sydney Russell - Schools For The Future	224	204	224	
2825	Dagenham Park School		(12)		
2859	Robert Clack Expansion				
2932	Trinity 6th Form Provison		(153)		
2966	Eastbrook Comprehensive School				
Skills, Learning & Enterprise					
2723	Advanced Skills Centre	580	165	500	(80)
Approved by Cabinet - awaiting Appraisal					
2974	Robert Clack Artificial Football Pitch	668	()	668	
2975	Barking Abbey Artificial Football Pitch	630		5	(625)
2977	Barking Riverside Secondary Free School	300		100	(200)
2918	Roding Cannington 2013-15	1,826	1,718	1,826	
2919	Richard Alibon Expansion	985	316	500	(485)
2920	Warren/Furze Expansion	1,500	602	1,100	(400)
2921	Manor Infant Jnr Expansion	1,000	174	300	(700)
2922	Valence Halbutt Expansion	1,609	1,549	1,609	
2923	Rush Green Expansion	150	119	150	
2956	Marsh Green Primary 13-15	30		30	
2957	John Perry School Expansion 13-15	786	49	500	(286)
2958	Fanshawe Adult College Refurb 13-15	2,250	2,504	2,504	254
2960	Parsloes Fanshawe Primary Expansion 13-15	300	73	200	(100)
2929	SMF 2012/13	2,380	1,848	2,380	
2978	SMF - School Modernisation Fund 13/14	1,000	25	500	(500)
2952	Barking Abbey Expansion 13-15	50	5		(50)
2953	All Saints Expansion 13-15	3,603	2,054	3,000	(603)
2954	Jo Richardson Expansion 13-15	350	24	50	(300)
2955	Barking Riverside City Farm	5,141	5,116	5,141	()
2959	Robert Clack Expansion 13-15	50	7	50	
Total For Children's Services		34,740	21,031	28,684	(6,056)
Housing and Environment					
Environmental Services					
2764	Street Light Replacing	211	71	211	
2873	Environmental Improvements and Enhancements	119	(10)	119	
2964	Road Safety Improvement 2013-14 (TfL)	98	9	98	
2887	Frizlands Wkshp Major Wks		57		
2886	Parking Strategy Imp	157	(42)	157	
2907	Leys Road Reconstruction 12-13		7		
2930	Highways Improvement Programme	3,555	2,681	3,555	
2981	Parkmap scheme (Traffic Mangement Orders)	170		170	
2982	Controlled Parking Zones (CPZ's)	170		170	
PGSS					
2421	Staff Costs 12/14	38		38	
2567	Abbey Green Park Development	9	(4)	9	
2817	Mayesbrook Park Improvements (Phase 1)	67	51	67	
2911	Quaker Burial Ground	60	9	60	
2912	Barking Park Tennis Project	41	13	41	
2948	Abbey Green- Churchyard Wall	78	41	78	
2925	Adizone Project 12-13	41		41	
Total For Housing & Environment		4,816	2,882	4,816	0

2013/2014 CAPITAL PROGRAMME - As at December 31st 2013

Project No.	Project Name	2013/14 Revised Budget (£'000)	Actual Expenditure (£'000)	2013/14 Forecast (£'000)	Forecast Variance (£'000)
Chief Executive (CEO)					
Asset Strategy					
2741	L8 Control of Legionella Remedial Works	60	33	60	
2578	Asbestos (Public Buildings)	10	2	10	
2771	Automatic Meter Reading Equipment	41	37	41	
2587	Energy Efficiency Programme	86	100	86	
2542	Backlog Capital Improvements	600	270	600	
2565	Implement Corporate Accommodation Strategy	539	350	539	
ICT					
2623	Microsoft Enterprise Agreement	89		89	
2738	Modernisation & Improvement Capital Fund	1,529	369	1,529	
2877	Oracle R12 Joint Services	2,778	763	2,778	
Regeneration					
2458	New Dagenham Library & One Stop Shop	74		74	
2596	Legi Business Centres	80	28	80	
2969	Economic Development Growth Fund	225		25	(200)
2775	BTC Public Realm - Tsq & Abbey	25	13	25	
2625	Thames View Regen Initiative	21	14	21	
2819	London Road/North Street Site Acquisitions	77	22	77	
2831	Barking Station Forecourt - Phase 2 Implementation (TFL & S10)		1		
2821	Shopping Parade Enhancements	365	(104)	365	
2854	Improvements to the rear of The Mall, Dagenham Heathway	170	159	170	
2890	Principal Road Resurfacing (TFL)		150	162	162
2901	Creekmouth Arts & Heritage Trail	165	38	165	
2902	Short Blue Place (New Market Square Barkin - Phase II)	304	248	304	
2926	Outer London Fund Round 2	120	76	120	
2927	Chequers/Abbey Road Public Realm improvements	392	355	392	
2928	Captain Cook Site Acquisition and Public Realm Works (Abbey)	50	15	50	
2841	Biking Borough Initiative (TFL)	141	95	141	
2891	Merry Fiddlers Jct Imp Year 2 (TFL)	384	236	384	
2892	Cycling Greenways Year 2 (TFL)	96	38	96	
2893	Thames Rd Corr Imp	315	277	385	70
2895	Chadwell Heath Station Impv (TFL)	288	96	288	
2898	Local Transport Plans (TFL)	96	67	96	
2899	River Roding Cycle Link / Goresbrook Park Cycle Links	192	(5)	192	
2962	Principal Road Resurfacing 2013-14 TfL	530	290	368	(162)
2963	Mayesbrook Neighbourhood Improvements (DIY Streets) 2013-14	288	47	358	70
2965	Safer & Smarter Travel Plans 2013-14 (TfL)	111	119	111	
2910	Barking Stn Parade Assessment				
2914	Barking Job Shop Relocation	73	(6)	73	
Total For CEO		10,316	4,194	10,256	(60)
Grand Total General Fund		57,576	31,640	49,098	(8,478)

2013/2014 CAPITAL PROGRAMME - As at December 31st 2013

Project No.	Project Name	2013/14 Revised Budget (£'000)	Actual Expenditure (£'000)	2013/14 Forecast (£'000)	Forecast Variance (£'000)
HRA					
2640	MAJOR WORKS (R&M) PROJ.	1,000	649	1,000	
2645	Planning and Contingencies	523	1,090	523	
2725	Extensions and deconve	13	13	13	
2726	External Enveloping Work	251		251	
2728	Electrical Switchgear Project	98	25	98	
2730	Sheltered Alarms Upgrade		(138)		
2731	Colne & Mersea Blocks	188	(169)	188	
2772	King William St Qtr	98	98	98	
2773	New Build phase 2 & 3	225	176	225	
2811	Capitalised Improvement Works	360	61	360	
2813	Estate Improvement Project	450	77	450	
2822	Communal Lighting and Electrical Switchgear	88	9	9	(79)
2823	New Council Housing Phase 3	1,000	438	1,000	
2824	Oldmead & Bartlett Remedial Works	5	(30)	(31)	(36)
2844	Door Entry Project 11/12	272	285	272	
2845	External Enveloping & Fire proofing project (including walkways)	859	288	859	
2847	Central Heating Installation inc. Communal Boiler Replacement	25	26	25	
2848	Kitchen & Bathroom Replacement Project	64	48	64	
2849	High Rise Surveys	392	26	392	
2850	Capitalised Improvement Works (Estates)	158	30	158	
2852	Adaptations - Housing	120	90	120	
2853	Estate Improvements	371	81	371	
2880	Central Heating Installation Phase 2 (Enhanced)	14	44	14	
2881	Kitchen , Bathroom, Central Heating and Re-wiring (Enh)	74	8	74	
2882	Electrical Rewiring (Enhanced)	12	5	12	
2933	Voids 12-14	3,000	2,033	3,000	
2934	Roof Replacement Project	1,125	445	1,125	
2935	Internal Works Multiple Elmnts	6,500	4,298	6,500	
2936	Rewiring (incl Smoke Alarms)	1,083	178	1,083	
2937	CCTV/SAMS Phase 2	10	8	10	
2938	Fire Safety Works	233	111	233	
2939	Riverside House Refurb	2,300	1,263	2,300	
2940	Door Entry Project 12/13 Phase II	1,102	377	1,102	
2941	Renewables (PVs) & CESP's additional External Enveloping Wo	1,224	491	1,224	
2942	Travellers Site Refurbishment	237	258	237	
2943	Asbestos Removal (Communal Areas only)	150	109	150	
2944	R & M Set up Costs	3,129	(295)	3,129	
2945	Street Properties Acquisition	2,000	681	2,000	
2946	Older Persons Housing Strategy Phase 1	400	242	400	
2949	External Enveloping incl. Walkways Phase II	1,423	642	1,423	
2950	Central Heating Installation Inc. Communal Boiler Replacement	1,490	23	1,490	
2951	Electrical Switchgear inc. Communal & Emergency Lighting Pha	483	82	483	
2820	Boroughwide Estate Renewal - Gascoigne Decants	868	558	868	
2828	Boroughwide Estate Renewal - Leys Decants	141	116	141	
2829	Boroughwide Estate Renewal - Goresbrook Village Decants	87	98	87	
2856	Boroughwide Est Renewal - Leaseholders Buybacks (all)	6,690	5,482	6,690	
2857	Boroughwide Est Renewal - Resources/Masterplanning	1,198	619	1,198	
2858	Boroughwide Est Renewal - Demolition	4,395	3,982	4,395	
2915	Boroughwide Estate Renewal - Althorne Way	111	64	111	
2916	Lawns & Wood Lane Dvlpmnt	6,100	3,981	6,100	
2917	Abbey Road CIQ	13,493	10,041	13,493	
2931	Leys New Build Dev (HRA)	1,355	744	1,355	
2961	Goresbrook Village Housing Development 13-15	3,625	1,777	3,625	
2970	Marks Gate Open Gateway Regen Scheme	2,600	2,045	2,600	
2971	Minden Gardens	300	348	300	
2983	Decent Homes Backlog Programme	6,000		6,000	
2984	Becontree Heath Enveloping Project	100		100	
2985	West Gascoigne Upgrading	50		50	
2987	Stansgate New Build	225		225	
2988	Margaret Bondfield New Build	100		100	
2989	Ilchester Road New Build	100		100	
2990	Abbey Road Phase II New Build	500		500	
Grand Total HRA		80,587	44,112	80,472	(115)

2013/2014 CAPITAL PROGRAMME - As at December 31st 2013

Project No.	Project Name	2013/14 Revised Budget (£'000)	Actual Expenditure (£'000)	2013/14 Forecast (£'000)	Forecast Variance (£'000)
TOTAL CAPITAL PROGRAMME		138,163	75,752	129,570	(8,593)

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CABINET

18 February 2014

Title: Fees and Charges 2014/15	
Report of the Cabinet Member for Finance	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Kathy Freeman – Group Manager, Corporate Finance	Contact Details: Tel: 0208 227 3497 E-mail: kathy.freeman@lbbd.gov.uk
Accountable Director: Jonathan Bunt, Chief Finance Officer	
<p>Summary</p> <p>Local Authorities are involved in a wide range of services and the ability to charge for some of these services has always been a key funding source to Councils.</p> <p>This report concerns itself with recommending the appropriate level of fees and charges for the 2014/15 financial year for those services where the Council has decided to set fees.</p> <p>In preparing the proposed fees and charges, Directorates have worked within the framework of the agreed Charging Policy. In order to protect residents and users, the Council has decided not to impose an across the board increase in fees and charges. Each service has been reviewed and the charges reflect those of competitive market rates for the service.</p> <p>The proposed charges for 2014/15 are detailed in Appendix A to this report.</p> <p>The proposed deletion of current fees and charges are detailed in Appendix B to this report.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Agree the proposed fees and charges as set out in at Appendix A to the report, to be effective from 1 April 2014; (ii) Note the fees and charges no longer applicable from 31 March 2014, as set out in Appendix B; (iii) Delegate authority to the Corporate Director of Children’s Services, in consultation with the Chief Finance Officer and the Cabinet Members for Finance and Education, regarding the setting of fees and charges which are applied from September for schools and academic year based activities; and 	

- (iv) Delegate authority to the Corporate Director of Adult and Community Services and Corporate Director of Housing and Environment, in consultation with the Chief Finance Officer and Portfolio Holders, to amend the fees and charges for Park Events once the policy decision on service direction has been agreed.

Reason(s)

The setting of appropriate fees and charges will enable the Council to generate essential income for the funding of Council services.

The approval of reviewed fees and charges to ensure that the Council is competitive with other service providers and neighbouring councils.

1.0 Introduction and Background

- 1.1 Councils are involved in a wide range of services and the ability to charge for some of these services has always been a key funding source. The types of services provided by the Council where fees and charges are currently levied often fall into a broad category of traditional income generating services.
- 1.2 The income generating services contain both statutory and discretionary services. Where fees and charges apply to mandatory services, these are often set nationally, for example planning fees. The majority of mandatory services are not funded directly from fees and charges but instead from the Council's main income sources, i.e. Government grant and Council Tax revenue. Examples of services funded in this way are Highway Maintenance, Children's Services, Cleansing and Domestic Refuse services.
- 1.3 The remaining income services where the Council levies fees and charges are of a discretionary nature. These cover a whole range of services such as Care services, Libraries, Licensing, Pest Control, Commercial Waste, Drainage, Markets, Leisure and Recreation facilities and Parking and the Registrar service. This report concerns itself with recommending the appropriate level of fees and charges for 2014/15 for these types of services.
- 1.4 In addition to those traditional income services, the Council also has the power under the Local Government Act 2003 to charge for other discretionary services that it may already provide or may wish to provide in the future.
- 1.5 There is no definitive list as to which discretionary services are covered by the powers provided in the Act although the Government has provided limited examples of what could be included, such as maintenance of older/disabled peoples' gardens, arboriculture work in private gardens, operating consumer protection approved lists, pre-application planning and development advice, highway services to private industrial estates, home energy advice, home security services and use of excess capacity in local authority services.
- 1.6 To date, in keeping with most other local authorities, the Council has not expanded use of these powers but will continue to review the potential to do so when there is a sound business case to do so.

2.0 Medium Term Financial Strategy 2014/15

- 2.1 The Council's Medium Term Financial Strategy for 2014/15 assumes no change to fees and charges income. Therefore any additional gain or loss in income will be resulting from changes in fees and charges will be retained within Directorates.
- 2.2 Every year Corporate Directors need to assess those services which warrant higher or lower increases in fees and charges to reflect the achievement of their overall budgets, the economic climate and market conditions.

3.0 Charging Policy

- 3.1 The Council has an agreed Charging Policy which requires that all charges are reviewed annually as part of the budget setting process.
- 3.2 The Charging Policy has three fundamental principles:
- Services should raise income wherever there is a power or duty to do so;
 - The income raised should cover the full costs of providing the service including all overheads;
 - Any departures from this policy must be justified in a transparent manner with reference to the Council's priorities and policies.

4.0 Proposed Fees and Charges for 2014/15

- 4.1 Attached to this report at Appendix A are the proposed fees and charges for 2014/15 which will be effective from 1 April 2014.
- 4.2 The Appendix details the following information:
- Description of service provided;
 - Current 2013/14 charge;
 - Proposed 2014/15 charge;
 - Proposed increase in pounds and in percentage terms;
 - The rationale for a given increase, as well as any other comments.
- 4.3 A summary of the services that Appendix A relates to is presented within the following sections. The reference numbers quoted below relate to the line reference numbers on Appendix A.

5.0 Adult and Community Services (Ref 1 – 336)

- 5.1 The Directorate has taken account of a number of factors in establishing the level of increase in fees from April 2014, including inflation, market conditions and current income levels. Further detail and explanations from specific service areas within the Directorate are provided below.

5.2 Adult Social Care (Ref 1 – 7)

- 5.2.1 For care and support provided in the community, the Council's Fairer Contributions Policy, which was implemented with effect from 1 October 2011, is used to calculate

charges based on service costs and income. Further details can be obtained from the report presented to Cabinet on 12 July 2011 (Minute 23 refers).

- 5.2.2 The charges for in-house Residential Homes (80 Gascoigne Road and Kallar Lodge) have been uplifted to reflect unit cost estimates for 2014/15. This is in line with the corporate charging policy of aiming for full cost recovery.
- 5.2.3 The charges for in-house Day Care centres (Heathlands and Maples) follows a differential charging strategy introduced last year to remain competitive with local providers. As the Fulfilling Lives programme is implemented, and increasing numbers of users receive personal budgets, charges will be reviewed to ensure full cost recovery is maintained.
- 5.2.4 All charges include a factor of 12% to cover corporate overheads as this represents the approximate share of overheads for the Directorate. This percentage has been applied to unit costs calculations.

5.3 Culture and Sport

5.3.1 Eastbury Manor House (Ref 8 – 76)

- 5.3.2 The civil marriage/partnership ceremonies and receptions price structure will be simplified with the deletion of seasonal variation of charges and the introduction of all year charges.
- 5.3.3 New children's party packages with catering are being introduced with prices ranging from £16 to £26 per child. This followed a successful pilot event for 15 children charging £14 per child and compared favourably with a local company whom would charge £18. Feedback from that pilot and subsequent enquiries as to future bookings has led to an agreed starting price of £16 in order to ensure costs are covered. It is anticipated this introduction will address some of the income shortfall that has emerged in relation to the wedding packages.
- 5.3.4 The room hire pricing structure will be simplified with the deletion of seasonal variation of charges and the introduction of all year charges. The small evening functions charge is being deleted due to low take up. New weekend charges are being introduced to reflect the premium period.
- 5.3.5 Some weekday charges are being reduced to encourage bookings and discounts for community/charity use and internal bookings are being reduced to standardise the discount (25%). The whole house (7 room) charge is being increased as the charges were recognised as being too low (and subsequently inconsistent) compared to the cost of a single room. The rates still represent good value compared to booking individual rooms and thus is expected to increase the level of income generated.

5.4 Valence House (Ref 77 – 107)

- 5.4.1 Room hire charges were increased in 2013/14 but with the high use of the rooms for school groups with the Museums and Schools Programme, there is currently much less scope for commercial hire and charges will remain unchanged.

5.4.2 Charges for archives and local studies reprographics are to remain unchanged as they are already at the high end of the market, generate only a small amount of income and there has been some reduction in demand.

5.5 Heritage Education (Refs 108 and 114)

5.5.1 A new and competitive charge of £4.50 per child for Borough schools and £5.50 per child from other schools was introduced in 2012/13 and this was maintained for 2013/14. Strong demand this year with the Museums and Cchools Programme has given scope to increase charges to £5.00 per child for Borough schools and £6.00 per child from other schools.

5.5.2 The rate per day for development of specific schemes (externally funded) is to be increased to £200 to bring it in line with Heritage Lottery Funded projects.

5.6 Libraries (Ref 115 – 158)

5.6.1 There is no increase proposed for fines for overdue books. At 30p per day the fine charged by the Council is the highest in its benchmarking group, where the average is 22p.

5.6.2 The same is true for black and white photocopying charges with A4 copies at 20p and A3 at 40p, where the average is 14p and 23p respectively. It is proposed to hold these charges at the current rate.

5.6.3 It is proposed to increase the cost of replacement library cards by 25p, which would mean that adults will now pay £3.00 and children/over 60s will pay £2.00. These charges are among the highest in the benchmarking group, where the average for adults is currently £2.35 and for children £1.19.

5.6.4 In 2012/13 the Council introduced a charge for internet access from its library PCs, the first and only local authority in London to do so. The charge was revised for 2013/14 to introduce more choice for local residents. A £6.00 annual fee for 1 hour computer time per day was introduced and this has proved popular. It is proposed that all current computer charges remain at 2013/14 levels. This includes free subscriptions for all under 20's and over 60's and charges for non library card holders to use the service.

5.6.5 An increase to the charge for loaning materials from the British Library is proposed. The total application charge will increase from £5.50 to £6.00 per item. This would bring the Barking and Dagenham charge closer to the average for the benchmarking group for this service.

5.7 Barking Learning Centre (Ref 159 – 201)

5.7.1 After measures taken in recent times to bring hire charges in line with comparable facilities, it is proposed to increase room hire charges by an average of 2%. The current charges are relatively high compared to other local venues.

5.8 Leisure Centres (Ref 202 – 299)

5.8.1 The key principles that inform the fees and charges levied at the leisure centres were agreed by Members as part of the 2012/13 budget round. There is a clear

mandate to make the service as cost effective as possible, whilst ensuring charges remain affordable. The aim is to achieve 100% direct cost recovery for the service. In terms of pricing policies at the leisure centres, this means:

- 5.8.2 Discounts to standard prices will be provided to those residents for whom price can be a barrier to participation:
- Children and young people aged 16 and under
 - Full time students
 - People over the state pension age
 - People on low incomes in receipt of means tested benefits
 - People receiving 'carer's allowance'
 - People on disability related benefits; and
 - Serving Armed Services Personnel
- 5.8.3 Service users who are not Borough residents will be charged more for services, where appropriate.
- 5.8.4 Pricing changes will be informed by market conditions and, in particular, by benchmarking against London and near neighbour councils. The normal approach will be for standard prices to be pitched at about the London average and/or towards the top end of what is being charged for by local authority provided or commissioned services in neighbouring councils.
- 5.8.5 The LBB staff concession for memberships will be set at 75% of the standard price. For corporate memberships the price will be pitched at the same level as standard charges with discounted prices only becoming available when certain thresholds have been reached in terms of membership take up.
- 5.8.6 The key income streams for the leisure centres are Active Fitness memberships, swimming lessons and casual swimming.
- 5.8.7 For 2014/15 the following changes are proposed:
- Increase the standard Active Fitness membership price from £40 to £41 (an increase of 3%);
 - Increase the 10 week block swimming lesson price from £57 for adults to £59 (an increase of 4%) with a corresponding increase in the concessionary price from £43 to £45; and
 - Increase in the casual swimming 'pay and play' price to £3.80 for adults (up by 10p or 3%) and for concessions £2.45 (up by 5p or 2%).
- 5.8.8 Changes are also proposed for the Jolly Jungle soft play facility to bring them in line with other providers: a 20p increase to under 3s and over 3s, up to £4.40 (5% rise) and £5.40 (4% rise) respectively; as well as a 40p or 3% increase to the monthly membership price from £12.40 to £12.80.

5.9 Barking Splash Park (Ref 300 – 304)

- 5.9.1 The aim is to achieve 100% direct cost recovery for this service.

5.9.2 It is proposed to keep the prices the same as 2013/14 for the Barking Splash Park standard price for children aged over 1: Borough residents £3.10 and for other service users up £3.60.

5.10 Jim Peters Stadium (Ref 305 – 312)

5.10.1 The aim is to achieve 100% direct cost recovery for this service.

5.10.2 It is proposed to keep the same prices for the athletics arena as 2013/14 as we continue to develop the programme at the facility. The key charges proposed are as follows: athletic club hire charge - £45 per hour; school athletics sports day - £40 per hour; other hire - £50 per hour.

5.11 The Broadway theatre (Ref 313 – 318)

5.11.1 Whilst the Council continues to manage the venue the key hire charges proposed are as follows:

- Theatre per hour (Monday – Thursday): Commercial - £85, Community - £65
- Theatre per hour (Friday – Sunday): Commercial - £105, Community - £85 (min. 4 hour booking)
- Drama studio/Dance studio per hour: Commercial - £25, Community - £20

5.11.2 Ticket prices for individual shows that are programmed by the Council will be set by officers on a show by show basis based on the nature of the performance programmed as well as its likely appeal and associated costs.

5.12 Parks Events (319 – 336)

5.12.1 The future management of Park Events is currently being reviewed. A policy paper is currently being put together which will set out the arrangements for these events going forward. Therefore the fees and charges for park events are being frozen pending the policy paper decision. The responsible officers are requesting permission for delegated authority to amend prices once the direction of the service has been agreed.

6.0 Children's Services (Ref 337 – 349)

6.1 Early Years Provision (Ref 337 – 341)

6.1.1 The uptake of the service at 2013/14 rates has been low. The current charges mean that the council nurseries are the two most expensive in the borough. Therefore it is proposed that the fees and charges are not increased further and remain the same for 2014/15.

6.2 Butler Court (Ref 342 – 349)

6.2.1 Charges for room hire are increasing by a rounded 2.7%, which is in line with inflation.

7.0 Housing and Environment (Ref 350 – 828)

7.1 Park Sports (Ref 332 – 373)

- 7.1.1 Sports pitch changing rooms: These charges reflect full cost recovery (direct costs and overheads) and as a result will need to rise in line with the inflation figure of 2.7% in order to maintain this. These charges were introduced in 2013-14 but have so far not been implemented. The aim is to do so in the 2014-15 football and rugby season.
- 7.1.2 Football/ Cricket Pitches: These charges have been adjusted to ensure that the multiple game rate is cheaper than the single game rate. If games are booked individually then the customer has to pay VAT, whereas if they book in blocks of 10+ then they do not have to pay VAT. The current charges do not reflect this by actually charging more per game for individual books compared to block booked games,
- 7.1.3 Rugby, Lawn Bowls and other park sports charges: These have been increased in line with inflation of 2.7% in order to ensure they rise at the same rate as the cost to the service. Charges for the use of a rugby pitch for single use have been removed as it is never used and it is preferable to attract season long users in terms of cost efficiency of the administration.

7.2 Allotments (Ref 374)

- 7.2.3 There are 17 statutory allotment sites within the borough which are leased to eight different allotment societies. The current lease arrangements are the subject of an ongoing review. It is proposed that the charge per acre is increased by 2.7% in line with inflation.

7.3 Ranger Services (Ref 375 – 393)

- 7.3.1 It is proposed that the charges for hiring out a room at the Barking Park visitor centre be increased by 28% to £16 in order to bring the centre in line with the charges for hiring a room at the millennium centre as these are comparable venues. The millennium centre room hire is recommended to be frozen in order to align both charges. Other Ranger service charges are recommended to increase by 2.7% in line with the expected increase in the cost of running the service.
- 7.3.2 It is recommended that the Boating Lake charges are removed and charges are set at a commercial rate as part of negotiations with a future concession operator. Educational charges for Eastbrookend have also been removed to ensure a consistent price at Eastbrookend and Barking Park. The Barking Park education charge has now been renamed 'Education charge' to cover charges for both sites.

7.4 Parking (Ref 394 – 481)

- 7.4.1 In order to address the large number of enquiries received expressing concerns regarding the wide variation of parking charges across the borough it has been proposed that a standardised approach is taken across all charges.

- 7.4.2 The aim in 2014/15 is to standardise the charges for pay and display to ensure consistency across the borough. If any new areas are identified in the course of the year, the same agreed pricing structure can be applied.
- 7.4.3 In order to achieve this approach, four categories of charges have been proposed: On Street, Off Street, Shopping Parades and multi-storey. These will also be categorised into the two areas of Barking and Dagenham. Consolidating the charges will reflect substantial percentage increases and decreases in some locations.
- 7.4.4 London road car park season tickets (6am- 8pm) are recommended to increase by 20% as there is a waiting list. A 2.7% increase is also proposed for all of the other multi storey charges and all other parking charges not mentioned above.

7.5 Regulatory Services (Ref 482 – 719)

- 7.5.1 Licensing: The majority of these are prescribed by the government and so may not be changed however those which are within the council's powers, a 2.7% increase has been applied. In addition a thorough cost review is being undertaken to ensure that the charges comply with the EU services directive. This follows a High Court decision which requires that licence costs must be in line with the cost of the licence to the council and must not include the cost of enforcing the licence.
- 7.5.2 Barking Market: After consultation with Charfleets and a benchmarking exercise of surrounding markets it is proposed to increase these charges by annual inflation that is a figure of 2.7%. Charges are subject to a statutory consultation with licence holders.
- 7.5.3 Highways: Permits for road works are prescribed by government and cannot be changed. All other charges are recommended to be increased it is proposed to increase these charges by annual inflation that is a figure of 2.7%. Furthermore an additional charge has been proposed for unplanned road closures. It would normally occur 2-3 times a year and is likely to be a charge on utility companies. The charge of £1,500 has been derived by charging 50% of what is charged for a 'planned' road closure. This formula is also applied by Havering Council.

7.6 Direct Services (Ref 720 – 799)

- 7.6.1 Pest Control: Charges in this area have been increased by 2.7% in line with inflation. A new charge is being proposed for Bedbugs - Commercial fee, as an extra charge per bedroom for properties which exceed three rooms. This is to avoid properties with numerous bedrooms taking advantage of our commercial rate which currently is a fixed cost per building.
- 7.6.2 A costing and benchmarking exercise was undertaken that revealed our costs were often less than our charges and our charges are more than our competitors but it is proposed that we do not want to compete with the private sector in Pest Control as this takes focus away from our core areas.
- 7.6.3 Trade Waste: A benchmarking exercise has been undertaken which reflects that our charges for the collection of trade refuse sacks and Euro bins are much higher than our competitors. Calculations have also been undertaken that demonstrate that each collection brings in a profit and would therefore cost the council income if

it was to lose customers. As a result of these findings, it is recommended that these charges are frozen for 2014-15.

- 7.6.4 For all other charges the costs of providing the service has been broken down between the operational element and the disposal element. The disposal element relates to the cost which ELWA charges the council to dispose of its waste. ELWA are increasing their charges to the council by 7.8% in 2014/15 from £128 per tonne to £138 per tonne. As a result of this, it is proposed that the disposal element of the charge is increased by 7.8% and the remaining part by inflation of 2.7% to ensure full cost recovery (direct costs and overheads).

7.7 Housing (Ref 800 – 831)

- 7.7.1 Eastbrookend Caravan Site: These have been capped at the Local Housing Allowance limit of a 2% increase in order to ensure that the council can claim back all of the rental income from central government and avoid the risk of bad debt by collecting from the residents themselves.
- 7.7.2 Garages: These have been removed from the fees and charges report as they should be included within the rent report which is on a separate agenda item
- 7.7.3 Right to Buy: These have been recommended to be increased by 2.7% in line with inflation.
- 7.7.4 Private Rented Housing Licensing Scheme: A separate report is being presented to Cabinet in February 2014 detailing the proposed new charges for the scheme.

8.0 Chief Executive (Ref 829 – 895)

8.1 Registrars (Ref 832 – 867)

- 8.1.1 Fees and charges have been updated to ensure that the Council is operating on a full cost recovery basis for these services. It should be noted, that the National Checking Service Flat charge per document should include VAT, therefore it is proposed that the Adult & Child charge should remain the same in line with neighbouring boroughs, but resulting in a reduction in the net charge.
- 8.1.2 It is proposed that the charges for marriages and civil partnerships, are increased ranging from 12% - 41% in order to bring the borough in line with its neighbouring authorities. These charges are still cheaper than our neighbours and would increase income generation. However, it is recognised that this could have an adverse impact on the number and type of bookings for weddings at Eastbury Manor House as the new charges could now make the overall cost of a wedding package at the venue unaffordable for some people.
- 8.1.3 There are a few charges which should not include VAT as statutory services and it is proposed that these charges remain the same as the net charge and the VAT element removed. These charges are; Copy full and short certificates (open), Copy full and short certificates (open) after day of registration and Registrar Attendance at place of worship (includes stat certificate).

8.2 Careline – Social Alarms Service (Ref 868)

- 8.2.1 Charges for the Social Alarm service have not been increased in the past 10 years and it is proposed that this charge is increased by 2.7% and VAT has also been applied to the charge when previously it was not. This increase would mean a proposed gross impact on users of circa 92p a week extra.

8.3 Street Naming and Numbering_(Ref 869 – 873)

- 8.3.1 It is proposed that these charges are increased in line with inflation at a rounded 2.7% increase. Income received from this area is largely dependent upon the amount of ongoing housing development within the Borough so it is expected that the planned inflationary increase will not have an effect on the demand for the service.

8.4 Pre-Application Planning Meetings (Ref 871 – 882)

- 8.4.1 These proposed charges for 2014/15 have been increased in line with inflation and it is anticipated that the demand for the service would not be impacted.

8.5 Local Land Charges / National Land Information Service (Ref 883 – 897)

- 8.5.1 Local Land Charges are subject to public scrutiny and the Authority is required to publish details of the costs and income relating to this activity on its public website. The Authority must set its charges for this area with the intention of breaking even over a rolling three year period.

- 8.5.2 There is also a current ongoing court case where Local Authority rights to make these charges are being challenged - this could result in these charges being dropped and having to pay back up to 5 years income. In light of this uncertainty, it is proposed that there are no price increases in this area.

8.6 Information Governance (Ref 898)

- 8.6.1 The Data Protection Act 1988 Section 7(1) gives individuals the right to access their personal data and this is called a subject access data. The Act also allows organisations charge a maximum fee of £10 for dealing with such requests. It is proposed that the Council introduces these charges due to the volume of requests received approximately 180 – 200 per annum.

9. Options Appraisal

- 9.1 Officers have considered a range of options as to changes to existing fees and charges and where appropriate used market knowledge and benchmarking to inform the proposals.

10. Consultation

- 10.1 The revised fees and charges have been set using benchmarking information and through discussions with other councils.

11. Financial Implications

- 11.1 The financial implications are considered throughout this report. It is estimated that the changes in the fees and charges in 2014/15 will bring in an additional £85k-£100k of income.

12. Legal Implications

Implications completed by: Paul Feild, Senior Corporate Governance Lawyer

- 12.1 The Council as a local authority is required under the Local Government Finance Act 1992 to produce a 'balanced budget'. Income generated from fees and charges contributes to the Council's finances. Furthermore Local authorities are under an explicit duty to ensure that their financial management is adequate and effective, and that they have a sound system of internal control and management of financial risk. The annual review of fees and charges contributes to this requirement.

13. Other Implications

- 13.1 **Risk Management** - In proposing these revised fees and charges officers have considered the impact of increases adversely affecting demand for the service and in turn on the achievement of both the community priorities and the Council's budget. The risk of these proposals will be monitored through the Council's various performance indicators, its service scorecards and the budget monitoring processes.
- 13.2 **Customer Impact** - Officers have amended fees and charges in such a way as to try, where possible, to minimise the impact on customers during these difficult times while at the same time enabling the Council to achieve a balanced budget and ensure full cost recovery. In some instances fees and charges have been reduced in order to deliver better value for money for our residents and to encourage increased take up of services.

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

List of appendices:

- **Appendix A:** Schedule of Proposed Fees and Charges
- **Appendix B:** Schedule of Previous Fees and Charges that are no longer applicable

Not VATable *

includes VAT **

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
	Adults & Community Services										
	Social Care										
1	NON RESIDENTIAL SERVICES (i.e. homecare charging). Please see main body of report for further information.	0.00	0.00	0.00	0.00	0.00	0%	0.00	0.00	0.00	No changes proposed
2	Residential - Kallar Lodge Elderly Residential Home (Charge to Other Local Authorities and full cost payers) per week	700.00	0.00	700.00	80.00	80.00	11%	780.00	0.00	780.00	Increase to align with estimated unit costs for full cost recovery
3	Residential - 80 Gascoigne Road High dependency residential home (Charge to Other Local Authorities & full cost payers) per week	1,500.00	0.00	1,500.00	60.00	60.00	4%	1,560.00	0.00	1,560.00	Increase to align with estimated unit costs for full cost recovery
4	Day Centre - Heathlands (Other Local Authorities)	140.00	0.00	140.00	0.00	0.00	0%	140.00	0.00	140.00	No changes proposed
5	Day Centre - Heathlands (Borough Residents)	100.00	0.00	100.00	(15.00)	(15.00)	-15%	85.00	0.00	85.00	Reduce to align with estimated unit costs for full cost recovery
6	Day Centre - Maples (other Local Authorities)	80.00	0.00	80.00	20.00	20.00	25%	100.00	0.00	100.00	Premium for out of borough placements as per service aim
7	Day Centre - Maples (Borough Residents)	70.00	0.00	70.00	0.00	0.00	0%	70.00	0.00	70.00	
	Heritage Services - Eastbury Manor House										
8	Eastbury Manor House - Commercial - Standard Room Hire Weekday per hour	32.00	0.00	32.00	(5.33)	0.00	-17%	26.67	5.33	32.00	No changes proposed
9	Eastbury Manor House - Commercial - Hire of East Chamber per hour	38.00	0.00	38.00	(6.33)	0.00	-17%	31.67	6.33	38.00	
10	Eastbury Manor House - Commercial - Hire of East Chamber - Fri (8am to 5pm) per hour							35.00	7.00	42.00	
11	Eastbury Manor House - Commercial - Hire of East Chamber - Fri (5pm onwards) per hour							40.00	8.00	48.00	New Friday/Weekend charge rate after review
12	Eastbury Manor House - Commercial - Hire of East Chamber - Weekend per hour							40.00	8.00	48.00	
13	Eastbury Manor House - Commercial - Standard Room Hire Weekday - Bulk Booking for 12 days plus (25% discount) per hour	18.33	3.67	22.00	1.67	2.00	9%	20.00	4.00	24.00	Extra commercial charge rise to fulfill income target
14	Eastbury Manor House - Commercial - Standard Room Hire - Fri (8am to 5pm) per hour							30.00	6.00	36.00	New Friday charge rate after review
15	Eastbury Manor House - Commercial - Standard Room Hire - Fri (5pm onwards) per hour							35.00	7.00	42.00	
16	Eastbury Manor House - Commercial - Standard Room Hire Weekday per hour	35.00	7.00	42.00	0.00	0.00	0%	35.00	7.00	42.00	No changes proposed
17	Eastbury Manor House - Commercial - Hire of Whole House Mon-Thurs (East Chamber, Old Chamber, Summer Parlour, Winter Parlour, N/W Chamber and S/W Chamber) per hour	80.00	16.00	96.00	40.00	48.00	50%	120.00	24.00	144.00	Extra commercial charge rise to fulfill income target
18	Eastbury Manor House - Commercial - Hire of Whole House - Fri All Year (East Chamber, Old Hall, Summer Parlour, Winter Parlour, Buttery, N/W Chamber and S/W Chamber) per hour							135.00	27.00	162.00	New Friday/Weekend charge rate after review
19	Eastbury Manor House - Commercial - Hire of Whole House - Weekends All Year (East Chamber, Old Hall, Summer Parlour, Winter Parlour, Buttery, N/W Chamber and S/W Chamber) per hour							156.67	31.33	188.00	
20	Eastbury Manor House - LBBB Internal - Standard Room Hire per hour - Mon to Thurs per hour (25% discount)	19.00	0.00	19.00	(3.00)	(3.00)	-16%	16.00	0.00	16.00	Reduction to internal charge after review
21	Eastbury Manor House - LBBB Internal - Standard Room Hire per hour - Fri per hour (50% discount)							18.00	0.00	18.00	
22	Eastbury Manor House - LBBB Internal - Standard Room Hire per hour - Weekend per hour							42.00	0.00	42.00	New Friday/Weekend charge rate after review
23	Eastbury Manor House - LBBB Internal - Hire of East Chamber per hour	36.00	0.00	36.00	(7.50)	(7.50)	-21%	28.50	0.00	28.50	Reduction to internal charge after review
24	Eastbury Manor House - LBBB Internal - Hire of East Chamber - Fri (8am to 5pm) per hour (25% discount)							31.50	0.00	31.50	
25	Eastbury Manor House - LBBB Internal - Hire of East Chamber - Fri 5pm onwards per hour (25% discount)							36.00	0.00	36.00	New Friday charge rate after review
26	Eastbury Manor House - LBBB Internal - Hire of East Chamber - Weekend per hour (25% discount)							36.00	0.00	36.00	

APPENDIX A - Full list of Fees and Charges 2014/15

Not VATable *

includes VAT **

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
27	Eastbury Manor House - LBBB Internal - Hire of Whole House Mon-Thurs (East Chamber, Old Chamber, Summer Parlour, Winter Parlour, N/W Chamber and S/W Chamber) per hour	58.00	0.00	58.00	14.00	14.00	24%	72.00	0.00	72.00	Extra commercial charge rise to fulfill income target
28	Eastbury Manor House - LBBB Internal - Hire of Whole House - Fri (8am to 5pm) (East Chamber, Old Hall, Summer Parlour, Winter Parlour, Buttery, N/W Chamber and S/W Chamber) per hour							81.00	0.00	81.00	
29	Eastbury Manor House - LBBB Internal - Hire of Whole House - Weekend (8am to 5pm) (East Chamber, Old Hall, Summer Parlour, Winter Parlour, Buttery, N/W Chamber and S/W Chamber) per hour							141.00	0.00	141.00	
30	Eastbury Manor House - LBBB residents - Civil marriage and partnership ceremony Friday all year 1-hour ceremony							150.00	30.00	180.00	
31	Eastbury Manor House - LBBB residents - Civil marriage and partnership ceremony Friday all year 1-hour ceremony (DISCOUNT RATE 25% within 1-month)							112.50	22.50	135.00	
32	Eastbury Manor House - Non-residents - Civil marriage and partnership ceremony Friday all year 1-hour ceremony							183.33	36.67	220.00	
33	Eastbury Manor House - Non-residents - Civil marriage and partnership ceremony Friday all year 1-hour ceremony (DISCOUNT RATE 25% within 1-month)							137.50	27.50	165.00	New Friday/Weekend charge rate after review
34	Eastbury Manor House - LBBB residents - Civil marriage and partnership ceremony - Weekend All Year (1-hour ceremony)							179.17	35.83	215.00	
35	Eastbury Manor House - LBBB residents - Civil marriage and partnership ceremony - Weekend All Year (1-hour ceremony) (DISCOUNT RATE 25% within 1-month)							133.33	26.67	160.00	
36	Eastbury Manor House - Non-residents - Civil marriage and partnership ceremony - Weekend All Year 1-hour ceremony							212.50	42.50	255.00	
37	Eastbury Manor House - LBBB residents - Civil marriage and partnership ceremony - Weekend All Year (1-hour ceremony) (DISCOUNT RATE 25% within 1-month)							158.33	31.67	190.00	
38	Eastbury Manor House - Standard Functions Friday All Year (East Chamber, Old Chamber, Summer Parlour, Winter Parlour and Walled Garden) per hour	120.00	24.00	144.00	(25.00)	(30.00)	-21%	95.00	19.00	114.00	Reduction to commercial charge rise to fulfill income target
39	Eastbury Manor House - Evening Standard Functions - Saturday 5pm onwards All Year (Four room plus grounds) per hour							110.00	22.00	132.00	New weekend charge rate after review
40	Eastbury Manor House - Community/Charity - Standard Room Hire Mon-Thurs All Year per hour	13.33	2.67	16.00	0.00	0.00	0%	13.33	2.67	16.00	No changes proposed
41	Eastbury Manor House - Community/Charity - Standard Room Hire - Fri (8am to 5pm) All Year per hour							15.00	3.00	18.00	
42	Eastbury Manor House - Community/Charity - Standard Room Hire - Fri (5pm onwards) All Year per hour							23.33	4.67	28.00	New Friday charge rate after review
43	Eastbury Manor House - Community/Charity - Standard Room Hire Weekends Oct-Apr per hour	23.33	4.67	28.00	0.00	0.00	0%	23.33	4.67	28.00	No changes proposed
44	Eastbury Manor House - Community/Charity - East Chamber Mon-Thurs All Year per hour	28.33	5.67	34.00	(4.58)	(5.50)	-16%	23.75	4.75	28.50	Reduction to commercial charge rise to fulfill income target
45	Eastbury Manor House - Community/Charity - East Chamber - Mon to Thurs (5pm onwards) All Year per hour (25% discount)							26.25	5.25	31.50	
46	Eastbury Manor House - Community/Charity - East Chamber - Fri (8am to 5pm) All Year per hour							26.25	5.25	31.50	New Friday charge rate after review
47	Eastbury Manor House - Community/Charity - East Chamber - Fri (5pm onwards) All Year (25% discount 1-month in advance of date only) per hour							30.00	6.00	36.00	
48	Eastbury Manor House - Community/Charity - East Chamber Weekends Oct-Apr per hour	40.00	8.00	48.00	(10.00)	(12.00)	-25%	30.00	6.00	36.00	Reduction to commercial charge rise to fulfill income target
49	Eastbury Manor House - Community/Charity - Whole House Mon-Thurs All Year (East Chamber, Old Chamber, Summer Parlour, Winter Parlour, N/W Chamber and S/W Chamber) per hour	48.33	9.67	58.00	11.67	14.00	24%	60.00	12.00	72.00	Extra commercial charge rise to fulfill income target
50	Eastbury Manor House - Community/Charity - Whole House - Fri (8am to 5pm) All Year							67.50	13.50	81.00	New Friday charge rate after review

Not VATable *

includes VAT **

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
51	Eastbury Manor House - Community/Charity - Whole House - Fri (5pm onwards) All Year (25% discount) per hour	**						101.25	20.25	121.50	NEW 1 HOUR CHARGES DATE ENTER REVIEW
52	Eastbury Manor House - Community/Charity - Whole House Weekends Oct-Apr 1 month in advance only per hour	**	80.00	16.00	96.00	21.25	25.50	27%	20.25	121.50	Extra commercial charge rise to fulfill income target
53	Eastbury Manor House - Admission charges Adult	*	4.00	0.00	4.00	0.00	0.00	0%	0.00	4.00	
54	Eastbury Manor House - Admission charges LBBB Adult	*	3.00	0.00	3.00	0.00	0.00	0%	0.00	3.00	
55	Eastbury Manor House - Admission charges Adult (Group)	*	4.00	0.00	4.00	0.00	0.00	0%	0.00	4.00	
56	Eastbury Manor House - Admission charges LBBB Adult (Group)	*	2.00	0.00	2.00	0.00	0.00	0%	0.00	2.00	No changes proposed
57	Eastbury Manor House - Admission charges concessions	*	2.00	0.00	2.00	0.00	0.00	0%	0.00	2.00	
58	Eastbury Manor House - Admission charges LBBB Concessions	*	1.50	0.00	1.50	0.00	0.00	0%	0.00	1.50	
59	Eastbury Manor House - Admission charges Child aged 5-15	*	2.00	0.00	2.00	0.00	0.00	0%	0.00	2.00	
60	Eastbury Manor House - Admission charges LBBB Child aged 5-15	*	1.00	0.00	1.00	0.50	0.50	50%	0.00	1.50	Extra commercial charge rise to fulfill income target
61	Eastbury Manor House - Admission charges family (2 adults with up to 2 children)	*	8.00	0.00	8.00	0.00	0.00	0%	0.00	8.00	
62	Eastbury Manor House - Admission charges LBBB Family (2 adults with up to 4 children)	*	6.00	0.00	6.00	0.00	0.00	0%	0.00	6.00	No changes proposed
63	Eastbury Manor House - Admission charges special events - minimum	*	2.50	0.00	2.50	0.00	0.00	0%	0.00	2.50	
64	Eastbury Manor House - Admission charges special events - maximum	*	25.00	0.00	25.00	40.00	40.00	160%	0.00	65.00	
65	Eastbury Manor House - Knights Children's Party 4 to 8 years (2-hour package with catering) 15 children minimum (per child)	**							2.67	16.00	
66	Eastbury Manor House - Knights Children's Party 4 to 8 years (2-hour package with catering) 16 to 20 children (per child)	**							3.00	18.00	
67	Eastbury Manor House - Knights Children's Party 4 to 8 years (2-hour package with catering) 21 to 25 children (per child)	**							3.33	20.00	
68	Eastbury Manor House - Princess Children's Party 4 to 8 years (2-hour package with catering) minimum 15 children (per child)	**							2.67	16.00	
69	Eastbury Manor House - Princess Children's Party 4 to 8 years (2-hour package with catering) 16 to 20 children (per child)	**							3.00	18.00	
70	Eastbury Manor House - Princess Children's Party 4 to 8 years (2-hour package with catering) 21 to 25 children (per child)	**							3.33	20.00	New commercial childrens package charge introduced after review
71	Eastbury Manor House - Knights Children's Party with 'Knight' 7 to 11 years (2-hour package with catering) minimum 15 children (per child)	**							3.67	22.00	
72	Eastbury Manor House - Knights Children's Party with 'Knight' 7 to 11 years (2-hour package with catering) 16 to 20 children (per child)	**							4.00	24.00	
73	Eastbury Manor House - Knights Children's Party with 'Knight' 7 to 11 years (2-hour package with catering) 21 to 25 children (per child)	**							4.33	26.00	
74	Eastbury Manor House - Princess Children's Party with 'Tudor Lady' 7 to 11 years (2-hour package with catering) minimum 15 children (per child)	**							3.67	22.00	
75	Eastbury Manor House - Princess Children's Party with 'Tudor Lady' 7 to 11 years (2-hour package with catering) 16 to 20 children (per child)	**							4.00	24.00	
76	Eastbury Manor House - Princess Children's Party with 'Tudor Lady' 7 to 11 years (2-hour package with catering) 21 to 25 children (per child)	**							4.33	26.00	
	Heritage Services - Valence House										
77	Valence House - Commercial - Education Room (half room) per hour	**	26.66	5.33	32.00	0.01	0.00	0%	5.33	32.00	
78	Valence House - Commercial - Education Room (whole room) per hour	**	31.67	6.33	38.00	0.00	0.00	0%	6.33	38.00	
79	Valence House - Commercial - Function Room per hour	**	13.50	2.70	16.25	0.00	(0.05)	0%	2.70	16.20	No changes proposed
80	Valence House - LBBB Internal - Education Room (half room) per hour	*	19.00	0.00	19.00	0.00	0.00	0%	0.00	19.00	
81	Valence House - LBBB Internal - Education Room (whole room) per hour	*	36.00	0.00	36.00	0.00	0.00	0%	0.00	36.00	
82	Valence House - LBBB Internal - Function Room per hour	*	14.00	0.00	14.00	0.00	0.00	0%	0.00	14.00	
83	Heritage education & Outreach - non-LBBB School visit to heritage venue with facilitator (min charge 30 children) cost per child	*	5.50	0.00	5.50	0.50	0.50	9%	0.00	6.00	
84	Heritage education & Outreach - LBBB School visit to heritage venue (min charge 30 children) cost per child	*	4.50	0.00	4.50	0.50	0.50	11%	0.00	5.00	Charge uplift to fulfill income target
85	Heritage education & Outreach - LBBB School outreach session (min 2 sessions delivered)	*	35.00	0.00	35.00	15.00	15.00	43%	0.00	50.00	

Not VATable *

includes VAT **

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
86	Valence House - Education loan box per week	20.00	0.00	20.00	0.00	0.00	0%	20.00	0.00	20.00	
87	Archives & Local Studies Reprographics - A4 b/w	5.00	1.00	6.00	0.00	0.00	0%	5.00	1.00	6.00	
88	Archives & Local Studies Reprographics- A3 b/w	10.00	2.00	12.00	0.00	0.00	0%	10.00	2.00	12.00	
89	Archives & Local Studies Reprographics - A4 colour	8.33	1.67	10.00	0.00	0.00	0%	8.33	1.67	10.00	
90	Archives & Local Studies Reprographics - A3 colour	20.00	4.00	24.00	0.00	0.00	0%	20.00	4.00	24.00	
91	Archives & Local Studies Reprographics- Digital scan (up to 300dpi) for e-mail	4.17	0.83	5.00	0.00	0.00	0%	4.17	0.83	5.00	
92	Archives & Local Studies Reprographics- Digital scan (300+ dpi) includes CD (exc post)	12.50	2.50	15.00	0.00	0.00	0%	12.50	2.50	15.00	
93	Photography day license	4.17	0.83	5.00	0.00	0.00	0%	4.17	0.83	5.00	
94	Archives & Local Studies Reprographics- Recorded post and packing	2.50	0.50	3.00	0.00	0.00	0%	2.50	0.50	3.00	
95	Archives & Local Studies Reprographics - Photocopies A4	0.17	0.03	0.20	0.00	0.00	0%	0.17	0.03	0.20	
96	Archives & Local Studies Reprographics - Photocopies A3	0.33	0.07	0.40	0.00	0.00	0%	0.33	0.07	0.40	
97	Archives & Local Studies Reprographics - Microfilm printout A4	0.42	0.08	0.50	0.00	0.00	0%	0.42	0.08	0.50	
98	Archives & Local Studies Reprographics - remote users max 30 minute look up and print out (inc post)	8.33	1.67	10.00	0.00	0.00	0%	8.33	1.67	10.00	
99	Archives & Local Studies Reproduction fees for publications- books/ periodicals one country one language	75.00	15.00	90.00	0.00	0.00	0%	75.00	15.00	90.00	No changes proposed
100	Archives & Local Studies Reproduction fees for publications- books/ periodicals world one language	95.00	19.00	114.00	0.00	0.00	0%	95.00	19.00	114.00	
101	Archives & Local Studies Reproduction fees for publications- books/ periodicals world multi language	120.00	24.00	144.00	0.00	0.00	0%	120.00	24.00	144.00	
102	Archives & Local Studies Reproduction fees for publications- book jackets, CD video cases one country one language	85.00	17.00	102.00	0.00	0.00	0%	85.00	17.00	102.00	
103	Archives & Local Studies Reproduction fees for publications- book jackets, CD video cases world multi language	150.00	30.00	180.00	0.00	0.00	0%	150.00	30.00	180.00	
104	Archives & Local Studies Reproduction fees for stills for TV/films and exhibitions - One programme, 5 year unlimited licence	300.00	60.00	360.00	0.00	0.00	0%	300.00	60.00	360.00	
105	Archives & Local Studies Reproduction fees for stills for commercial re-sale TV/films and exhibitions - Postcards, greeting cards, posters and other advertising material	150.00	30.00	180.00	0.00	0.00	0%	150.00	30.00	180.00	
106	Archives & Local Studies Reproduction fees for stills for TV/films and exhibitions - commercial web pages	75.00	15.00	90.00	0.00	0.00	0%	75.00	15.00	90.00	
107	Archives & Local Studies Reproduction fees for stills for TV/films and exhibitions - Personal (non commercial)/charity web pages	35.00	7.00	42.00	0.00	0.00	0%	35.00	7.00	42.00	
108	Heritage education & Outreach - community outreach/talk	35.00	0.00	35.00	0.00	0.00	0%	35.00	0.00	35.00	
109	Heritage education - rate per day for development of specific schemes (externally funded)	42.00	8.40	50.50	124.67	149.50	297%	166.67	33.33	200.00	Increased to bring in line with charge to HLF funded projects.
110	Heritage education & Outreach - Workshops Children's half -day	3.00	0.00	3.00	0.00	0.00	0%	3.00	0.00	3.00	
111	Heritage education & Outreach - Workshops Adults full -day (minimum)	5.00	0.00	5.00	0.00	0.00	0%	5.00	0.00	5.00	
112	Heritage education & Outreach - Workshops Adults full -day (maximum)	10.00	0.00	10.00	0.00	0.00	0%	10.00	0.00	10.00	
113	Heritage education & Outreach - Workshops Talks (minimum)	2.50	0.00	2.50	0.00	0.00	0%	2.50	0.00	2.50	
114	Heritage education & Outreach - Workshops Talks (maximum)	20.00	0.00	20.00	0.00	0.00	0%	20.00	0.00	20.00	
	Library Service										
115	Libraries - Adult Fines per day	0.30	0.00	0.30	0.00	0.00	0%	0.30	0.00	0.30	No changes proposed
116	Libraries - Maximum fine per item	7.25	0.00	7.25	0.55	0.55	8%	7.80	0.00	7.80	
117	Libraries- Hire of video/DVD children's/NF- per week	1.00	0.00	1.00	0.00	0.00	0%	1.00	0.00	1.00	No changes proposed
118	Libraries- Hire of video/DVD adults- per week	2.00	0.00	2.00	0.00	0.00	0%	2.00	0.00	2.00	
119	Libraries - Language courses - 3 weeks	1.50	0.00	1.50	0.05	0.05	3%	1.55	0.00	1.55	
120	Libraries - Language courses - fines per day	0.30	0.00	0.30	0.00	0.00	0%	0.30	0.00	0.30	
121	Libraries - Hire of CD singles	1.00	0.00	1.00	0.00	0.00	0%	1.00	0.00	1.00	
122	Libraries - Hire of CD box sets	1.75	0.00	1.75	0.00	0.00	0%	1.75	0.00	1.75	No changes proposed
123	Libraries - Hire of CD fines per day	0.30	0.00	0.30	0.00	0.00	0%	0.30	0.00	0.30	
124	Libraries - Reservations-non stock items	2.20	0.00	2.20	0.00	0.00	0%	2.20	0.00	2.20	
125	Libraries - Reservation - British Library item	5.50	0.00	5.50	0.50	0.50	9%	6.00	0.00	6.00	
126	Libraries - Photocopying/Printing/Wi-Fi printing_A4 black and white	0.17	0.03	0.20	0.00	0.00	0%	0.17	0.03	0.20	

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		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)		
127	Libraries - Photocopying/Printing/Wi-Fi Printing A4 colour	**	0.42	0.08	0.50	0.00	0.00	0%	0.42	0.08	0.50	No changes proposed
128	Libraries - Photocopying/Printing/Wi-Fi Printing A3 black and white	**	0.33	0.07	0.40	0.00	0.00	0%	0.33	0.07	0.40	
129	Libraries - Photocopying/Printing/Wi-Fi Printing A3 colour (where available)	**	0.83	0.17	1.00	0.00	0.00	0%	0.83	0.17	1.00	
130	Libraries micro printing - from microfiche or microfilm A4	**	0.42	0.08	0.50	0.00	0.00	0%	0.42	0.08	0.50	
131	Libraries - replacement membership card - Adult	*	2.75	0.00	2.75	0.25	0.25	9%	3.00	0.00	3.00	
132	Libraries - replacement membership card - Child	*	1.75	0.00	1.75	0.25	0.25	14%	2.00	0.00	2.00	
133	Libraries- Hire of books on tape fines per day	*	0.30	0.00	0.30	0.00	0.00	0%	0.30	0.00	0.30	
134	Fax per sheet (where available)	**	1.25	0.25	1.50	0.00	0.00	0%	1.25	0.25	1.50	
135	Internet Non-members / Guest passes 1 hour	**	1.67	0.33	2.00	0.00	0.00	0%	1.67	0.33	2.00	
136	Internet Non-members / Guest passes 30 minutes	**	0.83	0.17	1.00	0.00	0.00	0%	0.83	0.17	1.00	
137	Libraries - Adult Fines per day - over 60	*	0.00	0.00	0.00	0.00	0.00	0%	0.00	0.00	0.00	
138	Libraries- Overdue of video/DVD for Children/Factual -	*	1.00	0.00	1.00	0.00	0.00	0%	1.00	0.00	1.00	
139	Libraries- Overdue of video/DVD for Adults -	*	2.00	0.00	2.00	0.00	0.00	0%	2.00	0.00	2.00	
140	Libraries - Music subscription - 4 months (CDs)	*	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
141	Stationery - USB 2gb	**	6.25	1.25	7.50	0.00	0.00	0%	6.25	1.25	7.50	
142	Libraries - replacement membership card - Older People, over 60	*	1.75	0.00	1.75	0.25	0.25	14%	2.00	0.00	2.00	
143	Libraries - replacement Myfare - Adult membership card	*	4.25	0.00	4.25	0.00	0.00	0%	4.25	0.00	4.25	
144	Libraries - events - tickets to adult events ages 16+	**	0.83	0.17	1.00	0.00	0.00	0%	0.83	0.17	1.00	
145	Stationery - Headphones	**	1.25	0.25	1.50	0.00	0.00	0%	1.25	0.25	1.50	
146	Additional hour PC usage for all subscription holders	**	0.83	0.17	1.00	0.00	0.00	0%	0.83	0.17	1.00	
147	Libraries- WiFi/PC usage subscription per annum - residents, free for under 19s and over 60s	*	0.00	0.00	0.00	0.00	0.00	0%	0.00	0.00	0.00	
148	Libraries- computer use subscription annual fee 2 hours per day	**	10.00	2.00	12.00	0.00	0.00	0%	10.00	2.00	12.00	
149	Libraries- computer use subscription annual fee 3 hours per day	**	20.83	4.17	25.00	0.00	0.00	0%	20.83	4.17	25.00	
150	Libraries- Managed room hire per hour- minimum charge	*	10.00	0.00	10.00	0.00	0.00	0%	10.00	0.00	10.00	
151	Libraries- Managed room hire per hour- maximum charge	*	30.00	0.00	30.00	0.00	0.00	0%	30.00	0.00	30.00	
152	Dagenham Library -Small meeting room (2-10people)- hourly hire rate- Council / Commercial/ Voluntary & Community sector	*	18.00	0.00	18.00	0.50	0.50	3%	18.50	0.00	18.50	
153	Dagenham Library -Small meeting room (2-10 people) - full day hire rate - Council/ Commercial / Voluntary & Community sector	*	90.00	0.00	90.00	2.00	2.00	2%	92.00	0.00	92.00	
154	Dagenham Library -Small meeting room (2-10 people)- half day hire rate - Council/ Commercial/ Voluntary & Community sector	*	54.00	0.00	54.00	1.00	1.00	2%	55.00	0.00	55.00	
155	Dagenham Library -Large meeting room (16-28 people)- hourly hire rate- Council/ Commercial/ Voluntary & Community sector	*	36.00	0.00	36.00	1.00	1.00	3%	37.00	0.00	37.00	
156	Dagenham Library -Large meeting room (16-28 people) - full day hire rate - Council/ Commercial/ Voluntary & Community sector	*	180.00	0.00	180.00	5.00	5.00	3%	185.00	0.00	185.00	
157	Dagenham Library -Large meeting room (16-28 people) - half day hire rate - Council/ Commercial/ Voluntary & Community sector	*	108.00	0.00	108.00	2.00	2.00	2%	110.00	0.00	110.00	
158	Libraries- computer use subscription annual fee 1 hour per day	**	5.00	1.00	6.00	0.00	0.00	0%	5.00	1.00	6.00	
												No Changes proposed
	Barking Learning Centre											
159	Small meeting room (2-15 people)- hourly hire rate- Public Sector	**	30.83	6.17	37.00	0.84	1.01	3%	31.67	6.33	38.00	
160	Small meeting room (2-15 people)- full day hire rate- Public Sector	**	165.00	33.00	198.00	1.67	2.00	1%	166.67	33.33	200.00	
161	Small meeting room (2-15 people)- half day hire rate- Public Sector	**	82.50	16.50	99.00	0.83	1.00	1%	83.33	16.67	100.00	
162	Small meeting room (2-15 people)- hourly hire rate - Council hire	*	31.00	0.00	31.00	1.00	1.00	3%	32.00	0.00	32.00	
163	Small meeting room (2-15 people)- hourly hire rate- Voluntary and Community sector	**	25.83	5.17	31.00	0.84	1.01	3%	26.67	5.33	32.00	
164	Small meeting room (2-15 people) - full day hire rate - Voluntary and Community sector	**	125.00	25.00	150.00	2.50	3.00	2%	127.50	25.50	153.00	
165	Small meeting room (2-15 people) - half day hire rate - Voluntary and Community sector	**	62.50	12.50	75.00	0.83	1.00	1%	63.33	12.67	76.00	
166	Small meeting room (2-15 people)- hourly hire rate- Commercial	**	36.25	7.25	43.50	1.25	1.50	3%	37.50	7.50	45.00	
167	Small meeting room (2-15 people) - full day hire rate - Commercial	**	210.00	42.00	252.00	5.00	6.00	2%	215.00	43.00	258.00	
168	Small meeting room (2-15 people) - half day hire rate - Commercial	**	105.00	21.00	126.00	2.50	3.00	2%	107.50	21.50	129.00	
169	Large meeting room (16-28 people)- hourly hire rate- Public Sector	**	41.67	8.33	50.00	1.25	1.50	3%	42.92	8.58	51.50	
170	Large meeting room (16-28 people) - full day hire rate - Public Sector	**	250.00	50.00	300.00	4.17	5.00	2%	254.17	50.83	305.00	
171	Large meeting room (16-28 people) - half day hire rate - Public Sector	**	125.00	25.00	150.00	4.17	5.00	3%	129.17	25.83	155.00	
172	Large meeting room (16-28 people)- hourly hire rate - Council hire	*	42.00	0.00	42.00	1.00	1.00	2%	43.00	0.00	43.00	

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includes VAT **

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		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)		
173	Large meeting room (16-28 people)- hourly hire rate- Voluntary and Community sector	**	36.25	7.25	43.50	0.42	0.50	1%	36.67	7.33	44.00	
174	Large meeting room (16-28 people) - full day hire rate - Voluntary and Community sector	**	210.00	42.00	252.00	2.50	3.00	1%	212.50	42.50	255.00	
175	Large meeting room (16-28 people) - half day rate - Voluntary and Community sector	**	105.00	21.00	126.00	1.67	2.00	2%	106.67	21.33	128.00	
176	Large meeting room (16-28 people)- hourly hire rate- Commercial	**	52.08	10.42	62.50	1.25	1.50	2%	53.33	10.67	64.00	
177	Large meeting room (16-28 people) - full day hire rate - Commercial	**	330.00	66.00	396.00	7.50	9.00	2%	337.50	67.50	405.00	
178	Large meeting room (16-28 people) - half day hire rate - Commercial	**	165.00	33.00	198.00	5.00	6.00	3%	170.00	34.00	204.00	
179	Conference centre (28-120 people)-hourly hire rate- Public Sector	**	51.67	10.33	62.00	1.66	1.99	3%	53.33	10.67	64.00	
180	Conference centre (28-120 people)-full day hire rate- Public Sector	**	330.00	66.00	396.00	7.50	9.00	2%	337.50	67.50	405.00	
181	Conference centre (28-120 people)-half day hire rate- Public Sector	**	165.00	33.00	198.00	4.17	5.00	3%	169.17	33.83	203.00	
182	Conference centre (28-120 people)-hourly hire rate - Council hire	*	52.00	0.00	52.00	1.50	1.50	3%	53.50	0.00	53.50	
183	Conference centre (28-120 people)-hourly hire rate- Voluntary and Community sector	**	46.67	9.33	56.00	0.83	1.00	2%	47.50	9.50	57.00	
184	Conference centre (28-120 people)-full day hire rate- Voluntary and Community sector	**	288.33	57.67	346.00	1.67	2.00	1%	290.00	58.00	348.00	
185	Conference centre (28-120 people)-half day hire rate- Voluntary and Community sector	**	144.17	28.83	173.00	1.66	1.99	1%	145.83	29.17	175.00	
186	Conference centre (28-120 people)-hourly hire rate- Commercial	**	62.08	12.42	74.50	2.09	2.51	3%	64.17	12.83	77.00	
187	Conference centre (28-120 people)-full day hire rate- Commercial	**	410.00	82.00	492.00	6.67	8.00	2%	416.67	83.33	500.00	
188	Conference centre (28-120 people)-half day hire rate- Commercial	**	205.00	41.00	246.00	3.33	4.00	2%	208.33	41.67	250.00	
189	IT Room (22 people) - hourly hire rate - Council hire	*	41.50	0.00	41.50	1.00	1.00	2%	42.50	0.00	42.50	
190	IT Room (22 people) - hourly hire rate - Public Sector	**	41.67	8.33	50.00	0.83	1.00	2%	42.50	8.50	51.00	
191	IT Room (22 people) - full day hire rate - Public Sector	**	250.00	50.00	300.00	4.17	5.00	2%	254.17	50.83	305.00	
192	IT Room (22 people) - half day hire rate - Public Sector	**	125.00	25.00	150.00	4.17	5.00	3%	129.17	25.83	155.00	
193	IT Room (22 people) - hourly hire rate - Voluntary and Community sector	**	36.25	7.25	43.50	0.42	0.50	1%	36.67	7.33	44.00	
194	IT Room (22 people) - Full day hire rate - Voluntary and community Sector	**	210.00	42.00	252.00	2.50	3.00	1%	212.50	42.50	255.00	
195	IT Room (22 people) - Half day hire rate - Voluntary and Community	**	105.00	21.00	126.00	1.67	2.00	2%	106.67	21.33	128.00	
196	IT Room (22 people) - hourly hire rate - Commercial	**	52.08	10.42	62.50	1.25	1.50	2%	53.33	10.67	64.00	
197	IT Room (22 people) - Full day hire rate - Commercial	**	330.00	66.00	396.00	7.50	9.00	2%	337.50	67.50	405.00	
198	IT Room (22 people) - half day hire rate - Commercial hire	**	165.00	33.00	198.00	4.17	5.00	3%	169.17	33.83	203.00	
199	Town Square Hire Charge for Events per 6 hours	*	50.00	0.00	50.00	0.00	0.00	0%	50.00	0.00	50.00	
200	Town Square Hire Charge for Events per hour after flat rate	*	8.00	0.00	8.00	0.00	0.00	0%	8.00	0.00	8.00	
201	Town Square Hire Charge for Events concession for education and community use	*	35.00	0.00	35.00	0.00	0.00	0%	35.00	0.00	35.00	No changes proposed
	Leisure Activities											
202	Leisure - Loyalty Card Holder - adult - pa	**	30.00	6.00	36.00	1.67	2.00	6%	31.67	6.33	38.00	
203	Leisure -Loyalty Card Holder - concession - pa - 50% discount	**	15.00	3.00	18.00	0.83	1.00	6%	15.83	3.17	19.00	To improve consistency across the charges
204	Leisure -Loyalty Card Holder - family - pa - price based on 2 adults and 2 children minus 10%	**	80.83	16.17	97.00	4.67	5.60	6%	85.50	17.10	102.60	
205	Leisure - Replacement card	**	5.83	1.17	7.00	(0.00)	(0.00)	0%	5.83	1.17	7.00	No changes proposed
206	Leisure - fitness gym - Loyalty Card Holder - adult	**	4.67	0.93	5.60	0.33	0.40	7%	5.00	1.00	6.00	
207	Leisure - fitness gym - Pay and Play - adult	**	5.50	1.10	6.60	0.33	0.40	6%	5.83	1.17	7.00	
208	Leisure - fitness gym - Loyalty Card Holder - concession	**	2.75	0.55	3.30	0.17	0.20	6%	2.92	0.58	3.50	To improve consistency across the charges
209	Leisure - Junior Gym session - Resident	**	2.75	0.55	3.30	0.17	0.20	6%	2.92	0.58	3.50	
210	Leisure - Junior Gym session - Non Resident 20% uplift	**	3.33	0.67	4.00	0.21	0.25	6%	3.54	0.71	4.25	
211	Leisure - fitness gym - Loyalty Card Holder - adult induction - 20% discount	*	16.00	0.00	16.00	0.00	0.00	0%	16.00	0.00	16.00	
212	Leisure - fitness gym - Loyalty Card Holder - concession induction - 50% discount	*	10.00	0.00	10.00	0.00	0.00	0%	10.00	0.00	10.00	
213	Leisure - fitness gym - Pay and play - induction	*	20.00	0.00	20.00	0.00	0.00	0%	20.00	0.00	20.00	
214	Leisure - Junior Gym Induction - Resident	**	8.33	1.67	10.00	(0.00)	(0.00)	0%	8.33	1.67	10.00	No changes proposed
215	Leisure - Junior Gym Induction - Non Resident 20% uplift	**	10.00	2.00	12.00	0.00	0.00	0%	10.00	2.00	12.00	
216	Leisure - Personal Training 1 hour	**	25.00	5.00	30.00	0.00	0.00	0%	25.00	5.00	30.00	
217	Leisure - Health Checks	**	23.33	4.67	28.00	(0.00)	(0.00)	0%	23.33	4.67	28.00	
218	Leisure - badminton - Pay and play - peak 1 hour	**	9.00	1.80	10.80	0.17	0.20	2%	9.17	1.83	11.00	

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includes VAT **

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		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)		
219	Leisure - badminton - Pay and Play - off peak 1 hour - 15% discount of peak price	**	7.83	1.57	9.40	0.25	0.30	3%	8.08	1.62	9.70	
220	Leisure - badminton - Loyalty Card Holder - adult peak 1 hour - £1 discount	**	8.17	1.63	9.80	0.16	0.20	2%	8.33	1.67	10.00	
221	Leisure - badminton - Loyalty Card Holder - adult off peak 1 hour - £1 discount	**	7.00	1.40	8.40	0.25	0.30	4%	7.25	1.45	8.70	
222	Leisure - badminton - Loyalty Card Holder - Concession 60 mins - off peak only 50% discount	**	4.08	0.82	4.90	0.08	0.10	2%	4.17	0.83	5.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
223	Leisure - squash court - Pay and Play - peak	**	6.83	1.37	8.20	0.17	0.20	2%	7.00	1.40	8.40	
224	Leisure - squash court - Pay and Play - off peak - 15% discount of peak price	**	5.92	1.18	7.10	0.17	0.20	3%	6.08	1.22	7.30	
225	Leisure - squash court - Loyalty Card Holder - concession off peak only - 50% discount	**	3.00	0.60	3.60	0.08	0.10	3%	3.08	0.62	3.70	
226	Leisure - squash court - Loyalty Card Holder - adult peak £1 discount	**	6.00	1.20	7.20	0.17	0.20	3%	6.17	1.23	7.40	
227	Leisure - squash court - Loyalty Card Holder adult off peak - £1 discount	**	5.08	1.02	6.10	0.17	0.20	3%	5.25	1.05	6.30	
228	Leisure - table tennis Pay and Play - peak	**	3.33	0.67	4.00	(0.00)	(0.00)	0%	3.33	0.67	4.00	
229	Leisure - table tennis Pay and Play - off peak - 15% of peak price	**	2.92	0.58	3.50	0.00	0.00	0%	2.92	0.58	3.50	
230	Leisure - table tennis - Loyalty Card Holder - adult peak - £1 discount	**	2.50	0.50	3.00	0.00	0.00	0%	2.50	0.50	3.00	No changes proposed
231	Leisure - table tennis - Loyalty Card Holder - adult off peak - £1 discount	**	2.08	0.42	2.50	(0.00)	(0.00)	0%	2.08	0.42	2.50	
232	Leisure - table tennis - Loyalty Card Holder - concession - off peak only	**	1.46	0.29	1.75	0.00	0.00	0%	1.46	0.29	1.75	
233	Leisure - sports hall hire Abbey and BHLC full peak - ph - peak badminton price times 4	**	36.00	7.20	43.20	0.67	0.80	2%	36.67	7.33	44.00	
234	Leisure - sports hall hire Abbey and BHLC full off peak - ph off peak badminton price times 4	**	31.33	6.27	37.60	0.91	1.10	3%	32.25	6.45	38.70	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
235	Leisure - sports hall hire Abbey and BHLC half peak - ph - peak badminton price times 2	**	18.00	3.60	21.60	0.50	0.60	3%	18.50	3.70	22.20	
236	Leisure - sports hall hire Abbey and BHLC half off peak - ph - off peak badminton price times 2	**	15.67	3.13	18.80	2.66	3.20	17%	18.33	3.67	22.00	To improve consistency across the charges
237	Leisure - sports hall hire Abbey and BHLC quarter peak - ph	**	9.00	1.80	10.80	0.17	0.20	2%	9.17	1.83	11.00	
238	Leisure - Dance Studio - Abbey - ph	**	23.75	4.75	28.50	0.42	0.50	2%	24.17	4.83	29.00	
239	Leisure - BHLC studio 1 - ph	**	12.08	2.42	14.50	0.42	0.50	3%	12.50	2.50	15.00	
240	Leisure - BHLC Studio 2 - ph	**	12.08	2.42	14.50	0.42	0.50	3%	12.50	2.50	15.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
241	Leisure - BHLC Meeting Room - ph	*	11.30	0.00	11.30	0.42	0.50	3%	12.50	2.50	15.00	
242	Club/Block booking charge per booking - court	*	22.70	0.00	22.70	0.30	0.30	1%	23.00	0.00	23.00	
243	Club/Block booking charge per booking - small room	*	25.80	0.00	25.80	0.20	0.20	1%	26.00	0.00	26.00	
244	Leisure - swimming Pay and Play	**	3.08	0.62	3.70	0.09	0.10	3%	3.17	0.63	3.80	
246	Leisure - swimming Loyalty Card Holder - Adult	**	2.25	0.45	2.70	0.08	0.10	4%	2.33	0.47	2.80	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
247	Leisure - swimming Loyalty Card Holder - concession - 35% discount	**	2.00	0.40	2.40	0.04	0.05	2%	2.04	0.41	2.45	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
248	Leisure - swimming Becontree Heath/Abbey family - maximum of 5 people but price based on 2 adults and 2 children minus 10%	**	9.00	1.80	10.80	0.25	0.30	3%	9.25	1.85	11.10	
249	Leisure - swimming lessons Adult (block of 10 lessons)	*	57.00	0.00	57.00	2.00	2.00	4%	59.00	0.00	59.00	
250	Leisure - swimming lessons Concession (Block of 10 lessons)	*	43.00	0.00	43.00	2.00	2.00	5%	45.00	0.00	45.00	To improve consistency across the charges
251	One to One Swimming lessons - All sites	*	16.00	0.00	16.00	1.00	1.00	6%	17.00	0.00	17.00	
252	Education School Swimming per child	*	2.00	0.00	2.00	0.00	0.00	0%	2.00	0.00	2.00	No changes proposed
253	All Aerobics/workout sessions - Loyalty Card Holder - Adult	*	4.80	0.00	4.80	0.20	0.20	4%	5.00	0.00	5.00	
254	All Aerobics/workout sessions - Pay and Play - Adult	*	5.80	0.00	5.80	0.20	0.20	3%	6.00	0.00	6.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
255	All Aerobics/workout sessions - Loyalty Card Holder - Concession - 35% discount	*	3.80	0.00	3.80	0.10	0.10	3%	3.90	0.00	3.90	
256	Elderberries - include 50+ sessions	*	3.80	0.00	3.80	0.10	0.10	3%	3.90	0.00	3.90	
257	Admission Fee - Adult spectator	**	1.25	0.25	1.50	0.00	0.00	0%	1.25	0.25	1.50	
258	Admission Fee - Concession spectator	**	0.83	0.17	1.00	(0.00)	(0.00)	0%	0.83	0.17	1.00	No changes proposed
	Memberships											
259	Joining Fee - Resident	**	25.83	5.17	31.00	0.84	1.00	3%	26.67	5.33	32.00	
260	Joining Fee Non Resident	**	30.83	6.17	37.00	0.84	1.00	3%	31.67	6.33	38.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
261	Joining fee - Junior resident	**	9.17	1.83	11.00	0.83	1.00	9%	10.00	2.00	12.00	
262	Joining fee - Junior non resident	**	10.83	2.17	13.00	0.84	1.00	8%	11.67	2.33	14.00	
263	Freeze Membership per month	**	5.00	1.00	6.00	1.67	2.00	33%	6.67	1.33	8.00	

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
	Active Fitness										
264	Active Fitness - Adult - (12 month contract)	33.33	6.67	40.00	0.84	1.00	3%	34.17	6.83	41.00	No changes proposed
265	Active Fitness - Couple - (12 month contract) 2 adults minus £10	58.33	11.67	70.00	(0.00)	(0.00)	0%	58.33	11.67	70.00	
266	Active Fitness - Concession (Student/Older People) - 12 month contract 25% discount	26.67	5.33	32.00	0.84	1.00	3%	27.50	5.50	33.00	
267	Corporate membership 10 or more employees 15% discount (12 month only)	29.00	5.80	34.80	0.92	1.10	3%	29.92	5.98	35.90	
268	Corporate membership 50 or more employees 20% discount (12 month only)	27.75	5.55	33.30	0.83	1.00	3%	28.58	5.72	34.30	
269	Corporate membership 100 or more employees 25% discount (12 month only)	26.67	5.33	32.00	0.84	1.00	3%	27.50	5.50	33.00	
270	Active Gym only (12 month contract) 20% discount off full membership price	27.75	5.55	33.30	0.83	1.00	3%	28.58	5.72	34.30	
271	Active Gym only Corporate membership 100 or more employees 25% discount (12 month only)	22.17	4.43	26.60	0.66	0.80	3%	22.83	4.57	27.40	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
272	Active Fitness - Adult - (2 month contract) - 10% higher than the 12 month contract	36.67	7.33	44.00	1.08	1.30	3%	37.75	7.55	45.30	
273	Active Fitness - Couple - (2 month contract) - 10% higher than 12 month contract	65.00	13.00	78.00	1.92	2.30	3%	66.92	13.38	80.30	
274	Active Fitness - Concession (Student/Older People) - 2 month contract 25% discount	29.33	5.87	35.20	0.92	1.10	3%	30.25	6.05	36.30	
275	Active Gym only (2 month contract) - 10% higher than 12 month contract	30.58	6.12	36.70	0.92	1.10	3%	31.50	6.30	37.80	
276	Active Fitness - Junior Membership - 50% discount in the adult 12 month contract	16.67	3.33	20.00	0.50	0.60	3%	17.17	3.43	20.60	
	Active Aqua										
277	Active Aqua - Adults - (12 month contract)	25.00	5.00	30.00	0.83	1.00	3%	25.83	5.17	31.00	
278	Active Aqua - Couple - (12 month contract) 2 adults minus £10	41.67	8.33	50.00	0.00	0.00	0%	41.67	8.33	50.00	
279	Active Aqua - Concession (Students/Older People) - 12 month contract - 25% discount	20.00	4.00	24.00	0.58	0.70	3%	20.58	4.12	24.70	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
280	Active Aqua - Adults (2 month contract) - 10% higher than 12 month contract	27.50	5.50	33.00	0.84	1.00	3%	28.34	5.67	34.00	
281	Active Aqua - Couple (2 month contract) - 10% higher than 12 month contract	46.67	9.33	56.00	1.42	1.70	3%	48.09	9.62	57.70	
282	Active Aqua - Concession (Students/Older People) - 2 month contract - 10% higher than 12 month contract	22.00	4.40	26.40	0.67	0.80	3%	22.67	4.53	27.20	
	Holiday Activities										
283	Half Day	5.00	1.00	6.00	0.17	0.20	3%	5.17	1.03	6.20	
284	Full Day	10.00	2.00	12.00	0.34	0.40	3%	10.34	2.07	12.40	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
285	Week	50.00	10.00	60.00	1.50	1.80	3%	51.50	10.30	61.80	
	Courses										
286	NPLQ	250.00	0.00	250.00	10.00	10.00	4%	260.00	0.00	260.00	
287	NPLQ Renewal	90.00	0.00	90.00	10.00	10.00	11%	100.00	0.00	100.00	To improve consistency across the charges
288	First Aid at Work	250.00	0.00	250.00	10.00	10.00	4%	260.00	0.00	260.00	
289	First Aid at Work - Renewal	90.00	0.00	90.00	10.00	10.00	11%	100.00	0.00	100.00	
	Jolly Jungle										
290	Jolly Jungle - Under 1's	1.33	0.27	1.60	(0.00)	(0.00)	0%	1.33	0.27	1.60	No changes proposed
291	Jolly Jungle - Under 3's	3.50	0.70	4.20	0.17	0.20	5%	3.67	0.73	4.40	
292	Jolly Jungle - Over 3's	4.33	0.87	5.20	0.17	0.20	4%	4.50	0.90	5.40	To improve consistency across the charges
293	Jolly Jungle Toddler Party - Weekdays	6.25	1.25	7.50	0.17	0.20	3%	6.42	1.28	7.70	
294	Jolly Jungle Kids Party - Weekdays	7.67	1.53	9.20	0.16	0.20	2%	7.83	1.57	9.40	
295	Jolly Jungle VIP Party - Weekdays - minimum 20	8.50	1.70	10.20	0.17	0.20	2%	8.67	1.73	10.40	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
296	Jolly Jungle Toddler Party - Weekends	7.92	1.58	9.50	0.16	0.20	2%	8.08	1.62	9.70	
297	Jolly Jungle Kids Party - Weekends	9.42	1.88	11.30	0.16	0.20	2%	9.58	1.92	11.50	
298	Jolly Jungle VIP Party - Weekends - minimum 20 children	10.25	2.05	12.30	0.17	0.20	2%	10.42	2.08	12.50	
299	Jolly Jungle Membership - 1 month contract	10.33	2.07	12.40	0.34	0.40	3%	10.67	2.13	12.80	To improve consistency across the charges
	Barking Water Splash										
300	Barking Water Splash - Under 1's	0.92	0.18	1.10	0.00	0.00	0%	0.92	0.18	1.10	

Not VATable *

includes VAT **

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change	
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)		
301	Barking Water Splash - Over 1's Resident	**	2.58	0.52	3.10	(0.00)	(0.00)	0%	2.58	0.52	3.10	No changes proposed
302	Barking Water Splash - Over 1's Non Resident	**	3.00	0.60	3.60	0.00	0.00	0%	3.00	0.60	3.60	
303	Barking Water Splash - Additional child - Resident	**	1.75	0.35	2.10	0.00	0.00	0%	1.75	0.35	2.10	
304	Barking Water Splash - Additional child - Non Resident	**	2.17	0.43	2.60	0.00	0.00	0%	2.17	0.43	2.60	
	Jim Peters Stadium											
305	Adult Admission	**	3.50	0.70	4.20	(0.58)	(0.70)	-17%	2.92	0.58	3.50	Adjustment for VAT 2013/14 gross charge amount now reflected.
306	Junior Admission	**	2.20	0.44	2.70	(0.37)	(0.50)	-17%	1.84	0.37	2.20	
307	Concession	**	2.20	0.44	2.70	(0.37)	(0.50)	-17%	1.84	0.37	2.20	
308	School Hire	**	30.00	6.00	36.00	(5.00)	(6.00)	-17%	25.00	5.00	30.00	
309	School Competition Hire	**	25.00	5.00	30.00	8.33	10.00	33%	33.33	6.67	40.00	
310	Club hire rate	**	45.00	9.00	54.00	(7.50)	(9.00)	-17%	37.50	7.50	45.00	
311	Club Championship Hire	**	55.00	11.00	66.00	(9.17)	(11.00)	-17%	45.84	9.17	55.00	
312	General hire rate (Not club)	**	50.00	10.00	60.00	(8.33)	(10.00)	-17%	41.67	8.33	50.00	
	Broadway Theatre											
313	Theatre hire per hour (minimum 4 hour booking) - Commercial Monday to Thursday	*	85.00	0.00	85.00	0.00	0.00	0%	85.00	0.00	85.00	No changes proposed
314	Theatre hire per hour (minimum 4 hour booking) - Community Monday to Thursday	*	65.00	0.00	65.00	0.00	0.00	0%	65.00	0.00	65.00	
315	Theatre hire per hour (minimum 4 hour booking) - Commercial Friday to Sunday	*	105.00	0.00	105.00	0.00	0.00	0%	105.00	0.00	105.00	
316	Theatre hire per hour (minimum 4 hour booking) - Community Friday to Sunday	*	85.00	0.00	85.00	0.00	0.00	0%	85.00	0.00	85.00	
317	Drama studio/dance studio hire per hour - Commercial	*	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	No changes proposed
318	Drama studio/dance studio hire per hour - Community	*	20.00	0.00	20.00	0.00	0.00	0%	20.00	0.00	20.00	
	Events											
319	Park use - non commercial (Fun Days)	*	125.00	0.00	125.00	0.00	0.00	0%	125.00	0.00	125.00	Charges frozen pending review ongoing review by the council as to the future direction of Park events
320	Park use - non commercial (small event - less than 200 people attending (fundraising sponsored events))	*	65.00	0.00	65.00	0.00	0.00	0%	65.00	0.00	65.00	
321	Park use - non-commercial fundraising event - walks and bike rides up to 50 people	*	20.00	0.00	20.00	0.00	0.00	0%	20.00	0.00	20.00	
322	Park use - non-commercial up to 2,500 people (no entry fee)	*	550.00	0.00	550.00	0.00	0.00	0%	550.00	0.00	550.00	
323	Park use - non-commercial up to 5,000 people (no entry fee)	*	880.00	0.00	880.00	0.00	0.00	0%	880.00	0.00	880.00	
324	Additional Fee per hour non commercial	*	95.00	0.00	95.00	0.00	0.00	0%	95.00	0.00	95.00	
325	Public liability cover for non commercial park use - up to £2 million (minimum or 10% if more than £18.50)	*	19.00	0.00	19.00	0.00	0.00	0%	19.00	0.00	19.00	
326	Park use commercial - category 1 Est. attendance up to 2,500 (8hours)	*	950.00	0.00	950.00	0.00	0.00	0%	950.00	0.00	950.00	
327	Park use commercial - category 2 Est. attendance over 5000(8hours)	*	1,650.00	0.00	1,650.00	0.00	0.00	0%	1,650.00	0.00	1,650.00	
328	Park use commercial - per additional hour	*	160.00	0.00	160.00	0.00	0.00	0%	160.00	0.00	160.00	
329	Use of Premises Licence (Commercial) where applicable up to 5,000	*	545.00	0.00	545.00	0.00	0.00	0%	545.00	0.00	545.00	
330	Use of Premises Licence (Commercial) where applicable up to 10,000	*	1,730.00	0.00	1,730.00	0.00	0.00	0%	1,730.00	0.00	1,730.00	
331	Use of Premises Licence (Commercial) where applicable up to 15,000	*	3,465.00	0.00	3,465.00	0.00	0.00	0%	3,465.00	0.00	3,465.00	
332	Park use (Non-animal Circus) - Small - up to 500 seats per performance day	*	236.00	0.00	236.00	0.00	0.00	0%	236.00	0.00	236.00	
333	Park use (Non-animal Circus) - Large - over 500 seats per performance day	*	400.00	0.00	400.00	0.00	0.00	0%	400.00	0.00	400.00	
334	All Event Organisers incl. Fairs & Circuses - Non performance day £100 per day	*	110.00	0.00	110.00	0.00	0.00	0%	110.00	0.00	110.00	
335	Park use by Fairs - Small Fair per day	*	355.00	0.00	355.00	0.00	0.00	0%	355.00	0.00	355.00	
336	Park use by Fairs - Large Fair per day	*	455.00	0.00	455.00	0.00	0.00	0%	455.00	0.00	455.00	

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
Childrens Services											
Childcare Services											
337	Early Years - Day Nurseries and Children's Centres - full time weekly rate	220.00	0.00	220.00	0.00	0.00	0%	220.00	0.00	220.00	
338	Early Years - Day Nurseries and Children's Centres - daily rate - morning session	28.00	0.00	28.00	0.00	0.00	0%	28.00	0.00	28.00	
339	Early Years - Day Nurseries and Children's Centres - daily rate - afternoon session	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
340	Catering Services - Primary Meal	2.00	0.00	2.00	0.00	0.00	0%	2.00	0.00	2.00	
341	Catering Services - Secondary Meal	2.20	0.00	2.20	0.00	0.00	0%	2.20	0.00	2.20	
342	Butler Court Teachers teacher room standard room	85.17	0.00	85.17	2.30	2.30	3%	87.47	0.00	87.47	
343	Butler Court Teachers teacher room medium room	97.66	0.00	97.66	2.64	2.64	3%	100.30	0.00	100.30	
344	Butler Court Teachers teacher room large room	110.15	0.00	110.15	2.97	2.97	3%	113.12	0.00	113.12	
345	Butler Court Teachers teacher room double room	122.64	0.00	122.64	3.31	3.31	3%	125.95	0.00	125.95	
346	Butler Court Teachers teacher room double room large	156.71	0.00	156.71	4.23	4.23	3%	160.94	0.00	160.94	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
347	Butler Court guest room single occupancy	52.99	0.00	52.99	1.43	1.43	3%	54.42	0.00	54.42	
348	Butler Court guest room double occupancy	64.73	0.00	64.73	1.75	1.75	3%	66.48	0.00	66.48	
349	Butler Court student rooms	52.99	0.00	52.99	1.43	1.43	3%	54.42	0.00	54.42	
Housing and Environment											
Park Sports											
350	Parks - Pavilion only - Winter - Adult	10.00	2.00	12.00	0.25	0.30	3%	10.25	2.05	12.30	
351	Parks - Pavilion only - Winter - Junior/9v9/Mini	5.00	1.00	6.00	0.13	0.16	3%	5.13	1.03	6.16	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
352	Parks - Pavilion only - Summer - Adult	8.00	1.60	9.60	0.25	0.30	3%	8.25	1.65	9.90	
353	Parks - Pavilion only - Summer - Junior/9v9/Mini	4.00	0.80	4.80	0.08	0.10	2%	4.08	0.82	4.90	
354	Parks - Cricket pitch only - Adults	63.50	12.70	76.20	14.83	17.80	23%	78.33	15.67	94.00	To improve consistency across the charges
355	Parks - Cricket pitch only - Junior	30.50	6.10	36.60	8.67	10.40	28%	39.17	7.83	47.00	
356	Parks - Cricket pitch only - Adults - (Season - Up to 40 Matches)	3,050.00	0.00	3,050.00	82.00	82.00	3%	3,132.00	0.00	3,132.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
357	Parks - Cricket pitch only - Juniors - (Season - Up to 40 matches)	1,525.00	0.00	1,525.00	41.00	41.00	3%	1,566.00	0.00	1,566.00	
358	Parks - Football pitch only - Adults	58.79	11.76	70.55	11.63	13.96	20%	70.42	14.08	84.50	To improve consistency across the charges
359	Parks - Football pitch only - Juniors/9v9	25.92	5.18	31.10	5.75	6.90	22%	31.67	6.33	38.00	
360	Parks - Football pitch only - Mini Soccer	12.96	2.59	15.55	0.37	0.44	3%	13.33	2.67	16.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
361	Parks - Football pitch only - Adults - (Season - Up to 30 matches)	3,060.00	0.00	3,060.00	(886.00)	(886.00)	-29%	2,174.00	0.00	2,174.00	To improve consistency across the charges
362	Parks - Football pitch only - Junior/9v9 - (Season - Up to 30 matches)	1,350.00	0.00	1,350.00	(398.00)	(398.00)	-29%	952.00	0.00	952.00	
363	Parks - Football pitch only - Mini - (Season - Up to 30 matches)	675.00	0.00	675.00	(275.00)	(275.00)	-41%	400.00	0.00	400.00	
364	Parks - Rugby Pitch - Adults - 30 matches	1,203.00	0.00	1,203.00	32.00	32.00	3%	1,235.00	0.00	1,235.00	
365	Parks - Rugby Pitch - Junior - 30 matches	1,203.00	0.00	1,203.00	32.00	32.00	3%	1,235.00	0.00	1,235.00	
366	Parks - Rugby Pitch - Mini - 30 matches	601.50	0.00	601.50	16.50	16.50	3%	618.00	0.00	618.00	
367	Parks - Bowling Greens - club rental price per green (With Automated Watering)	9,588.00	0.00	9,588.00	262.00	262.00	3%	9,850.00	0.00	9,850.00	
368	Parks - Bowling Greens - club rental price per green	11,594.00	0.00	11,594.00	316.00	316.00	3%	11,910.00	0.00	11,910.00	
369	Parks - Bowling - Pavilion	1,175.00	0.00	1,175.00	32.00	32.00	3%	1,207.00	0.00	1,207.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
370	Aero Club - Licence Agreement with Dagenham Model Aero Club	213.00	0.00	213.00	6.00	6.00	3%	219.00	0.00	219.00	
371	Barking Park Model Railway	1.00	0.00	1.00	0.00	0.00	0%	1.00	0.00	1.00	
372	Hourly tennis charge per court (full rate)	4.17	0.83	5.00	0.08	0.10	2%	4.25	0.85	5.10	
373	Hourly tennis charge per court (discounted rate)	2.50	0.50	3.00	0.08	0.10	3%	2.58	0.52	3.10	
Allotments											
374	Cost per acre of usable allotment land leased to Allotment Associations	127.00	0.00	127.00	3.50	3.50	3%	130.50	0.00	130.50	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
Ranger Services											
375	Education charges: School groups (half day)	80.00	0.00	80.00	2.00	2.00	3%	82.00	0.00	82.00	

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includes VAT **

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		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
420	Weekly Suspension of parking space and yellow line dispensation (per place 5 metre length on street)	113.00	0.00	113.00	3.00	3.00	3%	116.00	0.00	116.00	
421	Business/Trade permit for companies which carry out works in the borough - on street only	254.00	0.00	254.00	7.00	7.00	3%	261.00	0.00	261.00	
422	Trade permit for companies registered at LBBB domestic property - on street only	122.00	0.00	122.00	3.50	3.50	3%	125.50	0.00	125.50	
423	Trade permit for companies registered at LBBB domestic property (daily - scratch cards)	19.00	0.00	19.00	0.50	0.50	3%	19.50	0.00	19.50	
424	Doctor's Parking Permit	260.00	0.00	260.00	7.00	7.00	3%	267.00	0.00	267.00	
425	Essential worker permit (salaried care home workers, essential health workers)	11.30	0.00	11.30	0.30	0.30	3%	11.60	0.00	11.60	
426	Visitors Permits (Daily, 10 Cards per pack, Scratch cards)	11.30	0.00	11.30	0.30	0.30	3%	11.60	0.00	11.60	
427	Visitors Permits (4 Hour, 10 Cards per pack, Scratch cards)	6.00	0.00	6.00	0.20	0.20	3%	6.20	0.00	6.20	
428	Voluntary sector volunteers (non salaried) - operational permits	15.00	0.00	15.00	0.40	0.40	3%	15.40	0.00	15.40	
429	Essential worker annual permit (salaried care home workers, essential health workers)	162.00	0.00	162.00	4.50	4.50	3%	166.50	0.00	166.50	
430	30 Day Temporary Cover (Residents Permits)	13.20	0.00	13.20	0.40	0.40	3%	13.60	0.00	13.60	
	Controlled Parking Zone										
431	Up to 30 mins Charge for CPZ and Ringo							0.50	0.00	0.50	To improve consistency across the charges
432	1 Hour Charge for CPZ and Ringo	0.50	0.00	0.50	0.20	0.20	40%	0.70	0.00	0.70	
433	Up to 2hrs Charge for CPZ and Ringo							1.10	0.00	1.10	To improve consistency across the charges
	Barking Off Street Car Parking										
434	Up to 1hr							0.92	0.18	1.10	
435	Up to 2hrs							1.50	0.30	1.80	
436	Up to 4hrs							3.75	0.75	4.50	To improve consistency across the charges
437	Up to 6hrs							6.58	1.32	7.90	
438	Over 6hrs							11.83	2.37	14.20	
	Barking On Street Parking										
439	Up to 30 mins							0.60	0.00	0.60	
440	Up to 1hr							1.10	0.00	1.10	
441	Up to 2hrs							1.80	0.00	1.80	To improve consistency across the charges
442	Up to 3hrs							3.30	0.00	3.30	
	Barking Shopping Parades										
443	Up to 1hr							0.40	0.00	0.40	
444	Up to 2hrs							0.70	0.00	0.70	
445	Up to 3hrs							1.80	0.00	1.80	To improve consistency across the charges

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		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
446	Up to 6hrs	*						5.30	0.00	5.30	
	Dagenham Off Street										
447	Up to 2hrs	**						0.25	0.05	0.30	To improve consistency across the charges
448	Up to 4hrs	**						0.75	0.15	0.90	
449	Up to 6hrs	**						2.42	0.48	2.90	
450	Over 6hrs	**						5.00	1.00	6.00	
	Dagenham On Street Parking										
451	Up to 2hrs	*						0.30	0.00	0.30	To improve consistency across the charges
452	Up to 4hrs	*						0.90	0.00	0.90	
453	Up to 6hrs	*						2.90	0.00	2.90	
	Dagenham Shopping Parades										
454	Up to 2hrs	*						0.30	0.00	0.30	To improve consistency across the charges
455	Up to 4hrs	*						0.90	0.00	0.90	
456	Up to 6hrs	*						2.90	0.00	2.90	
	Off Street Parking Services										
457	Associate permit (police, PCT, job centre plus) - annual	**	227.00	45.40	272.40	6.33	7.60	233.33	46.67	280.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
458	Associate permit (police, PCT, job centre plus) - 6 months	**	124.00	24.80	148.80	3.50	4.20	127.50	25.50	153.00	
459	Associate permit (police, PCT, job centre plus) - 4 months	**	86.00	17.20	103.20	2.33	2.80	88.33	17.67	106.00	
460	Season tickets (Residents and businesses) (Annual) (6 am - 8 pm) - car parks	**	405.00	81.00	486.00	80.83	97.00	485.83	97.17	583.00	To improve revenue from oversubscribed and popular service
461	Season tickets (Residents and businesses) (6 months) (6 am - 8 pm) - car parks	**	221.00	44.20	265.20	44.00	52.80	265.00	53.00	318.00	
462	Season tickets (Residents and businesses) (3 months) (6 am - 8 pm) - car parks	**	122.00	24.40	146.40	24.25	29.10	146.25	29.25	175.50	
463	Season tickets (24/7) (Residents and businesses) (Annual) - car parks	**	630.00	126.00	756.00	16.67	20.00	646.67	129.33	776.00	
464	Season tickets (24/7) (Residents and businesses) (6 months) - car parks	**	333.33	66.67	400.00	9.17	11.00	342.50	68.50	411.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
465	Season tickets (24/7) (Residents and businesses) (3 months) - car parks	**	185.00	37.00	222.00	5.00	6.00	190.00	38.00	228.00	
466	Staff Permits - Standard (Annual)	**	175.00	35.00	210.00	4.58	5.50	179.58	35.92	215.50	
467	Staff Permits - Priority (Annual)	**	300.00	60.00	360.00	8.33	10.00	308.33	61.67	370.00	
468	Staff Permits - Day (20 Half-Day Permits)	**	8.33	1.67	10.00	0.25	0.30	8.58	1.72	10.30	
	Off-Street Pav & Display Heathway Multi Storey Car Park										
469	Up to 1 hour	**	0.33	0.07	0.40	0.00	0.00	0.33	0.07	0.40	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
470	Up to 2 hours	**	0.75	0.15	0.90	0.00	0.00	0.75	0.15	0.90	
471	Up to 4 hours	**	1.42	0.28	1.70	0.08	0.10	1.50	0.30	1.80	
472	Up to 6 hours	**	2.75	0.55	3.30	0.08	0.10	2.83	0.57	3.40	
473	Over 6 hours	**	4.58	0.92	5.50	0.17	0.20	4.75	0.95	5.70	
474	Overnight parking (8 pm to 8 am)	**	2.33	0.47	2.80	0.09	0.10	2.42	0.48	2.90	

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		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
	Off-Street Pav & Display London Road Multi Storey Car Park										
475	Up to 1 hour	0.50	0.10	0.60	0.00	0.00	0%	0.50	0.10	0.60	
476	Up to 2 hours	0.92	0.18	1.10	0.00	0.00	0%	0.92	0.18	1.10	
477	Up to 4 hours	1.83	0.37	2.20	0.08	0.10	5%	1.92	0.38	2.30	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
478	Up to 6 hours	3.67	0.73	4.40	0.08	0.10	2%	3.75	0.75	4.50	
479	Over 6 hours	7.33	1.47	8.80	0.17	0.20	2%	7.50	1.50	9.00	
480	Overnight parking (8 pm to 8 am)	2.33	0.47	2.80	0.09	0.10	4%	2.42	0.48	2.90	
		0.00									
	Administration fee - change/refund of permits										
481	Administration fee - change/refund of permits	10.25	2.05	12.30	0.25	0.30	2%	10.50	2.10	12.60	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
	REGULATORY SERVICES										
	Licences										
482	Alcohol Licence - New Application - Band A	100.00	0.00	100.00	0.00	0.00	0%	100.00	0.00	100.00	
483	Alcohol Licence - Annual Charge - Band A	70.00	0.00	70.00	0.00	0.00	0%	70.00	0.00	70.00	
484	Alcohol Licence - New Application - Band B	190.00	0.00	190.00	0.00	0.00	0%	190.00	0.00	190.00	
485	Alcohol Licence - Annual Charge - Band B	180.00	0.00	180.00	0.00	0.00	0%	180.00	0.00	180.00	
486	Alcohol Licence - New Application - Band C	315.00	0.00	315.00	0.00	0.00	0%	315.00	0.00	315.00	
487	Alcohol Licence - Annual Charge - Band C	295.00	0.00	295.00	0.00	0.00	0%	295.00	0.00	295.00	
488	Alcohol Licence - New Application - Band D	450.00	0.00	450.00	0.00	0.00	0%	450.00	0.00	450.00	
489	Alcohol Licence - Annual Charge - Band D	320.00	0.00	320.00	0.00	0.00	0%	320.00	0.00	320.00	
490	Alcohol Licence - New Application - Band E	635.00	0.00	635.00	0.00	0.00	0%	635.00	0.00	635.00	
491	Alcohol Licence - Annual Charge - Band E	350.00	0.00	350.00	0.00	0.00	0%	350.00	0.00	350.00	
492	Additional License - 5,000 to 9,999	1,000.00	0.00	1,000.00	0.00	0.00	0%	1,000.00	0.00	1,000.00	
493	Additional License - 10,000 to 14,999	2,000.00	0.00	2,000.00	0.00	0.00	0%	2,000.00	0.00	2,000.00	
494	Additional License - 15,000 to 19,999	4,000.00	0.00	4,000.00	0.00	0.00	0%	4,000.00	0.00	4,000.00	
495	Additional License - 20,000 to 29,999	8,000.00	0.00	8,000.00	0.00	0.00	0%	8,000.00	0.00	8,000.00	
496	Additional License - 30,000 to 39,999	16,000.00	0.00	16,000.00	0.00	0.00	0%	16,000.00	0.00	16,000.00	
497	Additional License - 40,000 to 49,999	24,000.00	0.00	24,000.00	0.00	0.00	0%	24,000.00	0.00	24,000.00	
498	Additional License - 50,000 to 59,999	32,000.00	0.00	32,000.00	0.00	0.00	0%	32,000.00	0.00	32,000.00	
499	Additional License - 60,000 to 69,999	40,000.00	0.00	40,000.00	0.00	0.00	0%	40,000.00	0.00	40,000.00	
500	Additional License - 70,000 to 79,999	48,000.00	0.00	48,000.00	0.00	0.00	0%	48,000.00	0.00	48,000.00	
501	Additional License - 80,000 to 89,999	56,000.00	0.00	56,000.00	0.00	0.00	0%	56,000.00	0.00	56,000.00	
502	Additional License - 90,000 and over	64,000.00	0.00	64,000.00	0.00	0.00	0%	64,000.00	0.00	64,000.00	
503	Additional License - 5,000 to 9,999 - Annual Fee	500.00	0.00	500.00	0.00	0.00	0%	500.00	0.00	500.00	
504	Additional License - 10,000 to 14,999 - Annual Fee	1,000.00	0.00	1,000.00	0.00	0.00	0%	1,000.00	0.00	1,000.00	
505	Additional License - 15,000 to 19,999 - Annual Fee	2,000.00	0.00	2,000.00	0.00	0.00	0%	2,000.00	0.00	2,000.00	
506	Additional License - 20,000 to 29,999 - Annual Fee	4,000.00	0.00	4,000.00	0.00	0.00	0%	4,000.00	0.00	4,000.00	
507	Additional License - 30,000 to 39,999 - Annual Fee	8,000.00	0.00	8,000.00	0.00	0.00	0%	8,000.00	0.00	8,000.00	
508	Additional License - 40,000 to 49,999 - Annual Fee	12,000.00	0.00	12,000.00	0.00	0.00	0%	12,000.00	0.00	12,000.00	
509	Additional License - 50,000 to 59,999 - Annual Fee	16,000.00	0.00	16,000.00	0.00	0.00	0%	16,000.00	0.00	16,000.00	
510	Additional License - 60,000 to 69,999 - Annual Fee	20,000.00	0.00	20,000.00	0.00	0.00	0%	20,000.00	0.00	20,000.00	
511	Additional License - 70,000 to 79,999 - Annual Fee	24,000.00	0.00	24,000.00	0.00	0.00	0%	24,000.00	0.00	24,000.00	
512	Additional License - 80,000 to 89,999 - Annual Fee	28,000.00	0.00	28,000.00	0.00	0.00	0%	28,000.00	0.00	28,000.00	
513	Additional License - 90,000 and over - Annual Fee	32,000.00	0.00	32,000.00	0.00	0.00	0%	32,000.00	0.00	32,000.00	
514	Application for the grant or renewal of a personal licence	37.00	0.00	37.00	0.00	0.00	0%	37.00	0.00	37.00	Prescribed by government
515	Temporary event notice	21.00	0.00	21.00	0.00	0.00	0%	21.00	0.00	21.00	
516	Theft, loss, etc. of premises licence or summary	10.50	0.00	10.50	0.00	0.00	0%	10.50	0.00	10.50	
517	Application for a provisional statement where premises being built etc.	315.00	0.00	315.00	0.00	0.00	0%	315.00	0.00	315.00	
518	Notification of change of name or address	10.50	0.00	10.50	0.00	0.00	0%	10.50	0.00	10.50	

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519	Application to vary licence to specify individual as premises supervisor	23.00	0.00	23.00	0.00	0.00	0%	23.00	0.00	23.00	
520	Application for transfer of premises licence	23.00	0.00	23.00	0.00	0.00	0%	23.00	0.00	23.00	
521	Interim authority notice following death etc. of licence holder	23.00	0.00	23.00	0.00	0.00	0%	23.00	0.00	23.00	
522	Theft, loss etc. of certificate or summary	10.50	0.00	10.50	0.00	0.00	0%	10.50	0.00	10.50	
523	Notification of change of name or alteration of rules of club	10.50	0.00	10.50	0.00	0.00	0%	10.50	0.00	10.50	
524	Change of relevant registered address of club	10.50	0.00	10.50	0.00	0.00	0%	10.50	0.00	10.50	
525	Theft, loss etc. of temporary event notice	10.50	0.00	10.50	0.00	0.00	0%	10.50	0.00	10.50	
526	Theft, loss etc. of personal licence	10.50	0.00	10.50	0.00	0.00	0%	10.50	0.00	10.50	
527	Duty to notify change of name or address	10.50	0.00	10.50	0.00	0.00	0%	10.50	0.00	10.50	
528	Right of freeholder etc. to be notified of licensing matters	21.00	0.00	21.00	0.00	0.00	0%	21.00	0.00	21.00	
529	Application to vary premises licence at community premises to include alternative licence condition	23.00	0.00	23.00	0.00	0.00	0%	23.00	0.00	23.00	
530	Application for minor variation	89.00	0.00	89.00	0.00	0.00	0%	89.00	0.00	89.00	
531	Licences - Authorisations for Hypnotism under section 2 of The Hypnotism Act- Premises capacity up to 150	263.00	0.00	263.00	7.00	7.00	3%	270.00	0.00	270.00	
532	Licences - Authorisations for Hypnotism under section 2 of The Hypnotism Act- Premises capacity 151-300	450.00	0.00	450.00	12.00	12.00	3%	462.00	0.00	462.00	
533	Licences - Authorisations for Hypnotism under section 2 of The Hypnotism Act- Premises capacity 301-600	845.00	0.00	845.00	23.00	23.00	3%	868.00	0.00	868.00	
534	Licences - Authorisations for Hypnotism under section 2 of The Hypnotism Act- Premises capacity 601-1,000	1,540.00	0.00	1,540.00	41.00	41.00	3%	1,581.00	0.00	1,581.00	
535	Licences - Authorisations for Hypnotism under section 2 of The Hypnotism Act- Premises capacity 1,001-2,500	2,920.00	0.00	2,920.00	79.00	79.00	3%	2,999.00	0.00	2,999.00	
536	Licences - Authorisations for Hypnotism under section 2 of The Hypnotism Act- Premises capacity 2,501-4000	4,650.00	0.00	4,650.00	126.00	126.00	3%	4,776.00	0.00	4,776.00	
537	Licences - Special treatment premises- Processing charge	77.00	0.00	77.00	2.00	2.00	3%	79.00	0.00	79.00	
538	Licences - Special treatment premises- Category 1 Laser treatment	505.00	0.00	505.00	13.50	13.50	3%	518.50	0.00	518.50	
539	Licences - Special treatment premises- Category 2 electrical, tattooing, body piercing etc.	360.00	0.00	360.00	10.00	10.00	3%	370.00	0.00	370.00	
540	Licences - Special treatment premises- Category 3 massage, manicure, pedicure , tanning etc	252.00	0.00	252.00	7.00	7.00	3%	259.00	0.00	259.00	
541	Licences - Special treatment premises- Category 4 ear lobe and nostril piercing	108.00	0.00	108.00	3.00	3.00	3%	111.00	0.00	111.00	
542	Licences - Special treatment premises- Additional treatments in same category	36.00	0.00	36.00	1.00	1.00	3%	37.00	0.00	37.00	
543	Licences - Special treatment premises- Processing charge - Renewal	77.00	0.00	77.00	2.00	2.00	3%	79.00	0.00	79.00	
544	Licences - Special treatment premises- Category 1 Laser treatment - Renewal	505.00	0.00	505.00	13.50	13.50	3%	518.50	0.00	518.50	
545	Licences - Special treatment premises- Category 2 electrical, tattooing, body piercing etc. - Renewal	360.00	0.00	360.00	10.00	10.00	3%	370.00	0.00	370.00	
546	Licences - Special treatment premises- Category 3 massage, manicure, pedicure , tanning etc - Renewal	252.00	0.00	252.00	7.00	7.00	3%	259.00	0.00	259.00	
547	Licences - Special treatment premises- Category 4 ear lobe and nostril piercing - Renewal	108.00	0.00	108.00	3.00	3.00	3%	111.00	0.00	111.00	
548	Licences - Special treatment premises- Additional treatments in same category - Renewal	36.00	0.00	36.00	1.00	1.00	3%	37.00	0.00	37.00	
549	Licences - Special treatment premises- Processing charge - Transfer	77.00	0.00	77.00	2.00	2.00	3%	79.00	0.00	79.00	

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550	Licences - Special treatment premises- Category 1 Laser treatment - Transfer	505.00	0.00	505.00	13.50	13.50	3%	518.50	0.00	518.50	
551	Licences - Special treatment premises- Category 2 electrical, tattooing, body piercing etc. - Transfer	360.00	0.00	360.00	9.50	9.50	3%	369.50	0.00	369.50	
552	Licences - Special treatment premises- Category 3 massage, manicure, pedicure, tanning etc - Transfer	252.00	0.00	252.00	7.00	7.00	3%	259.00	0.00	259.00	
553	Licences - Special treatment premises- Category 4 ear lobe and nostril piercing - Transfer	108.00	0.00	108.00	3.00	3.00	3%	111.00	0.00	111.00	
554	Licences - Special treatment premises- Additional treatments in same category - Transfer	36.00	0.00	36.00	1.00	1.00	3%	37.00	0.00	37.00	
555	Licences - Special treatment premises- health and safety at work change of practitioner	113.00	0.00	113.00	3.00	3.00	3%	116.00	0.00	116.00	
556	Licences - Animals (a) Dog Breeders	217.00	0.00	217.00	6.00	6.00	3%	223.00	0.00	223.00	
557	Licences - Animals (b) Riding Establishments	600.00	0.00	600.00	16.00	16.00	3%	616.00	0.00	616.00	
558	Licences - Animals (c) Animal Boarding	412.00	0.00	412.00	11.00	11.00	3%	423.00	0.00	423.00	
559	Licences - Animals (d) Pet Shops	310.00	0.00	310.00	8.50	8.50	3%	318.50	0.00	318.50	
560	Licences - Animals (e) Dangerous Wild Animals	420.00	0.00	420.00	11.50	11.50	3%	431.50	0.00	431.50	
561	Licences - Performing animals	216.00	0.00	216.00	6.00	6.00	3%	222.00	0.00	222.00	
562	Licences - New Sex Shop Licence	9,781.11	0.00	9,781.11	263.89	263.89	3%	10,045.00	0.00	10,045.00	
563	Licences - Sex Shop - Renewal	7,515.21	0.00	7,515.21	202.79	202.79	3%	7,718.00	0.00	7,718.00	
564	Licences - Safety at sports ground Act- fees charged on officer time spent processing application (inc Explosives)	180.00	0.00	180.00	5.00	5.00	3%	185.00	0.00	185.00	
565	Licences - Poisons Act -entry	124.00	0.00	124.00	3.50	3.50	3%	127.50	0.00	127.50	
566	Licences - Poisons Act -Retention or alteration	66.00	0.00	66.00	2.00	2.00	3%	68.00	0.00	68.00	
567	Licences - Auction Rooms Registration	540.00	0.00	540.00	15.00	15.00	3%	555.00	0.00	555.00	
568	Licences - Occasional Sales- up to 50 stalls/vehicles/pitches	113.00	0.00	113.00	3.00	3.00	3%	116.00	0.00	116.00	
569	Licences - Occasional Sales- 51-150 stalls/vehicles/pitches	180.00	0.00	180.00	5.00	5.00	3%	185.00	0.00	185.00	
570	Licences - Occasional Sales- over 150 stalls/vehicles/pitches	310.00	0.00	310.00	8.50	8.50	3%	318.50	0.00	318.50	
571	Licences - Game Dealers	41.00	0.00	41.00	1.00	1.00	2%	42.00	0.00	42.00	
572	Scrap metal Site License (Time spent - minutes) - New							420.00	0.00	420.00	
573	Scrap metal Site License (Time spent - minutes) - Renewal							320.00	0.00	320.00	
574	Scrap metal Site License (Time spent - minutes) - Variation							155.00	0.00	155.00	
575	Scrap metal Collectors License (Time spent - minutes) - New							250.00	0.00	250.00	
576	Scrap metal Collectors License (Time spent - minutes) - Renewal							170.00	0.00	170.00	
577	Scrap metal Collectors License (Time spent - minutes) - Variation							105.00	0.00	105.00	
578	Other income - Pollution - Seizure of Equipment by Noise Patrol -Fee for reclamation of property (NON-BUSINESS)	200.00	0.00	200.00	5.50	5.50	3%	205.50	0.00	205.50	
579	Buy With Confidence - Application	102.50	20.50	123.00	2.92	3.50	3%	105.42	21.08	126.50	
580	Buy With Confidence - Renewal	102.50	20.50	123.00	2.92	3.50	3%	105.42	21.08	126.50	
581	Dog Warden Service - Stray Dog Collection	77.00	0.00	77.00	2.00	2.00	3%	79.00	0.00	79.00	
582	Dog Warden Service - Administration Fee	26.00	0.00	26.00	0.70	0.70	3%	26.70	0.00	26.70	
583	Dog Warden Service - Cost Per Night in Kennel	26.00	0.00	26.00	0.70	0.70	3%	26.70	0.00	26.70	

Fees increased in line with the movement in the CPI index for September 2013 - 2.7%

Not VATable *

includes VAT **

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
584	Micro chip implants - Implant and registration with national pet register per animal (VATABLE)	8.58	1.72	10.30	0.25	0.30	3%	8.83	1.77	10.60	
585	Registration - Lotteries	55.00	0.00	55.00	1.50	1.50	3%	56.50	0.00	56.50	
586	Registration - Lotteries renewal	55.00	0.00	55.00	1.50	1.50	3%	56.50	0.00	56.50	
	New Regional Casino premises licence										
587	Application for a provisional statement	15,000.00	0.00	15,000.00	0.00	0.00	0%	15,000.00	0.00	15,000.00	
588	Application for a new premises licence	15,000.00	0.00	15,000.00	0.00	0.00	0%	15,000.00	0.00	15,000.00	
589	Application to vary a new premises licence	7,500.00	0.00	7,500.00	0.00	0.00	0%	7,500.00	0.00	7,500.00	
590	Application to transfer a premises licence	6,500.00	0.00	6,500.00	0.00	0.00	0%	6,500.00	0.00	6,500.00	
591	Application for a new premises licence with Provisional Statement	8,000.00	0.00	8,000.00	0.00	0.00	0%	8,000.00	0.00	8,000.00	Prescribed by government
592	Annual fee	15,000.00	0.00	15,000.00	0.00	0.00	0%	15,000.00	0.00	15,000.00	
593	Reinstatement of a licence	6,500.00	0.00	6,500.00	0.00	0.00	0%	6,500.00	0.00	6,500.00	
594	Copy of licence	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
595	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0%	38.50	0.00	38.50	
	New Large Casino premises licence										
596	Application for a provisional statement	10,000.00	0.00	10,000.00	0.00	0.00	0%	10,000.00	0.00	10,000.00	
597	Application for a new premises licence	10,000.00	0.00	10,000.00	0.00	0.00	0%	10,000.00	0.00	10,000.00	
598	Application to vary a new premises licence	5,000.00	0.00	5,000.00	0.00	0.00	0%	5,000.00	0.00	5,000.00	
599	Application to transfer a premises licence	2,150.00	0.00	2,150.00	0.00	0.00	0%	2,150.00	0.00	2,150.00	
600	Application for a new premises licence with Provisional Statement	5,000.00	0.00	5,000.00	0.00	0.00	0%	5,000.00	0.00	5,000.00	Prescribed by government
601	Annual fee	10,000.00	0.00	10,000.00	0.00	0.00	0%	10,000.00	0.00	10,000.00	
602	Reinstatement of a licence	2,150.00	0.00	2,150.00	0.00	0.00	0%	2,150.00	0.00	2,150.00	
603	Copy of licence	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
604	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0%	38.50	0.00	38.50	
	New Small Casino premises licence										
605	Application for a provisional statement	8,000.00	0.00	8,000.00	0.00	0.00	0%	8,000.00	0.00	8,000.00	
606	Application for a new premises licence	8,000.00	0.00	8,000.00	0.00	0.00	0%	8,000.00	0.00	8,000.00	
607	Application to vary a new premises licence	4,000.00	0.00	4,000.00	0.00	0.00	0%	4,000.00	0.00	4,000.00	
608	Application to transfer a premises licence	1,800.00	0.00	1,800.00	0.00	0.00	0%	1,800.00	0.00	1,800.00	
609	Application for a new premises licence with Provisional Statement	3,000.00	0.00	3,000.00	0.00	0.00	0%	3,000.00	0.00	3,000.00	Prescribed by government
610	Annual fee	5,000.00	0.00	5,000.00	0.00	0.00	0%	5,000.00	0.00	5,000.00	
611	Reinstatement of a licence	1,800.00	0.00	1,800.00	0.00	0.00	0%	1,800.00	0.00	1,800.00	
612	Copy of licence	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
613	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0%	38.50	0.00	38.50	
	Converted Casino premises licence										
614	Fast track conversion application	300.00	0.00	300.00	0.00	0.00	0%	300.00	0.00	300.00	
615	Non-Fast track conversion application	2,000.00	0.00	2,000.00	0.00	0.00	0%	2,000.00	0.00	2,000.00	
616	Application to vary a new premises licence	2,000.00	0.00	2,000.00	0.00	0.00	0%	2,000.00	0.00	2,000.00	
617	Application to transfer a premises licence	1,350.00	0.00	1,350.00	0.00	0.00	0%	1,350.00	0.00	1,350.00	Prescribed by government
618	Annual fee	3,000.00	0.00	3,000.00	0.00	0.00	0%	3,000.00	0.00	3,000.00	
619	Reinstatement of a licence	1,350.00	0.00	1,350.00	0.00	0.00	0%	1,350.00	0.00	1,350.00	
620	Copy of licence	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
621	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0%	38.50	0.00	38.50	
	Bingo premises licence										
622	Fast track conversion application	300.00	0.00	300.00	0.00	0.00	0%	300.00	0.00	300.00	
623	Non -Fast track conversion application	1,750.00	0.00	1,750.00	0.00	0.00	0%	1,750.00	0.00	1,750.00	
624	Application for a provisional statement	1,200.00	0.00	1,200.00	0.00	0.00	0%	1,200.00	0.00	1,200.00	
625	Application for a new premises licence	3,500.00	0.00	3,500.00	0.00	0.00	0%	3,500.00	0.00	3,500.00	
626	Application to vary a new premises licence	1,750.00	0.00	1,750.00	0.00	0.00	0%	1,750.00	0.00	1,750.00	Prescribed by government
627	Application to transfer a premises licence	1,200.00	0.00	1,200.00	0.00	0.00	0%	1,200.00	0.00	1,200.00	

Not VATable *

includes VAT **

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
628	Application for a new premises licence with Provisional Statement	1,200.00	0.00	1,200.00	0.00	0.00	0%	1,200.00	0.00	1,200.00	
629	Annual fee	1,000.00	0.00	1,000.00	0.00	0.00	0%	1,000.00	0.00	1,000.00	
630	Reinstatement of a licence	1,200.00	0.00	1,200.00	0.00	0.00	0%	1,200.00	0.00	1,200.00	
631	Copy of licence	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
632	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0%	38.50	0.00	38.50	
	Betting premises (other) licence										
633	Fast track conversion application	300.00	0.00	300.00	0.00	0.00	0%	300.00	0.00	300.00	
634	Non -Fast track conversion application	1,750.00	0.00	1,750.00	0.00	0.00	0%	1,750.00	0.00	1,750.00	
635	Application for a provisional statement	3,000.00	0.00	3,000.00	0.00	0.00	0%	3,000.00	0.00	3,000.00	
636	Application for a new premises licence	3,000.00	0.00	3,000.00	0.00	0.00	0%	3,000.00	0.00	3,000.00	
637	Application to vary a new premises licence	1,500.00	0.00	1,500.00	0.00	0.00	0%	1,500.00	0.00	1,500.00	
638	Application to transfer a premises licence	1,200.00	0.00	1,200.00	0.00	0.00	0%	1,200.00	0.00	1,200.00	
639	Application for a new premises licence with Provisional Statement	1,500.00	0.00	1,500.00	0.00	0.00	0%	1,500.00	0.00	1,500.00	
640	Annual fee	600.00	0.00	600.00	0.00	0.00	0%	600.00	0.00	600.00	
641	Reinstatement of a licence	1,200.00	0.00	1,200.00	0.00	0.00	0%	1,200.00	0.00	1,200.00	
642	Copy of licence	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
643	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0%	38.50	0.00	38.50	
	Betting premises (track) licence										
644	Fast track conversion application	300.00	0.00	300.00	0.00	0.00	0%	300.00	0.00	300.00	
645	Non -Fast track conversion application	1,250.00	0.00	1,250.00	0.00	0.00	0%	1,250.00	0.00	1,250.00	
646	Application for a provisional statement	2,500.00	0.00	2,500.00	0.00	0.00	0%	2,500.00	0.00	2,500.00	
647	Application for a new premises licence	2,500.00	0.00	2,500.00	0.00	0.00	0%	2,500.00	0.00	2,500.00	
648	Application to vary a new premises licence	1,250.00	0.00	1,250.00	0.00	0.00	0%	1,250.00	0.00	1,250.00	
649	Application to transfer a premises licence	950.00	0.00	950.00	0.00	0.00	0%	950.00	0.00	950.00	
650	Application for a new premises licence with Provisional Statement	950.00	0.00	950.00	0.00	0.00	0%	950.00	0.00	950.00	
651	Annual fee	1,000.00	0.00	1,000.00	0.00	0.00	0%	1,000.00	0.00	1,000.00	
652	Reinstatement of a licence	950.00	0.00	950.00	0.00	0.00	0%	950.00	0.00	950.00	
653	Copy of licence	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
654	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0%	38.50	0.00	38.50	
	Adult Gaming Centre premises licence										
655	Fast track conversion application	300.00	0.00	300.00	0.00	0.00	0%	300.00	0.00	300.00	
656	Non -Fast track conversion application	1,000.00	0.00	1,000.00	0.00	0.00	0%	1,000.00	0.00	1,000.00	
657	Application for a provisional statement	2,000.00	0.00	2,000.00	0.00	0.00	0%	2,000.00	0.00	2,000.00	
658	Application for a new premises licence	2,000.00	0.00	2,000.00	0.00	0.00	0%	2,000.00	0.00	2,000.00	
659	Application to vary a new premises licence	1,000.00	0.00	1,000.00	0.00	0.00	0%	1,000.00	0.00	1,000.00	
660	Application to transfer a premises licence	1,200.00	0.00	1,200.00	0.00	0.00	0%	1,200.00	0.00	1,200.00	
661	Application for a new premises licence with Provisional Statement	1,200.00	0.00	1,200.00	0.00	0.00	0%	1,200.00	0.00	1,200.00	
662	Annual fee	1,000.00	0.00	1,000.00	0.00	0.00	0%	1,000.00	0.00	1,000.00	
663	Reinstatement of a licence	1,200.00	0.00	1,200.00	0.00	0.00	0%	1,200.00	0.00	1,200.00	
664	Copy of licence	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
665	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0%	38.50	0.00	38.50	
	Family entertainment centre premises licence										

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
666	Fast track conversion application	300.00	0.00	300.00	0.00	0.00	0%	300.00	0.00	300.00	
667	Non -Fast track conversion application	1,000.00	0.00	1,000.00	0.00	0.00	0%	1,000.00	0.00	1,000.00	
668	Application for a provisional statement	2,000.00	0.00	2,000.00	0.00	0.00	0%	2,000.00	0.00	2,000.00	
669	Application for a new premises licence	2,000.00	0.00	2,000.00	0.00	0.00	0%	2,000.00	0.00	2,000.00	
670	Application to vary a new premises licence	1,000.00	0.00	1,000.00	0.00	0.00	0%	1,000.00	0.00	1,000.00	
671	Application to transfer a premises licence	950.00	0.00	950.00	0.00	0.00	0%	950.00	0.00	950.00	Prescribed by government
672	Application for a new premises licence with Provisional Statement	950.00	0.00	950.00	0.00	0.00	0%	950.00	0.00	950.00	
673	Annual fee	750.00	0.00	750.00	0.00	0.00	0%	750.00	0.00	750.00	
674	Reinstatement of a licence	950.00	0.00	950.00	0.00	0.00	0%	950.00	0.00	950.00	
675	Copy of licence	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
676	Notification of change of details	38.50	0.00	38.50	0.00	0.00	0%	38.50	0.00	38.50	
	Street Trading Services										
677	Street Trading Charges - 2 metres+ -	310.00	0.00	310.00	8.50	8.50	3%	318.50	0.00	318.50	
678	1 to 2 metres -	247.00	0.00	247.00	6.50	6.50	3%	253.50	0.00	253.50	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
679	Small area (-1 metre).	195.00	0.00	195.00	5.00	5.00	3%	200.00	0.00	200.00	
680	Mobile Catering Vans -	310.00	0.00	310.00	8.50	8.50	3%	318.50	0.00	318.50	
	Barking Market Fees and Charges.										
	Saturdays										
681	Ripple Rd (Square) - price per foot including licence fee	4.65	0.00	4.65	0.15	0.15	3%	4.80	0.00	4.80	
682	East St (Top) - price per foot including licence fee	4.65	0.00	4.65	0.15	0.15	3%	4.80	0.00	4.80	
683	East St (Bottom) - price per foot including licence fee	3.95	0.00	3.95	0.15	0.15	4%	4.10	0.00	4.10	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
684	Short Blue Square - price per foot including licence fee	4.65	0.00	4.65	0.15	0.15	3%	4.80	0.00	4.80	
685	Casuals (On top of charge) - price per foot including licence fee	5.25	0.00	5.25	0.15	0.15	3%	5.40	0.00	5.40	
	Weekday										
686	Ripple Rd (Square) - price per foot including licence fee	3.40	0.00	3.40	0.10	0.10	3%	3.50	0.00	3.50	
687	East St (Top) - price per foot including licence fee	3.40	0.00	3.40	0.10	0.10	3%	3.50	0.00	3.50	
688	East St (Bottom) - price per foot including licence fee	2.80	0.00	2.80	0.10	0.10	4%	2.90	0.00	2.90	
689	Short Blue Square - price per foot including licence fee	3.40	0.00	3.40	0.10	0.10	3%	3.50	0.00	3.50	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
690	Casuals (On top of charge) - price per foot including licence fee	5.25	0.00	5.25	0.15	0.15	3%	5.40	0.00	5.40	
691	Tables & Chairs (per set) (Up to 2sq Metres)	4.80	0.00	4.80	0.10	0.10	2%	4.90	0.00	4.90	
692	Tables & Chairs (per set) (Up to 3sq Metres)	6.00	0.00	6.00	0.20	0.20	3%	6.20	0.00	6.20	
693	Fines - Late Payment	10.00	0.00	10.00	0.00	0.00	0%	10.00	0.00	10.00	
694	Fines - License Replacement	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	To improve consistency across the charges
695	Fines - Late Removal of Vans	10.00	0.00	10.00	0.00	0.00	0%	10.00	0.00	10.00	
	Building Control										
696	Hourly rate for fees and charges	78.70	15.74	94.44	2.13	2.56	3%	80.83	16.17	97.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
	Highways										
697	Skip Permits	40.00	0.00	40.00	1.00	1.00	3%	41.00	0.00	41.00	
698	Skip Company Annual Registration Admin Fee	250.00	0.00	250.00	7.00	7.00	3%	257.00	0.00	257.00	
699	Administration fee for processing skips without a permit	250.00	0.00	250.00	7.00	7.00	3%	257.00	0.00	257.00	

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change	
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)		
746	Pest control - Cockroaches - Commercial rate	**	141.63	28.33	169.96	3.79	4.55	3%	145.42	29.08	174.50	
747	Pest control - Pharaoh ants - Low Income Rate	**	51.50	10.30	61.80	1.42	1.70	3%	52.92	10.58	63.50	
748	Pest control - Pharaoh ants - Standard rate	**	103.00	20.60	123.60	2.83	3.40	3%	105.83	21.17	127.00	
749	Pest control - Pharaoh ants - Commercial rate	**	150.21	30.04	180.25	3.96	4.75	3%	154.17	30.83	185.00	
750	Pest control - Bedbugs - Extra charge per bedroom (over 3 beds) - Commercial rate	**	N/A	N/A	N/A	N/A	N/A	N/A	16.67	3.33	20.00	Extra commercial charge per room introduced to ensure that any work at properties with many bedrooms fully covers costs
	Environmental Services											
	Refuse											
751	Trade Refuse Collection - Refuse Sacks	*	4.95	0.00	4.95	0.00	0.00	0%	4.95	0.00	4.95	
752	Trade Refuse Collection - Euro or Paladin Bin Per Collection	*	24.75	0.00	24.75	0.00	0.00	0%	24.75	0.00	24.75	Refuse operational element and disposal element seperated
753	Weekly Collection Charge per Bin - Charly Rate	*	14.50	0.00	14.50	0.00	0.00	0%	14.50	0.00	14.50	
754	Trade Refuse Collection - Euro or Paladin Bin Per Collection where there are more than six units on site	*	17.25	0.00	17.25	0.96	0.96	6%	18.21	0.00	18.21	
755	Trade Refuse Collection - Euro or Paladin Bin Annual rental	*	119.25	0.00	119.25	3.25	3.25	3%	122.50	0.00	122.50	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
756	9 Cubic yard Demountable container -Charge per Collection	*	235.00	0.00	235.00	18.00	18.00	8%	253.00	0.00	253.00	Refuse operational element and disposal element seperated
757	9 Cubic yard Demountable container - Annual rental	*	815.00	0.00	815.00	22.00	22.00	3%	837.00	0.00	837.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
758	Miscellaneous Services - Cesspool Emptying	**	202.00	40.40	242.40	5.50	6.60	3%	207.50	41.50	249.00	Refuse operational element and disposal element seperated
759	Bulky Waste - Standard Service (Up to 4 items)	*	10.00	0.00	10.00	0.30	0.30	3%	10.30	0.00	10.30	
760	Bulky Waste - Standard Service (Additional item)	*	4.00	0.00	4.00	0.10	0.10	2%	4.10	0.00	4.10	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
	Cemeteries											
761	Grave fees - EROB - A Grade Traditional (50 years)	*	3,035.00	0.00	3,035.00	82.00	82.00	3%	3,117.00	0.00	3,117.00	
762	Grave fees - EROB - B Grade Traditional (50 years)	*	2,410.00	0.00	2,410.00	65.00	65.00	3%	2,475.00	0.00	2,475.00	
763	Grave fees - EROB - Lawn (50 years)	*	1,225.00	0.00	1,225.00	33.00	33.00	3%	1,258.00	0.00	1,258.00	
764	Grave fees - EROB - Children's Corner (50 years) depth for one only	*	365.05	0.00	365.05	9.95	9.95	3%	375.00	0.00	375.00	
765	Grave fees - EROB - Ashes only grave in Garden of Rest (25 years)	*	250.00	0.00	250.00	7.00	7.00	3%	257.00	0.00	257.00	
766	Grave fees - EROB - Ashes only above ground vault (25 years)	*	1,135.00	0.00	1,135.00	31.00	31.00	3%	1,166.00	0.00	1,166.00	
767	Internment fees - Private Grave - Non-private Grave (excluding still-born)	*	760.00	0.00	760.00	21.00	21.00	3%	781.00	0.00	781.00	
768	Internment fees - Additional Charge per Casket	*	150.00	0.00	150.00	4.00	4.00	3%	154.00	0.00	154.00	
769	Internment fees - Child in Non-private Grave (Aged between 3 weeks and 12 years)	*	130.00	0.00	130.00	3.50	3.50	3%	133.50	0.00	133.50	
770	Internment fees - Child up to the age of 12 years old in Children's Corner (depth for 1 only)	*	118.20	0.00	118.20	3.30	3.30	3%	121.50	0.00	121.50	
771	Internment fees - Still Born Babies & Children up to 3 weeks old	*	123.43	0.00	123.43	3.57	3.57	3%	127.00	0.00	127.00	
772	Internment fees - Still Born Babies & Children up to 3 weeks old	*	118.20	0.00	118.20	3.30	3.30	3%	121.50	0.00	121.50	

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
773	Cremated remains fees - Interment of child's cremated remains in Children's Corner	123.43	0.00	123.43	3.57	3.57	3%	127.00	0.00	127.00	
774	Cremated remains fees - Interment of cremated remains in Private Grave - Interment of cremated remains in Ashes Grave in Garden of Rest - Cremated remains in Garden of Rest and two line inscription in Book of Remembrance (ONLY)	189.00	0.00	189.00	5.00	5.00	3%	194.00	0.00	194.00	
775	Cremated remains fees - Each additional line in the Book of Remembrance	42.00	0.00	42.00	1.00	1.00	2%	43.00	0.00	43.00	
776	Cremated remains fees - Second Interment of cremated remains in "above ground vault"	80.00	0.00	80.00	2.00	2.00	3%	82.00	0.00	82.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
777	Memorial fees - Right to place memorial on lawn & non-lawn type grave - Right to place single or double memorial vase on any grave - Right to place memorial book or plaque on non-lawn type of grave - Right to add kerbs - landing	150.00	0.00	150.00	4.00	4.00	3%	154.00	0.00	154.00	
778	Memorial fees - Provision of soil in kerb sets	70.00	0.00	70.00	2.00	2.00	3%	72.00	0.00	72.00	
779	Memorial fees - Adding inscription, levelling/straightening memorials, cleaning/restoration works	55.00	0.00	55.00	1.50	1.50	3%	56.50	0.00	56.50	
780	Use of Cemetery Chapel	97.00	0.00	97.00	2.50	2.50	3%	99.50	0.00	99.50	
781	Registration of declaration regarding Non-production of Registrar's Certificate	35.00	0.00	35.00	1.00	1.00	3%	36.00	0.00	36.00	
782	Transfer of Exclusive Right of Burial	35.00	0.00	35.00	1.00	1.00	3%	36.00	0.00	36.00	
783	Family Trace (per named entry)	28.00	0.00	28.00	0.80	0.80	3%	28.80	0.00	28.80	
784	Photocopies per A4 sheet	2.35	0.00	2.35	0.05	0.05	2%	2.40	0.00	2.40	
785	Grounds Annual Maintenance - non-lawn type grave	136.00	0.00	136.00	3.50	3.50	3%	139.50	0.00	139.50	
786	Grounds Annual Maintenance - lawn type grave	87.00	0.00	87.00	2.00	2.00	2%	89.00	0.00	89.00	
787	Memorial Benches (Standard 6ft Hardwood Bench)	701.00	0.00	701.00	19.00	19.00	3%	720.00	0.00	720.00	
788	Provision of Concrete Base onto which a bench can be placed	315.00	0.00	315.00	8.50	8.50	3%	323.50	0.00	323.50	
789	Provision of Commemorative Plaque - Standard	68.00	0.00	68.00	2.00	2.00	3%	70.00	0.00	70.00	
790	Provision of Commemorative Plaque - Large	80.00	0.00	80.00	2.00	2.00	3%	82.00	0.00	82.00	
791	Provision of Memorial Tree - (8/10 Standard Sized)	180.00	0.00	180.00	5.00	5.00	3%	185.00	0.00	185.00	
792	Provision of Memorial Tree Plaque	123.00	0.00	123.00	3.50	3.50	3%	126.50	0.00	126.50	
793	Planter Plaque (10 yrs) - Scattering of cremated Remains in surrounding shrub beds.	155.00	0.00	155.00	4.00	4.00	3%	159.00	0.00	159.00	
	Graffiti & Deep Cleaning										
794	Graffiti & Deep Cleaning - First removal of graffiti - In Default (per sqm)	33.00	6.60	39.60	0.75	0.90	2%	33.75	6.75	40.50	
795	Graffiti & Deep Cleaning - Graffiti removal kit - Without Charter	16.25	3.25	19.50	0.42	0.50	3%	16.67	3.33	20.00	
	Fleet Department										
796	Driving Assessments.	61.80	0.00	61.80	1.70	1.70	3%	63.50	0.00	63.50	
797	Vehicle Hire w/ Driver - 20 Seat Wheel chair accessible mini coach (£35 Per Hour + 35p Per Mile)	35.00	0.00	35.00	1.00	1.00	3%	36.00	0.00	36.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
798	Vehicle Hire w/ Driver - 16 Seat Wheel chair accessible minibus (£30 Per Hour + 30p Per Mile)	30.00	0.00	30.00	1.00	1.00	3%	31.00	0.00	31.00	
799	Vehicle Hire w/ Driver - 16 Seat minibus - (£30 Per Hour + 25p Per Mile)	30.00	0.00	30.00	1.00	1.00	3%	31.00	0.00	31.00	
	HOUSING										
	General Housing										
800	Eastbrookend - Travellers caravan site Weekly Licence Charge - Single Pitch	70.00	0.00	70.00	1.50	1.50	2%	71.50	0.00	71.50	
801	Eastbrookend - Travellers caravan site Weekly Licence Charge - Double Pitch	185.00	0.00	185.00	4.00	4.00	2%	189.00	0.00	189.00	At the local housing allowance (LHA) maximum
	HMO Licensing										
802	HMO - Standard Fee - Up to 5 Rooms	695.00	0.00	695.00	19.00	19.00	3%	714.00	0.00	714.00	

Not VATable *

includes VAT **

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
846	Cancellation of ceremony / date change fee	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
847	Notice appointment booking fee	35.00	0.00	35.00	0.00	0.00	0%	35.00	0.00	35.00	
848	Non refundable wedding booking fee	75.00	0.00	75.00	0.00	0.00	0%	75.00	0.00	75.00	
849	Application for place of Worship excluding the cost of advertisement	28.00	0.00	28.00	0.00	0.00	0%	28.00	0.00	28.00	
850	Application for place of marriage excluding cost of advertisement	120.00	0.00	120.00	0.00	0.00	0%	120.00	0.00	120.00	
851	Application to be an Approved Premises- Non refundable application fee for 3 year approval excluding the cost of advertisement which is the responsibility of the applicant	675.00	0.00	675.00	0.00	0.00	0%	675.00	0.00	675.00	No changes proposed
852	Application for an Approved Premises- Non refundable application for renewal excluding the cost of advertisement which is the responsibility of the applicant	675.00	0.00	675.00	0.00	0.00	0%	675.00	0.00	675.00	
853	Approved Premises- Fee for review by the Review Officer or Assembly following refusal	297.00	0.00	297.00	0.00	0.00	0%	297.00	0.00	297.00	
854	Web Casting for Civil Marriages	10.00	2.00	12.00	0.00	0.00	0%	10.00	2.00	12.00	
855	Non-Statutory services - commemorative certificate	10.00	2.00	12.00	0.00	0.00	0%	10.00	2.00	12.00	
856	Citizenship - Framed Certificate	10.00	2.00	12.00	0.00	0.00	0%	10.00	2.00	12.00	
857	Priority service for copy certificates issued same day	20.00	4.00	24.00	0.00	0.00	0%	20.00	4.00	24.00	
858	Marriage Rehearsals	30.00	6.00	36.00	0.00	0.00	0%	30.00	6.00	36.00	
859	Appointments for Marriage Notices outside of normal office hours	10.00	0.00	10.00	0.00	0.00	0%	10.00	0.00	10.00	
860	Birth/Death/Marriage General Search (historical search by public in indexes)	20.00	4.00	24.00	0.00	0.00	0%	20.00	4.00	24.00	
861	Marriage - historical searches (if copy not provided)	10.00	2.00	12.00	0.00	0.00	0%	10.00	2.00	12.00	
862	Copy full & short certificates (open)	4.00	0.80	4.80	0.00	0.00	0%	4.00	0.00	4.00	No change to basic fee, but VAT should not be added, as a statutory fee.
863	Copy full & short certificates (open) after day of registration	7.00	1.40	8.40	0.00	(1.40)	0%	7.00	0.00	7.00	
864	Copy full certificates (closed)	10.00	2.00	12.00	0.00	0.00	0%	10.00	2.00	12.00	
865	Copy short certificates (closed)	10.00	2.00	12.00	0.00	0.00	0%	10.00	2.00	12.00	
866	Registrar Attendance at place of worship (includes stat certificate)	84.00	16.80	100.80	0.00	(16.80)	0%	84.00	0.00	84.00	No change to basic fee, but VAT should not be added, as a statutory fee.
867	Blue Badges	10.00	0.00	10.00	0.00	0.00	0%	10.00	0.00	10.00	The fee has not been revised this century. The proposed gross impact on users will be c 92p a week extra.
	Careline Service										
868	Social Alarm Service - Charge per annum	202.00	0.00	202.00	6.33	48.00	3%	208.33	41.67	250.00	The fee has not been revised in the past 10years. The proposed gross impact on users will be c 92p a week extra.
	Street Naming and Numbering										
869	Street naming and Numbering Service - New property (1)	51.00	0.00	51.00	1.00	1.00	2%	52.00	0.00	52.00	
870	Street naming and Numbering Service - change of approved address	51.00	0.00	51.00	1.00	1.00	2%	52.00	0.00	52.00	
871	Street naming and Numbering Service - New Road Name	410.00	0.00	410.00	10.00	10.00	2%	420.00	0.00	420.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
872	Street naming and Numbering Service - New property name	260.00	0.00	260.00	10.00	10.00	4%	270.00	0.00	270.00	
873	Street naming and Numbering Service - Renaming a Street (In addition administration charges for consulting with existing residents will be levied)	410.00	0.00	410.00	10.00	10.00	2%	420.00	0.00	420.00	
	Pre-Application Charges										
	(i) Meetings including a follow-up report										
874	Category A - Major Scale Developments	1,680.00	336.00	2,016.00	40.00	48.00	2%	1,720.00	344.00	2,064.00	
875	Category B - Large Scale Developments	840.00	168.00	1,008.00	20.00	24.00	2%	860.00	172.00	1,032.00	
876	Category C - Medium Scale Developments	440.00	88.00	528.00	10.00	12.00	2%	450.00	90.00	540.00	
877	Category D - Small Scale Developments	170.00	34.00	204.00	5.00	6.00	3%	175.00	35.00	210.00	Fees increased in line with the movement in the CPI index for September 2013 - 2.7%
	(ii) Meetings without a follow-up report										
878	Category A - Major Scale Developments	840.00	168.00	1,008.00	20.00	24.00	2%	860.00	172.00	1,032.00	
879	Category B - Large Scale Developments	420.00	84.00	504.00	10.00	12.00	2%	430.00	86.00	516.00	
880	Category C - Medium Scale Developments	220.00	44.00	264.00	5.00	6.00	2%	225.00	45.00	270.00	
881	Category D - Small Scale Developments	85.00	17.00	102.00	5.00	6.00	6%	90.00	18.00	108.00	

Not VATable *

includes VAT **

Ref	Description of Service	2013/14 Charge			Proposed Increase /			Proposed 2014/15			Rationale for fee change
		Net (£)	VAT (£)	Gross (£)	Net (£)	Gross (£)	%	Net (£)	VAT (£)	Gross (£)	
	Planning Services										
882	Charges to consultant per hour	85.00	0.00	85.00	0.00	0.00	0%	85.00	0.00	85.00	No changes proposed
	Local Land Charges										
	Post & DX										
883	Full Search	150.00	0.00	150.00	0.00	0.00	0%	150.00	0.00	150.00	
884	LLC1	67.50	0.00	67.50	0.00	0.00	0%	67.50	0.00	67.50	
885	Con 29 <R>	82.50	0.00	82.50	0.00	0.00	0%	82.50	0.00	82.50	
886	Con 29 (O) Questions	16.00	0.00	16.00	0.00	0.00	0%	16.00	0.00	16.00	
887	Additional Parcel of Land	25.00	0.00	25.00	0.00	0.00	0%	25.00	0.00	25.00	
888	Common Land Village Green	16.00	0.00	16.00	0.00	0.00	0%	16.00	0.00	16.00	
	National Land Information Service										
889	Full Search	113.00	0.00	113.00	0.00	0.00	0%	113.00	0.00	113.00	No changes proposed
890	LLC1	51.00	0.00	51.00	0.00	0.00	0%	51.00	0.00	51.00	
891	Con 29 <R>	62.00	0.00	62.00	0.00	0.00	0%	62.00	0.00	62.00	
892	Conn 29 (O) Questions	14.00	0.00	14.00	0.00	0.00	0%	14.00	0.00	14.00	
893	Additional Parcel of Land	23.00	0.00	23.00	0.00	0.00	0%	23.00	0.00	23.00	
894	Common Land Village Green	14.00	0.00	14.00	0.00	0.00	0%	14.00	0.00	14.00	
895	Copy Documents - First Page	1.60	0.00	1.60	0.00	0.00	0%	1.60	0.00	1.60	
896	Copy Documents - Subsequent Pages	0.15	0.00	0.15	0.00	0.00	0%	0.15	0.00	0.15	
897	Copies of Searches	30.00	0.00	30.00	0.00	0.00	0%	30.00	0.00	30.00	
	Information Governance										
898	Data Protection Act subject access request fee							10.00	0.00	10.00	Data protection Act allows organisations charge an amt for this it is proposed that the Council therefore introduces this charge

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Appendix B - Fees and charges to be deleted from the 2014/15 schedule

Description of Service	Current 2013/14 Charge Exclusive of VAT	Reason for Deletion of Charge
Adults & Community Services		
Heritage		
Eastbury Manor House - Commercial - Hire of Whole House Weekends Oct-Apr (East Chamber, Old Chamber, Summer Parlour, Winter Parlour, NW Chamber and SW Chamber) per hour	140.00	Seasonal charges removed
Eastbury Manor House - Commercial - Hire of Whole House Weekends May-Sept (East Chamber, Old Chamber, Summer Parlour, Winter Parlour, NW Chamber and SW Chamber) per hour	176.67	Seasonal Charges removed
Eastbury Manor House - Civil marriage and partnership ceremony Fridays all year	188.33	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Wedding and Civil Partnership Standard Functions Friday All Year (East Chamber, Old Chamber, Summer Parlour, Winter Parlour and Walled Garden) per hour	150.00	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Wedding and Civil Partnership Standard Functions Friday All Year (East Chamber, Old Chamber, Summer Parlour, Winter Parlour and Walled Garden) *DISCOUNT RATE* BOOKED EIGHT WEEKS OF DATE per hour	120.00	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Wedding and Civil Partnership Standard Functions Weekends Oct-April (East Chamber, Old Chamber, Summer Parlour, Winter Parlour and Walled Garden) per hour	175.00	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Wedding and Civil Partnership Standard Functions Weekends Oct-April (East Chamber, Old Chamber, Summer Parlour, Winter Parlour and Walled Garden) *DISCOUNT RATE* BOOKED EIGHT WEEKS OF DATE per hour	140.00	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Wedding and Civil Partnership Standard Functions Weekends May-Sept (East Chamber, Old Chamber, Summer Parlour, Winter Parlour and Walled Garden) per hour	220.83	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Wedding and Civil Partnership Standard Functions Weekends May - Sept (East Chamber, Old Chamber, Summer Parlour, Winter Parlour and Walled Garden) *DISCOUNT RATE* BOOKED EIGHT WEEKS OF DATE per hour	176.67	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Standard Functions Weekends Oct-Apr (East Chamber, Summer Parlour, Winter Parlour and Walled Garden) per hour	140.00	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Standard Functions Weekends May-Sept (East Chamber, Summer Parlour, Winter Parlour, Winter Parlour and Walled Garden) per hour	176.67	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Intimate Functions Friday All Year (Summer Parlour, Winter Parlour and Walled Garden) per hour	68.33	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Intimate Functions Weekends Oct-Apr (Summer Parlour, Winter Parlour and Walled Garden) per hour	76.67	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Intimate Functions Weekends May-Sept (Summer Parlour, Winter Parlour and Walled Garden) per hour	96.67	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Intimate Functions Sundays Oct-Apr (Old Chamber, Winter Parlour and Walled Garden) per hour	106.67	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Intimate Functions Sundays May-Sept (Old Chamber, Winter Parlour and Walled Garden) per hour	135.00	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Children's Party Mon-Thurs All Year (Winter Parlour and Walled Garden) per hour	26.67	Eastbury Manor House recharges subject to wide review
Eastbury Manor House - Children's Party Weekends All Year (Winter Parlour and Walled Garden)	35.00	Eastbury Manor House recharges subject to wide review
Libraries		
Wi Fi printing A4 black and white	0.17	Information for charge incorporated with other printing charge as same price
Wi Fi printing A4 colour	0.42	Information for charge incorporated with other printing charge as same price

Appendix B - Fees and charges to be deleted from the 2014/15 schedule

Description of Service	Current 2013/14 Charge Exclusive of VAT	Reason for Deletion of Charge
Wi Fi printing A3 black and white	0.33	Information for charge incorporated with other printing charge as same price
Wi Fi printing A3 Colour	0.83	Information for charge incorporated with other printing charge as same price
Community Halls		
Category A Hall - Saturday Let - First four hours	231.75	Service no longer hiring out halls
Category A Hall - Saturday Let - Each additional hour	46.50	Service no longer hiring out halls
Category A Hall - Saturday Let - Premium charge 2300hrs to midnight	69.50	Service no longer hiring out halls
Category B Hall - First four hours	170.00	Service no longer hiring out halls
Category B Hall - Each additional hour	34.00	Service no longer hiring out halls
Category B Hall - Premium charge 2300hrs to midnight	51.00	Service no longer hiring out halls
Events		
Park use by Fairs - Event Fair - 2 days at Dagenham Town Show per day	785.00	Events Team deleted
Car Park at Dagenham Town Show	5.00	Events Team deleted
Housing and Environment		
Parks - Rugby pitch only - All	70.50	Not currently being used and it is more cost efficient for us to only accept clubs on an full season basis.
Barking Park: Concession: Boating (Lease and Service Contract) (half-hourly rate)	7.00	Boating on Barking Park Lake has not gone ahead and there are no plans to in the immediate future.
Barking Park: Concession: Boating (Lease and Service Contract) (hourly rate)	10.00	Boating on Barking Park Lake has not gone ahead and there are no plans to in the immediate future.
Environmental Education - 30 Students Maximum (School Visits to Eastbrookend Country Park, The Chase & use of Millennium Centre) - Half Day	80.00	To replace it with one charge for education regardless of whether it is at eastbrookend or barking park.
Environmental Education - 30 Students Maximum full day visit (School Visits to Eastbrookend Country Park, The Chase & use of Millennium Centre)	160.00	To replace it with one charge for education regardless of whether it is at eastbrookend or barking park.
Outreach Sessions in Parks and Open Spaces	45.00	Will use the 'Education: other' charge instead - duplication of charges
Out of Borough Schools - for standard 2 hour visit	80.00	Will use the 'Education charge: School groups (half day)' charge instead -duplication of charges
Garage Rent - Local Resident (non-VAT-able for Council tenants)	12.00	These will be included in the rent report instead.
Garage Rent - Borough Resident Non Local (non-VAT-able for Council tenants)	14.40	These will be included in the rent report instead.
Garage Rent - Non Borough User (non-VAT-able for Council tenants)	26.40	These will be included in the rent report instead.
Surrender of Grave Space	Half of Original Purchase Cost	This is not a fee or charge. It is an amount that LBBD have to pay to someone who purchased grave space for themselves in the future who wants to give the space up.
On-street Pav & Display - Wakering Rd, Park Av, Longbridge Rd, George St, Linton Rd, London Rd, Abbey Rd, St Paul's		
Up to 30 minutes	0.20	To be replaced with a single charge for Barking On Street parking
Up to 1 hour	0.50	To be replaced with a single charge for Barking On Street parking

Appendix B - Fees and charges to be deleted from the 2014/15 schedule

Description of Service	Current 2013/14 Charge Exclusive of VAT	Reason for Deletion of Charge
Up to 2 hours	0.80	To be replaced with a single charge for Barking On Street parking
Up to 3 hours	2.50	To be replaced with a single charge for Barking On Street parking
Up to 4 hours	3.50	To be replaced with a single charge for Barking On Street parking
<u>Off-Street Pav & Display Axe St including Broadway Theatre Service Road, London Rd & Linton Rd. Shoppers Car Park</u>		
Up to 1 hour	1.10	To be replaced with a single charge for Barking Off Street parking
Up to 2 hours	1.70	To be replaced with a single charge for Barking Off Street parking
Up to 4 hours	4.40	To be replaced with a single charge for Barking Off Street parking
Up to 6 hours	7.70	To be replaced with a single charge for Barking Off Street parking
Over 6 hours	13.80	To be replaced with a single charge for Barking Off Street parking
Overnight parking (7 pm to 7 am)	2.80	To be replaced with a single charge for Barking Off Street parking
<u>Off-Street Pav & Display Roycraft House Car Park</u>		
Up to 1 hour	0.60	To be replaced with a single charge for Barking Off Street parking
Up to 2 hours	1.10	To be replaced with a single charge for Barking Off Street parking
Up to 4 hours	2.20	To be replaced with a single charge for Barking Off Street parking
Up to 6 hours	4.40	To be replaced with a single charge for Barking Off Street parking
Over 6 hours	8.80	To be replaced with a single charge for Barking Off Street parking
Overnight parking (8 pm to 8 am)	2.80	To be replaced with a single charge for Barking Off Street parking
<u>Off-Street Pav & Display Civic Centre Car Park</u>		
Up to 2 hours	0.30	To be replaced with a single charge for Dagenham Off Street parking
Up to 3 hours	0.60	To be replaced with a single charge for Dagenham Off Street parking
Over 3 hours	2.80	To be replaced with a single charge for Dagenham Off Street parking
Overnight parking (7 pm to 7 am)	2.80	To be replaced with a single charge for Dagenham Off Street parking
<u>Off-Street Pav & Display Stour Road Car Park - new charges (Mon - Sun)</u>		
Up to 2 hours	0.30	To be replaced with a single charge for Dagenham Off Street parking

Appendix B - Fees and charges to be deleted from the 2014/15 schedule

Description of Service	Current 2013/14 Charge Exclusive of VAT	Reason for Deletion of Charge
Up to 3 hours	0.60	To be replaced with a single charge for Dagenham Off Street parking
Over 3 hours	2.80	To be replaced with a single charge for Dagenham Off Street parking
Overnight parking (7 pm to 7 am)	2.80	To be replaced with a single charge for Dagenham Off Street parking
<u>Off-Street Pay & Display - Becontree Heath Leisure Centre and Althorne Way (Mon - Sun)</u>		
Up to 2 hours	0.30	To be replaced with a single charge for Dagenham Off Street parking
Up to 4 hours	2.20	To be replaced with a single charge for Dagenham Off Street parking
Up to 6 hours	4.40	To be replaced with a single charge for Dagenham Off Street parking
Over 6 hours	8.80	To be replaced with a single charge for Dagenham Off Street parking
Overnight parking (7 pm to 7 am)	2.80	To be replaced with a single charge for Dagenham Off Street parking
Becontree Health Centre - Yearly Parking Pass	15.00	To be replaced with a single charge for Dagenham Off Street parking
<u>Off Street Pay & Display in Barking Park - Charges on Operational Dates</u>		
Up to 2 hours	0.30	To be replaced with a single charge for Barking Off Street parking
Up to 4 hours	2.20	To be replaced with a single charge for Barking Off Street parking
Up to 6 hours	4.40	To be replaced with a single charge for Barking Off Street parking
<u>On-street Pay & Display - Secondary Shopping parades e.g. Broad Street, High Road Chadwell Heath, Faircross Parade (Mon to Sun)</u>		
Up to 1 hour	0.20	To be replaced with a single charge for Barking Shopping Parades
Up to 2 hours	0.50	To be replaced with a single charge for Barking Shopping Parades
Up to 3 hours	1.50	To be replaced with a single charge for Barking Shopping Parades
Up to 6 hours	5.00	To be replaced with a single charge for Barking Shopping Parades

CABINET

18 February 2014

Title: Housing Revenue Account Estimates and Review of Rents and Other Charges 2014/15	
Report of the Cabinet Members for Housing and Finance	
Open Report	For Decision: Yes
Wards Affected: All	Key Decision: Yes
Report Author: Ken Jones Divisional Director Housing Strategy	Contact Details: Tel: 020 227 5703 E-mail: ken.jones@lbbd.gov.uk
Accountable Divisional Director: Ken Jones, Divisional Director Housing Strategy	
Accountable Directors: Darren Henaghan, Corporate Director of Housing and Environment and Jon Bunt, Chief Finance Officer	
<p>Summary:</p> <p>The Council has a statutory responsibility to manage the HRA as a ring fenced landlord account providing housing services to the Council's tenants and leaseholders. In line with the investment and service delivery objectives set out in the HRA business plan this report makes recommendations on the setting of rents, tenants' service charges and other charges for 2014/15, along with required reductions in expenditure, to set a balanced revenue budget and maintain prudent reserves.</p> <p>In arriving at setting the level of rents for 2014/15 there has been a clear focus on the following objectives:</p> <ul style="list-style-type: none"> • produce a below inflation increase in Council rents with the aim of achieving the lowest average council rents in London • maintain investment levels to improve housing conditions, regenerate communities and deliver new build homes • deliver good value for money services <p>In framing the HRA budget for 2014/15 there will also be a substantial reduction in tenant service charges, which on average produces a £3.49 per week saving for tenants of flats.</p> <p>The current HRA Business Plan is predicated on rents increasing annually throughout the 30 year period at a rate of RPI + 0.5%, any deviation from this resulting in a lower increase will require that either the resources available for investment in the housing stock will be reduced or savings will need to be made in budgeted spend within the HRA.</p> <p>The Government announced that from 2015/16 social rent increases will be limited to CPI+1% and that the policy of convergence will cease.</p> <p>The revised Housing Investment Programme was approved by Cabinet in December 2013. This sets out the investment needs and proposed resourcing for the Council's housing investment programme for the following investment themes:</p>	

- Decent Homes Investment Programme
- Estate renewal programme
- New build programme

The proposed budget is designed to maintain the HRA investment programme and wider HRA Business Plan service objectives, with particular emphasis being given to affordability including tackling fuel poverty and the need to improve existing homes and increase the Council's new-build housing provision.

Recommendation(s)

The Cabinet is recommended to agree:

- (i) The HRA estimates for 2014/15 as detailed in Appendix 6, subject to agreement of saving proposals which will be reported to Cabinet separately;
- (ii) That HRA balances will be used where savings are not fully delivered in 2014/15 in order to achieve a balanced budget;
- (iii) An overall average Council dwelling rent increase of 1.9%, which is equivalent to £1.69 per week and comprises the following:
 - New build and acquired Council homes - rents set at 50% of local market rents or at affordable rents above this (65%) – 3.7% average increase, consistent with Government policy of RPI+0.5% as per Affordable Homes Programme.
 - Other houses – 2.3% average increase.
 - Other flats – 1.4% average increase.
- (iv) A decrease to tenant service charges of 13% (£3.49 per week);
- (v) An additional provision for communal heating and hot water charges of 9% (£1.32 per week) which is the anticipated rise in energy costs to the Council for these services;
- (vi) To set a single, standard charge of £11 per week for garages and further review of parking spaces;
- (vii) That rents for commercial properties increase in line with lease agreements; and
- (viii) The above changes taking effect from 1 April 2014.

Reason(s)

The Council must prepare proposals each year relating to income from rent and other charges, and expenditure in relation to management and maintenance of its housing stock. A decision is required with regard to rents and service charges in February in order that statutory notice can be given to tenants prior to the 1 April 2014 implementation.

1. Introduction and Background

- 1.1 The Council has a statutory responsibility through the Local Government and Housing Act 1989 to manage the HRA as a ring-fenced landlord account providing

housing services to the Council's tenants and leaseholders. This report makes recommendations on the setting of rents and other charges for 2014/15 in accordance with the Council's statutory responsibility.

- 1.2 Section 74 Part VI of the 1989 Act specifies the major items that must be included in the HRA. Section 66(4) of the Act specifies that the HRA must be produced in accordance with approved Accounting Code of Practice.
- 1.3 The Localism Act 2011 introduced a new system of financial arrangements for council housing, replacing the former national HRA and subsidy system with local self-financing of council housing. In return for re-allocating the national aggregate council housing debt, councils now retain all of their locally generated income from council housing but have no further recourse to Central Government in the management of its housing finances – the HRA now operates effectively as a standalone business within the Council.
- 1.4 The Cabinet can determine to increase rents at a level higher or lower than national guidelines. It should be noted that any rent increase below that assumed in the business plan would reduce the council's ability to fund the future housing capital programme. Increases above national rent policy however are restricted due to Housing Benefit rent limits.

2. HRA Forecast 2013/14

- 2.1 The HRA ended the 2012/13 financial year with a surplus of £0.2m giving balances of £8.5m. The table below shows the latest 2013/14 forecast (November 2013) which indicates that the HRA is on target to breakeven and maintain balances at the current level.

HOUSING REVENUE ACCOUNT - 2013/14 FORECAST			
	Budget £000	Forecast £000	Variance £000
INCOME			
Rents of dwelling	(86,627)	(86,526)	101
Non Dwelling rents	(2,503)	(2,365)	138
Charges for services and facilities	(17,644)	(17,604)	40
Interest and investment income	(336)	(336)	-
TOTAL INCOME	(107,110)	(106,831)	279
EXPENDITURE			
Repairs and maintenance	19,000	19,027	27
Supervision and management	39,229	38,827	(402)
Rent, rates, taxes and other charges	1,511	1,511	-
Provision for bad debts	3,159	3,159	-
Interest charges payable	9,759	9,759	-
TOTAL EXPENDITURE	72,658	72,283	(375)
Revenue Investment in capital	34,453	34,549	96

(Table 1)

3. HRA Budget Setting 2014/15

- 3.1 The HRA Business Plan must secure the financial viability of the HRA over the whole business plan period. This requires robust financial management to ensure that a balanced HRA budget can be set each year and to ensure that prudent HRA working balances are maintained as a contingency against unforeseen circumstances and to support the delivery of quality services to residents in line with stakeholders' expectations and appropriate capital investment.
- 3.2 The Business Plan currently assumes annual rental increases of RPI + 0.5% with RPI assumed at 3%. In determining the 2014/15 rent increase, options were considered in terms of additional income generated, impact on the business plan and investment requirements.
- 3.3 An increase consistent with existing business plan assumptions using September 2013 RPI would result in a 3.7% increase and additional income of £1.8m. A higher rental increase in line with convergence would yield additional income of £2.6m for investment. However, an increase of 1.9% generates additional income of £302k. In each instance, existing HRA pressures would need to be managed, however, the higher the increase, the greater the available funding for investment in HRA services, capital investment or debt repayment. Freezing rents would result in a £1.2m loss of income due the loss of stock through the estate renewal decant programme.
- 3.4 The lower the rent increase, the higher the saving requirement in order to maintain capital investment levels and the integrity of the Business Plan. Freezing rents would require savings of £9m, whereas an increase in line with convergence would result in £1.7m savings required. An increase of 1.9% requires savings of £6.1m to be delivered.
- 3.5 In arriving at setting the budget and level of rents for 2014/15 there has been a clear focus on the following objectives:
- Produce a below inflation increase in Council rents with the aim of achieving the lowest average council rents in London
 - maintain investment levels to improve housing conditions, regenerate communities and deliver new build homes
 - Deliver good value for money services
- 3.6 In order to deliver the objectives of a below inflation rent increase for 2014/15, which is a departure from the HRA Business Plan assumed increase of RPI + 0.5%, and maintain the levels of housing investment, it is essential that efficiencies and additional income generation measures of £6.1m are delivered.

3.7 The proposed HRA budget for 2014/15 is set out below:

HOUSING REVENUE ACCOUNT - SUMMARY FORMAT				
	2013-14 £000	2014-15 £000	Change £000	% Increase
INCOME				
Rents of dwelling	(86,627)	(86,929)	(302)	0.3
Non Dwelling rents	(2,503)	(2,503)	0	0
Charges for services and facilities	(17,644)	(16,250)	1,394	(7.9)
Interest and investment income	(336)	(336)	0	0
	(107,110)	(106,018)	1,092	(1.0)
EXPENDITURE				
Repairs and maintenance	19,000	19,385	385	2.0
Supervision and management	40,040	41,695	1,655	4.1
Rent, rates, taxes and other charges	700	700	0	0
Provision for bad debts	3,159	3,159	0	0
Interest charges payable	9,759	9,759	0	0
TOTAL EXPENDITURE	72,658	74,698	2,040	2.8
Saving Requirement	0	(6,133)	(6,133)	-
Pension Contribution	0	2,000	2,000	-
Revenue Investment in capital	34,453	35,453	1,000	2.9

(Table 2)

3.8 The Business Plan considers income and expenditure over a 30 year period including capital investment. The extract below includes a 1.9% increase and corresponding saving requirement in order to protect the level of revenue investment in capital. Existing capital reserves support the capital programme in years 2013/14 to 2015/16. However, later years are funded primarily through in year revenue contributions.

£m	10 yr	2013/14	2014/15	2015/16	2016-2023
Rent	988.7	86.6	87.0	90.0	725.1
Management & Maintenance	(472.5)	(42.4)	(41.8)	(45.4)	(342.9)
Interest Payable	(99.5)	(9.8)	(9.8)	(10.0)	(70.0)
Revenue investment in capital	416.7	34.5	35.5	34.7	312.0
Grant and new borrowing	129.4	33.1	42.4	8.4	45.6
Total capital resources	546.1	67.6	77.8	43.1	357.6
Total investment in existing stock	(310.0)	(38.6)	(29.8)	(30.8)	(210.7)
Total New Builds	(118.4)	(29.1)	(55.9)	(20.9)	(12.5)
Estate renewal	(34.3)	(13.5)	(6.7)	(4.9)	(9.2)
Total capital spend	(462.6)	(81.2)	(92.3)	(56.6)	(232.5)

(Table 3)

4. HRA Strategy

The strategic vision for Council housing in the borough is to:-

- Provide high quality homes and services that are affordable for local people
- Enhance existing communities and create new thriving communities and places where people choose to live
- Increase the prosperity of our tenants, their families and local businesses
- Improve the quality of life for people in and around our developments
- Create attractive and sustainable places that promote pride and a sense of belonging
- Strengthen the economic and financial resilience of tenants
- Provide increased opportunities for local people in employment to access Council homes at rent levels above the standard social rent levels.

In delivering these objectives a significant contribution will be made to the Council's and borough's vision to encourage growth and unlock the potential of Barking and Dagenham and its residents

(i) Step up Programme

Given the potential negative impact of Welfare Reform in terms of the risk to rent income collection to the HRA as well as the overall social and economic benefits to assisting tenants into employment, it is proposed that within the HRA provision be made to fund a service targeted at Council tenants to assist them into employment. It is proposed that this service be branded as "Step up" and will be operated by Employment and Skills team within Regeneration.

(ii) Garage Strategy

In 2012, Cabinet agreed an approach to garages aimed at developing site specific responses to underused garages. This includes demolition, conversion into car parking, consideration for alternative use or investing in sites. This programme continues in 2014/15 and is supported by proposals for a standardised charging policy. The HRA also manages a number of car parking spaces which will be reviewed to ensure appropriate use and charging mechanisms are put in place.

(iii) Water Commission

The council collects water and sewerage charges on behalf of Essex and Suffolk water (also known as Northumbrian Water Group) as part of its rent collection. This was a 3 year contract agreed in 2009/10 where a commission level, inclusive of void risk, of 13%, was agreed from a previous level of only 6.5%. This is now due for agreement again and officers are in active negotiation. The HRA budget assumes this arrangement continues as one years notice of termination is required. However a higher commission level is currently being sought to reflect the cost of collection.

(iv) Repairs & Maintenance Contract

The contract with Enterprise expired in May 2013 and LBBB has put in place new arrangements for the future delivery of repairs and maintenance. Since May 2013/14 this has been delivered, primarily through an in-house service, with a Repairs help centre provided from Pondfield House in partnership with Elevate. As part of the TUPE transfer of staff, a one-off pension contribution of £6m is required to equalise transferred staff within the Councils pension fund. Provision was initially

made as part of the project budget, however, confirmation of the amount has now been received through actuarial valuation. It is proposed to fund this over a 3 year period with a £2m contribution per year starting in 2013/14.

(v) Service Improvement & Efficiency

The Corporate Director of Housing & Environment is leading a review of the delivery of housing management and related services, to improve efficiency and effectiveness. It seeks to identify best working practice in recognition of the changing stock requirements, as well as the wider public sector financial climate. It is intended that this will enable delivery of £6.1m savings in 2014/15 and facilitate a below inflationary increase in average rents.

(vi) Estate Regeneration

The Council is committed to a regeneration programme comprising Gascoigne, Goresbrook Village, the Leys and Althorne Way to redevelop uneconomic and obsolete properties and estates and to provide new affordable housing better suited to meet the needs of the community. Current projections indicate £13.5m investment in 2013/14 and £34.3m over 10 years. There are substantial financial impacts to the HRA in terms of loss of rental income from estate renewal and significant implications for the Council's ability to house people from the waiting lists and homelessness due to the decanting pressures.

(vii) Tackling fuel poverty

The Council has successfully negotiated with British Gas under the Energy Company Obligations arrangements a maximum investment of £35 million into improving the energy efficiency of the housing stock in the borough. This investment will be dovetailed with the Council's own significant investment in capital works to the existing stock of Council housing which will assist with reducing energy bills for tenants of Council housing.

(viii) Council new build homes

The programme of new build Council housing will include a proportion of homes that will be let specifically to local people who are in employment. These properties will be let at rents above standard Council rents, but in all instances below 80% of local market rent levels (in most instances the rents will be set at 65% of market). To ensure affordability for tenants an assessment of household income will be made.

5. Consultation

- 5.1 Proposals have been discussed with the Cabinet Member for Housing and members have been briefed informally. A Member Panel was convened on 10th December 2013 to consider saving proposals with a further meeting held on 8th January 2014.

6. Financial Implications

Completed by: Carl Tomlinson, Group Finance Manager, Housing & Environment

The statutory format of the Housing Revenue Account is included at Appendix 6. The analysis below refers to the summary format in Table 2 in Section 3 of the report, as this is easier to understand and presents key issues for Members and tenants more clearly.

6.1 HRA Efficiency Programme

6.1.1 The Housing Service is undertaking a review of expenditure to identify efficiency savings in 2014/15. Delivery of £6.1m savings will facilitate a below inflation rent increase whilst maintaining the integrity of the business plan and investment in the capital programme. It is essential that these savings are delivered in 2014/15 to ensure a balanced budget. HRA balances will be used where full year savings are not realised.

6.2 Tenant Dwelling Rents

6.2.1 Under the previous subsidy system the Government, through the rent restructuring policy, determined annual increases in rent levels. The purpose of that policy was to charge tenants fair and affordable rents but to bring these closer to Registered provider rents over time – convergence to a formula rent.

6.2.2 This policy was superseded by the removal of the subsidy regime, but the Government continued with the aim of securing convergence of rents over time. However, as part of the 2013 Spending Round, the Government announced that from 2015/16 social rent increases will be limited to CPI+1% and that the policy of convergence will cease. Therefore, 2014/15 is the last year where rent convergence policy applies and the Government are not minded to extend this.

6.2.3 Under convergence, rental increases are guided by the following assumptions: increase by a maximum of the retail price index (RPI) as at September 2013 (3.2%) + 0.5% + £2 to close the gap to convergence. The Business Plan currently assumes annual rental increases of RPI + 0.5% with RPI assumed at 3%.

6.2.4 An increase consistent with existing business plan assumptions using September 2013 RPI would result in a 3.7% increase and additional income of £1.8m. A higher rental increase in line with convergence would yield additional income of £2.6m for investment. However, an increase of 1.9% generates additional income of £302k. In each instance, existing HRA pressures would need to be managed, however, the higher the increase, the greater the available funding for investment in HRA services, capital investment or debt repayment. Freezing rents would result in a £1.2m loss of income due the loss of stock through the estate renewal decant programme.

6.2.5 The report proposes to increase dwelling rents by an average of 1.9%, which equates to an average increase of £1.69. The composition of the overall increase is:

- New build and acquired Council homes - rents set at 50% of local market rents or at affordable rents above this (65%) – 3.7% average increase, consistent with Government policy of RPI+0.5% as per Affordable Homes Programme.
- Other houses – average rents increase by 2.3%
- Other flats – average rents increase by 1.4%

6.2.6 There are number of properties within the HRA which are being used (and will continue to be used) as part of the Temporary Accommodation Strategy. The rent levels have been set at a higher amount than the current average levels, in order to cover the additional costs related to this type of placement. The expected number

of these placements (c.1%) is a small proportion of the overall housing stock and utilises properties decanted as part of the Estate Renewal programme. Overall there is a small surplus to the HRA as per the table below.

Temporary Accommodation	£'000
Rental Income	(1,955)
Associated Cost	1,600
Redecoration and Repairs	100
Net surplus to HRA	(255)

(Table 4)

- 6.2.7 As part of the Estate Renewal Programme, the HRA is also losing a significant number of properties, which have been earmarked for demolition. In 2014/15 the rental loss is estimated to be in the region of £1.6m.
- 6.2.8 Changes to Right to Buy legislation came into effect in April 2012. This has resulted in an increase in the number of sales within the borough. Current estimates suggest sales of 180 units in 2013/14 compared to initial estimates of 100 units. Similar levels are expected within 2014/15.
- 6.2.9 The table below shows the net expected rental income from the above changes:

Rental Income	£'000
2013/14 Budget	(86,627)
Rent increase 1.90%	(1,672)
Rent loss due to Estate Renewal	1,569
Right to Buy Sales	430
Additional New Build	(630)
Street Purchases	(70)
2014/15 Budget	(87,000)

(Table 5)

6.3 Non Dwelling Rents

- 6.3.1 Commercial property – rents are based on the contractual agreement in place at the start of the commercial let. The contracts determine the annual increase in the rental charge. Where a contract comes up for renewal or is a new contract then these charges are determined based on market conditions. There is a budgeted income of £1.56m in 2014/15.
- 6.3.2 Garage rents – in 2013/14, charges were set in accordance with the Housing Garage Site report agreed by Cabinet in May 2012. The report agreed a strategy for improving garage management and enhancing parking facilities.
- 6.3.3 The anticipated increase in use, particularly from non-borough users, has not occurred and the level of empty garages has increased from 41.8% to 48.3%. This has resulted in lower income generation than expected.
- 6.3.4 Due to the complexity of the current pricing structure, it is proposed to introduce a single, standard charge of £11 per week.

6.4 Charges for services and facilities

6.4.1 Tenant service charges are split into two: firstly, an estimated service charge in respect of grounds maintenance, caretaking, TV aerials, security charges and concierge; secondly a recovery for combined heat and light costs which are charged by the energy suppliers.

Service charge proposals equate to:

- Service charge: a reduction of 13%, or an average of £3.49 per week;
- Combined Heat and Light: an increase of 9%, or an average of £1.32 per week, in line with anticipated charges from utility companies.

6.4.2 The reduction in service charges is primarily due to removal of some charges within grounds maintenance and the removal of the charge for TV aerials. The charge for concierge has been reviewed and applied on a standardised basis.

6.4.3 Leasehold charges are based on actual costs incurred for the above services as directed by the Tenant and Leasehold Act 1985 and in accordance with the terms of the lease.

6.4.4 The HRA charges and collects water rates to tenants on behalf of the Essex and Suffolk (Water) Board (ESB). The ESB in return pay the HRA a fee for the management and collection of water rates under a 3-year agreement. The current agreement ends at March 2014 and the Council are in the process of negotiating new terms. The ESB also determine the annual increase in charges and these increases are applied to tenants by the Council. The ESB's proposed increase in 2014/15 is still to be agreed and so the Council has not been notified of the proposed increase to date.

6.5 Interest and investment income

6.5.1 The HRA treasury management function will form a key component of the business plan and HRA budgets. The two main aspects of this will be to ensure interest payments servicing the final debt allocation are minimised whilst cash flow management allows housing stock investment to progress as required. The budgeted figure is expected to be consistent with 2013/14.

6.6 Repairs & Maintenance

6.6.1 The HRA provides a repairs and maintenance service to tenants as part of its duty as a social landlord. The service was brought in-house in May 2013 with a net revenue budget of £19m. The outcome of the HRA efficiency programme will confirm the service budget for 2014/15, however, for budgetary purposes, it is assumed it will increase to £19.4m due to growth of £385k to support the employment of apprentices.

6.6.2 As part of the TUPE transfer of staff, a one-off pension contribution of £6m is required to equalise transferred staff within the Councils pension fund. It is proposed to fund this over a 3 year period with a £2m contribution per year starting

in 2013/14. This will be funded by the bad debt provision top up postponed due to welfare reform delays.

6.7 Supervision & Management

- 6.7.1 The budget consists of both direct expenditure and recharged spend from services provided by departments outside of the HRA. The outcome of the HRA efficiency programme will confirm the service budget for 2014/15, however, for budgetary purposes, it is assumed it will increase by £1.6m from £40.0m to £41.7m.
- 6.7.2 Growth items include £400k to support environmental schemes at a local level providing flexibility and responsiveness to resident and Member priorities; £255k to fund additional resource dedicated to providing welfare reform advice, information and support to householders and a job brokerage providing employment support to aid tenants returning to work; £250k to support sheltered housing schemes following a reduction in General Fund funding; £200k to fund the 1% pay award agreed for staff in 2013/14 and £150k to provide support to the delivery of the £35m British Gas funded ECO scheme.
- 6.7.3 The HRA will maintain a transformation fund of £1m to facilitate the delivery of efficiencies, income generation initiatives and to mitigate any delayed delivery of proposed savings.
- 6.7.4 Recharges to the HRA are for services provided to HRA tenants and leaseholders by internal Council services. These range from central service functions (such as Payroll, Finance and IT), to front line delivery services such as refuse collection, grounds maintenance and building cleaning. The level of recharge increased in 2013/14 due to the R&M service being brought back in-house and the restructuring of the Localities service.

6.8 Rents rates & other charges

- 6.8.1 This includes the budget for council tax on empty properties, property insurance and rent of office premises. In view of the changes relating to technical Council Tax changes, such as a shorter empty period before tax is payable, a review of this budget was conducted in 2013/14.

6.9 Provision for bad debt

- 6.9.1 Significant changes to welfare benefits, including Housing Benefit, are being implemented on a phased basis across the country. Initial studies indicate that this will affect many Council tenants principally through the introduction of a cap on benefits, occupancy criteria and introduction of Universal Credit including direct payments of benefits to claimants.
- 6.9.2 As part of the 2013/14 budget setting process, the Council increased the budgeted provision for bad debt to 3% of income raised in 2013/14 and by a further 2% in 2014/15. This was in response to the introduction of the national Welfare Reform changes and the significant risk posed to the Council's ability to collect income. The increase in budgeted provision was to offset against non-collection and debt write-off risk.

- 6.9.3 The introduction of Welfare Reform has not progressed as expected. Changes to occupancy criteria was introduced in April 2013 and the benefit cap in August 2013, however, broad adoption of Universal Credit and direct payment has been delayed and there is uncertainty over eventual timescales.
- 6.9.4 To date there has not been a significant impact on income collection, however, it is anticipated that Universal Credit and direct payment pose the most significant risk to collection. Similarly, the benefit cap was only recently introduced and tenants are currently able to apply for limited financial support through Discretionary Housing Payments.
- 6.9.5 Whilst work is ongoing to determine the changing magnitude of this risk, it is proposed to postpone the further increase of 2%. The changing circumstances of tenants and revised Government timescales will be monitored to ensure a prudent provision is made.
- 6.9.6 The impact of these changes will significantly increase the risk of reduced income collection rates. Accordingly, as part of the HRA's comprehensive and proactive approach to risk management, this risk is subject to ongoing scrutiny and a dedicated work programme to ensure tenants are aware of the changes, the impact on them and available support.

6.10 Interest charges payable

- 6.10.1 The borrowing costs attached to the debt settlement in March 2012 represent a significant cost to the HRA, although the Public Works and Loans Board (PWLB) provided preferential rates for settlement debt. The HRA Budget therefore includes budget of £9.7m to fund the ongoing borrowing costs of the £267m HRA debt. Current policy is to maintain debt and not reduce the level of borrowing, however, any decision to actively reduce the level of borrowing would place additional pressure on the HRA as repayment is not currently budgeted for.

6.11 Housing Investment Programme

- 6.11.1 In 2010/11 LBBB commissioned Savills to carry out a detailed stock condition survey which highlighted the need to invest £1.2bn (over 30 years) in the Council's existing housing stock. This has formed the basis of a 30-year business plan to utilise HRA revenue to support this investment need.
- 6.11.2 The investment programme is funded primarily through revenue contributions to capital and supported by grant funding where available. As a result, it is essential that investment decisions are considered when setting future rent levels. The Council has minimal capacity to fund investment through additional borrowing due to the self-financing settlement requiring the authority to undertake additional borrowing of £267m. The settlement fixed the Council's debt cap at £277m. The business plan assumes additional borrowing of £9.9m in 2014/15 to fund the capital programme. This will bring borrowing up to the current debt cap.
- 6.11.3 The HRA income and expenditure projections within the HRA Business Plan provide sufficient resources, under current assumptions, over the 30-year business plan period, to fund the Council's housing investment programme. The basic investment themes are:

- a) Estate renewal (£34m over the next 10 years)
- b) New build Council homes (£118m over the next 10 years);
- c) Investment in existing stock (£310m over the next 10 years)

The table below is an extract from the latest HRA Business plan in respect of capital investment.

£m	10 yr	2013/14	2014/15	2015/16	2016-2023
Revenue investment in capital	416.7	34.5	35.5	34.7	312.0
Grant and new borrowing	129.4	33.1	42.4	8.4	45.6
Total capital resources	546.1	67.6	77.8	43.1	357.6
Total investment in existing stock	(310.0)	(38.6)	(29.8)	(30.8)	(210.7)
Total New Builds	(118.4)	(29.1)	(55.9)	(20.9)	(12.5)
Estate renewal	(34.3)	(13.5)	(6.7)	(4.9)	(9.2)
Total capital spend	(462.6)	(81.2)	(92.3)	(56.6)	(232.5)

(Table 6)

- 6.11.4 The HRA will also be providing a full management and maintenance service to Barking & Dagenham Reside, and potentially other similar projects, in return for a management fee. It will be appropriate for the HRA to manage this service within a separate account in the HRA to ensure transparency of costs in delivering this service. Such an approach will also enable the true costs and relative efficiency of service delivery to be analysed which will help drive bottom line efficiency savings within the HRA as indicated above.
- 6.11.5 In respect of Right to Buy, the Government announced on 3 January 2014 the intention to increase the caps in line with the Consumer Price Index rate of inflation. The announcement sets out plans to increase the maximum percentage discount for houses, and to ensure that the cash cap rises with inflation. These changes will require amendments to the legislation and the aim is for this to be undertaken by May 2014, subject to Parliamentary process.
- 6.11.6 Further proposals are that the maximum Right to Buy percentage discount for eligible social tenants in houses will increase to 70 per cent – in line with the maximum discount for flats. The minimum percentage discount for houses (35 per cent after five years tenancy) and the rate of increase year-on-year (1 per cent each additional year after five years) remain the same.

7. Legal Implications

Implications completed by: Alison Stuart, Principal Solicitor, Housing and Regeneration

- 7.1 The Local Government and Housing Act 1989 places on the Council as a Housing Authority a duty to manage a ring fenced HRA. In addition there is a requirement that the HRA maintains prudent revenue balances.

- 7.2 On 3 January 2014, the Government announced proposed legislative changes with an increase on the maximum caps with an aim for this to be in place by May 2014 subject to parliamentary process.

8. Other Implications

The Cabinet can determine to increase rents higher or lower than national guidelines but any rent increase below that assumed in the business plan would put at risk the council's ability to fund the future housing capital programme. Increases above national rent policy however are restricted due to Housing Benefit rent limits.

- 8.1 **Risk Management** - The single biggest risk to the HRA budgets and its ability to meet its landlord duty as well as fulfilling its aims of investment in current and new council stock, will be the potential adverse consequences of the new Welfare Reforms. Cumulatively, these changes will create a significant risk to the Council's ability to collect all of its income. The provision for bad debts has therefore been reviewed in line with current assumptions.

The remainder of this section covers the risks that are more usually associated with this report, and more easily quantified.

Failure to approve recommendations in this report would mean that the Council would not have sufficient resources to meet its proposed capital investment strategy: build over 300 new Council homes; continue the estate renewal programme; and carry out refurbishments /improvements to the existing housing stock.

Within the budget setting process there is a degree of estimation and the adoption of assumptions which may or may not prove accurate. Any key assumptions are stated where necessary within this report.

As part of the 2013 Spending Round, the Government announced that from 2015/16 social rent increases will be limited to CPI+1% and that the policy of convergence will cease. Therefore, 2014/15 is the last year where rent convergence policy applies and the Government are not minded to extend this. Not applying convergence in 2014/15 will result in an ongoing gap between rent and formula rent.

The debt settlement figure has incorporated the decanting costs of the properties contained within the Estate Renewal programme. However, a condition of the housing orders which enable the decanting is that for them to be effective the Council must decant these properties within five years. If there should be slippage in the programme costs would escalate.

Similarly, the New Build programme, and Decent Homes programme are part funded through grant, in return for delivering an agreed number of affordable homes and making number of current council properties decent. Failure to deliver on those may mean a reduction of the grant allocation leading to a bigger contribution from HRA revenue to meet the shortfall or a smaller programme.

- 8.2 **Staffing Issues** - There are potential staffing implications arising from the savings required to deliver the efficiencies needed, to enable the rent increase proposed within this report to be achieved. It is estimated that a number of posts will need to

be cut from the establishment. Discussions with Trade Unions on specific proposals will be undertaken. Once the proposals are agreed for each individual savings proposal where there is an impact on staff, consultation will take place with those affected. Appropriate HR policies and procedures around implementing change will be followed. The Council remains committed to minimising redundancies where possible. Where there are reductions in posts this frequently means that smaller numbers of staff are required to carry out the same volume of work. The process of implementation of savings will need to be handled with care to mitigate risks in relation to this.

- 8.3 **Customer Impact** - The below inflation rent increase and cut in tenant service charges are designed to minimise the financial impact on tenants. Consideration has been given to the extent of any adverse impact on tenants from the individual savings items. Consultation has taken place with tenants' groups and front line services have been protected as far as possible, but some cuts to these services have been unavoidable.

Public Background Papers Used in the Preparation of the Report:

- Housing Revenue Account Manual
- 2013 Spending Round
- Service Plan for Housing Services

List of appendices:

1	HRA Working Balances
2	Rental Income Analysis
3	Average Rent Analysis
4	Rental Income Debtor Account
5	Budget Assumptions
6	HRA Estimate 2014/15 Statutory format

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HRA WORKING BALANCE 2014-15	
	£000
Working Balance 1st April 2013	8,461
Projected Surplus /(Deficit) 2013/14	0
Working Balance 1st April 2014	8,461
Projected Surplus /(Deficit) 2014/15	0
Working Balance 31st March 2015	<u>8,461</u>

RENTAL INCOME ANALYSIS				
	2013-14 £000	2014-15 £000	Change £000	% Change
Rents of dwelling	(86,627)	(87,000)	(372)	0.4%
Tenants Service Charges (exc heating and water)	(5,679)	(4,659)	1,020	(18%)
TOTAL INCOME	(92,306)	(91,659)	648	0.7%

AVERAGE RENT ANALYSIS				
	2013-14 £per week	2014-15 £per week	Change £per week	% Change
Average Rent	89.10	90.79	1.69	1.9%
Tenants Service Charges (exc heating and water)	27.08	23.59	(3.49)	(13.0%)
AVERAGE RENT	116.18	114.38	(1.80)	(1.5%)
Average Stock (number of properties)	18,382	18,147	(235)	(1.3%)

RENTAL INCOME DEBTOR ACCOUNT			
	Current Debtors £000	Former Tenant Debtors £000	Total Debtors £000
Debtor Balance - 1st April 2013	3,338	1,884	5,222
Projected Change in 2013/14	400	113	513
Debtor Balance - 31st March 2014	3,738	1,997	5,735
Projected Increase in 2014/15	2,429	799	3,228
Debtor Balance - 31st March 2015	6,167	2,796	8,963
Annual Increase in Arrears	65.0%	40.0%	56.3%
Proportion of Annual Rent & Service Charges Debit	5.8%	2.6%	8.5%
Increased provision for bad debts		2,659	

BUDGET ASSUMPTIONS				
<u>Rent</u>				
Average Rent Increase				1.90%
Average Rent Increase Houses				2.30%
Average Rent Increase Flats				1.40%
Voids (1.5% of Gross Rent)				1.50%
<u>Stock Assumptions</u>				
Decants In year				287
Right to Buy Sales in year				180
<u>Tenants Service Charges</u>				
	2013-14	2014-15	Change	Increase
	Charge	Charge	£ pw	%
Amenity Greens	£ pw	£ pw	£ pw	%
Grounds maintenance	1.53	1.53	(0.00)	0%
Landlord lighting	1.79	0.42	(1.37)	(77%)
Cleaning	3.83	3.83	(0.00)	0%
Total Amenity Green*	7.15	5.78	(1.37)	(19%)
Caretaking	6.59	6.59	0.00	0%
Safer Neighbourhood	1.01	1.68	0.67	66%
TV Aerials	0.58	0.00	(0.58)	(100%)
Concierge	11.75	9.54	(2.21)	(19%)
	27.08	23.59	(3.49)	(13%)
*This appears as one charge in the rent letter				
<u>Supervision & Management</u>				
Inflation - energy				9.00%
<u>Interest</u>				
Debt Interest				3.52%

HRA ESTIMATE 2014-15 (STATUTORY FORMAT)				
	2013-14 £000	2014-15 £000	Change £000	% Increase
INCOME				
Rents of dwelling	(86,627)	(86,929)	(302)	0.3
Non Dwelling rents	(2,503)	(2,503)	0	0.0
Charges for services and facilities	(17,644)	(16,250)	1,394	(7.9)
Capitalisation of revenue repairs	(1,000)	(1,000)	0	0.0
TOTAL INCOME	(107,774)	(106,682)	1,092	(1.0)
EXPENDITURE				
Repairs and maintenance	20,000	20,385	385	1.9
Supervision and management	39,229	40,884	1,655	4.2
Rent, rates, taxes and other charges	700	700	0	0.0
Depreciation of fixed assets	9,500	9,500	0	0.0
Provision for bad debts	3,159	3,159	0	0.0
Interest charges	9,759	9,759	0	0.0
TOTAL EXPENDITURE	82,347	84,387	2,040	2.5
NET INCOME - HRA SERVICES	(25,428)	(22,295)	3,132	(12.3)
Saving Requirement	0	(6,133)	(6,133)	-
Corporate and Democratic Core	811	811	0	0.0
Revenue Contribution towards Capital	24,953	25,953	1,000	4.0
Pension Contribution	0	2,000	2,000	-
NET COST OF HRA SERVICES	336	336	0	0.0
Interest and investment income	(336)	(336)	0	0.0
DEFICIT / (SURPLUS) FOR THE YEAR	0	0	0	0.0

CABINET

18 February 2014

Title: Budget Framework 2014/15	
Report of the Cabinet Member for Finance	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Kathy Freeman, Group Manager - Corporate Finance	Contact Details: Tel: 020 8874 3497 E-mail: kathy.freeman@lbdd.gov.uk
Accountable Director: Jonathan Bunt, Chief Finance Officer	
<p>Summary:</p> <p>This report sets out the:</p> <ul style="list-style-type: none"> • Medium Term Financial Strategy (MTFS) for 2014/15 to 2017/18; • Proposed General Fund budget for 2014/15; • Proposed level of Council Tax for 2014/15; • Financial outlook for 2015/16 onwards; • Three year draft capital investment programme. <p>The General Fund net budget for 2013/14 is £178.3m and the proposed net budget for 2014/15 is £165.3m. The budget for 2014/15 incorporates changes in government grants, decisions previously approved by Members in the Medium Term Financial Strategy, savings approved by the Cabinet on 19 December 2012 and other financial adjustments.</p> <p>Council Tax for 2014/15 is proposed to remain at the current level (£1,016.40 for a Band D property). This would be the sixth consecutive year that Council Tax will have been frozen.</p> <p>The proposed draft capital programme is £250.2m for 2014/15 to 2015/16, including £134m for proposed HRA schemes. Details of the schemes included in the draft capital programme are at Appendix E.</p> <p>The Greater London Authority is reducing their precept by 1.3% for a Band D property, reducing the charge from £303.00 in 2013/14 to £299.00 in 2014/15.</p>	
Recommendation(s)	
Cabinet is asked to recommend the Assembly:	
(i) To approve a base revenue budget for 2014/15 of £165.3m, as detailed in Appendix A;	
(ii) To approve the adjusted Medium Term Financial Strategy (MTFS) position for	

2014/15 to 2017/18 allowing for other known pressures and risks at this time, as detailed in Appendix B;

- (iii) To delegate authority to the Chief Finance Officer, in consultation with the Cabinet Member for Finance, to vary the contribution required from reserves in respect of the 2014/15 budget gap, pending confirmation of levies and further changes to Government grants prior to 1 April 2014;
- (iv) To approve the Statutory Budget Determination for 2014/15 as set out at Appendix C, which reflects a freeze on the amount of Council Tax levied by the Council, plus the final Council Tax announced by the Greater London Assembly on 14 February 2014 (1.3% reduction), as detailed in Appendix D;
- (v) To approve the Council's draft Capital Programme for 2013/14 to 2015/16 as detailed in Appendix E; and
- (vi) To approve the grant of business rate relief of £1,000 to all eligible retail premises with a rateable value of less than £50,000 in 2014/15 and 2015/16, as detailed in paragraph 7 of the report.

Reason(s)

The setting of a robust and balanced budget for 2014/15 will enable the Council to provide and deliver services within its overall business and financial planning framework. The Medium Term Financial Strategy underpins the Council's vision of "encouraging growth and unlocking the potential of Barking and Dagenham and its residents".

1.0 Introduction and Background

- 1.1 The purpose of this report is to seek agreement to the revenue budget for 2014/15 of £165.3m (£178.3m in 2013/14).
- 1.2 The report also sets out the Medium Term Financial Strategy (MTFS) for 2014/15 to 2017/18 and the Council Tax level for 2014/15.
- 1.3 As part of the budget setting process consideration has been given to the priorities set out in the existing Community Strategy and Corporate Plan and how best these can be achieved with the resources available.

The vision is 'Encourage growth and unlock the potential of Barking and Dagenham and its residents'.

The priorities are:

1. Every child is valued so they can succeed
2. Reduced crime and the fear of crime
3. Improve health and well-being through all stages of life
4. Creating thriving communities by maintaining and investing in new and high quality homes
5. Maximise growth opportunities and increase household income of borough residents

2.0 Medium Term Financial Strategy (MTFS)

- 2.1 The 2013/14 Finance Settlement provided the Council with higher than expected funding for 2013/14, resulting in a £5.2m surplus. Assembly agreed in February 2013 that this surplus be carried forward to support the 2014/15 budget.
- 2.2 The 2013/14 surplus significantly reduced the 2014/15 gap to £1.45m. It was agreed at Assembly that the remaining budget shortfall would be funded by a one-year contribution from General Fund balances.
- 2.3 Final allocations for 2014/15 and provisional allocations for 2015/16 were announced in the Local Government Finance report by DCLG (Department for Communities and Local Government) on 18 December 2013.
- 2.4 The difference between the position estimated in February 2013 and the final settlement for 2014/15 was a further funding decrease of £0.994m. This is shown in table 1 below:

Table 1 – Funding position estimated in February 2013 vs post December 2013 Settlement position

Funding Source	2014/15		
	Before £000	After £000	Diff £000
Formula & Specific Grant	11,807	12,213	406
Council Tax Freeze Grant	-	(540)	(540)
New Homes Bonus Grant	(1,328)	(342)	986
Benefits Administration Grant	-	25	25
NNDR Retained Above Baseline	-	978	978
Education Services Grant	-	50	50
Change in Funding			1,905

- 2.5 Since February 2013, an actuarial valuation was carried out which required an increased contribution of £0.150m to address the Pension Fund deficit.
- 2.6 Changes to the Council Tax base and the Collection Fund resulted in an increase to the funding gap of £0.563m.
- 2.7 Elevate contract savings of £0.971m further reduced the funding gap.
- 2.8 To smooth the effect of variances between actual and estimated Council Tax and business rates income the Council has a Collection Fund Reserve. All of the available reserve of £1.553m is being used to address the deficit on the Collection Fund and variance in business rates income.
- 2.9 Information from the East London Waste Authority (ELWA) showed that the MTFS had built in a levy increase of £0.5m more than will be required for 2014/15.
- 2.10 The changes outlined in paragraphs 2.4 to 2.7, reduces the February 2013 budget gap from £1.45m to £1.111m, as the final position for 2014/15 to be funded by a

one off contribution from reserves. These changes are summarised in table 2 below.

Table 2 – MTFS Changes since February 2013

Medium Term Financial Strategy Pressures and Adjustments	2014/15 £000
Opening MTFS Budget Gap	1,450
Funding Changes (Table 1)	1,905
Council tax – increase in base	(193)
Collection fund deficit from prior years	756
Increased contribution to pension fund deficit	150
Elevate contractual savings	(971)
Contribution from Collection Fund Reserve	(1,553)
Reduction in levies	(500)
MTFS Budget Gap – Feb 2014	1,044
Contributions from reserves	(1,044)
Additional Savings required	-

- 2.11 Following the 2014/15 finance settlement the Council's net budget requirement is £165.3m. Table 3 below shows how this is funded and details the changes in funding from 2013/14 to 2015/16.
- 2.12 Since the start of the Comprehensive Spending Review 2010, the Council's funding has been cut by c£55m by 2015/16 and savings of £105m would have been made.
- 2.13 Table 3 shows that government funding has reduced by 8.2% (£11.2m) in 2014/15 then by a further 15.3% (£19.2m) in 2015/16.

Table 3 - Sources of funding 2013/14 to 2015/16

Funding Source	2013/14 £000	2014/15 £000	2015/16 £000
Formula & Specific Grant	124,888	112,681	95,677
Education Services Grant	4,921	4,871	3,671
New Homes Bonus Grant	2,892	3,234	4,098
Council Tax Freeze Grants	1,885	2,419	2,418
Benefits Administration Grant	1,860	1,835	435
Weekly Collection Grant (Refuse)	417	417	-
Government Funding	136,642	125,457	106,299
Collection Fund Surplus/(Deficit)	450	(756)	-
Council Tax Precept	40,610	41,187	41,987
NNDR Retained Above Baseline	410	(568)	(568)
Local Funding	41,470	39,863	41,419
Total Funding	178,333	165,320	147,718

- 2.14 No further information has been announced beyond 2015/16 as Spending Round 2013 only covered 2015/16 due to the national elections.

3.0 General Fund Revenue Budget 2014/15

- 3.1 The proposed budget for 2014/15 has been set starting with the original 2013/14 budget approved by Assembly in February 2013. This was then adjusted for items detailed in the approved MTFs and other adjustments made in accordance with financial regulations during 2013/14.
- 3.2 The Chief Finance Officer has advised that in order to ensure the Council's financial base is not eroded that Council Tax levels should increase. However, a political decision has been taken to keep Council Tax frozen for a further year. If annual Council Tax increases were made, this would have increased the Council's base budget by £7.5m, assuming increases up to the cap. The Council Tax Freeze Grant has however partially offset this by £2.4m.
- 3.3 Proposed Directorate budgets are provided in Appendix A and the Statutory Budget Determination for 2014/15 is set out in Appendix C of this report.
- 3.4 In order to address the funding reductions as well as other service pressures outlined in the MTFs, Cabinet in December 2012 approved savings of £7.749m in respect of 2014/15. An analysis of savings by Directorate was provided in Appendix B of the Budget Strategy Report (December 2012). An equalities impact assessment of savings options was also completed based on separate assessments for each saving and can be found at Appendix D of the same report. A recent review on the implementation of 2014/15 savings shows that the majority of proposals are being delivered as agreed. A shortfall of £0.120m has been identified. This shortfall will be monitored and addressed as part of the monthly budget monitoring process from April 2014 onwards.
- 3.5 The proposed net budget requirement for 2014/15 is £165.3m and the details of how this is funded are set out in Table 3 of this report.
- 3.6 Details of the levies (Environment Agency, East London Waste Authority, Lee Valley Park, London Pension Fund Authority) the Council is required to pay in 2014/15 have yet to be confirmed. The budget includes an increased provision for the cost of levies of £200k for 2014/15 which, based on current information provided by the levying authorities, is expected to be sufficient.

4.0 Council Tax Requirement

- 4.1 The Council proposes to freeze its Council Tax for 2014/15 (£1,016.40 for a Band D property). This will be the sixth consecutive year the Council has set a budget without increasing Council Tax.
- 4.2 The Mayor of London has set a 1.3% reduction in the Greater London Authority precept for 2014/15. The precept will be reduced from the 2013/14 amount of £303.00 to £299.00 (Band D property). This reduction was approved by the London Assembly on 14 February 2014.

- 4.3 Councils who opt to freeze their Council Tax will receive a grant from the government in 2014/15 and 2015/16. Barking and Dagenham will receive additional funding of £545k and this has been factored into the MTFS.
- 4.4 The calculation of the proposed Council Tax for 2014/15 is shown in Appendix D.
- 4.5 Under the Local Government Finance Act 1992, Council Tax must be set before 11 March of the preceding year.

5.0 Financial Outlook

- 5.1 The Chancellor's Autumn Statement made on 5 December 2013 estimated the economy was expected to recover at a similar rate to that forecast in the 2013 Budget. However this is still below the growth projected in the 2012 Budget.
- 5.2 The provisional settlement for 2015/16 indicates significant reductions in government funding of £19.2m. This represents 11.5% of the proposed 2014/15 budget.

5.3 Pressures arising from legislative and funding changes

- 5.3.1 In May 2013, the Care Bill was introduced to ensure that citizens should not face unmanageable or unpredictable costs for their social care needs in old age. The Bill proposed that no individual should have to pay more than £60,000 for care costs in their lifetime, with councils being liable for costs above the cap. The Bill also proposes to increase capital thresholds for residential and nursing care from £14,250 (lower) and £23,250 (upper) to £17,500 (lower) and £100,000 (upper), before service users are liable for the full cost of their care. Other aspects of the Bill include a universal deferred payment scheme and increased rights for carers. The primary legislation lacks sufficient details to accurately assess the financial implications. The Bill will be effective from 1st April 2016. At present, the MTFS assumes a cost pressure of £2.5m from 2015/16 and £4m per annum from 2016/17 onwards. Nationally, the Government has identified £335m in 2015/16 to cover the cost of early assessment and reviews, deferred payments, an information campaign and recruitment and training of staff. The indicative allocation for the Council is £1.084m. At present, no further announcements have been made regarding the on-going costs of the Care Bill.
- 5.3.2 The Children and Families Bill 2013 proposes to extend provision of Local Authority Special Educational Needs (SEN) support from birth to 25, beyond the current system of support from 5 – 18. The Council's budget of supporting SEN placements is c£5m per annum, funded from the Dedicated Schools Grant. There is also an element of expenditure within the General Fund to fund passenger transport and assessments. Based on current numbers of children receiving SEN support, the MTFS factors in a pressure of £1.25m for 2015/16 should the DSG be unable to contain this pressure.
- 5.3.3 The Council's Education Services Grant is based on the number of pupils in schools under Council control. As more schools leave Council control the grant will be reduced accordingly. The Government is currently consulting on the impact of reducing the grant by 20% - this equates to a £1.2m reduction which has been incorporated into the MTFS for 2015/16.

5.3.4 The Council also receives funding to administer the Local Welfare Provision scheme (£0.915m for 2014/15). The funding is allocated to support the most vulnerable people for food, gas and electricity supplies. From 2015/16 government is ending the grant.

5.4 New and potential opportunities from 2015/16

5.4.1 New opportunities will arise in 2015/16 as the Government will create a £3.8bn pool to integrate health and social care, enabling councils to invest in prevention and early intervention, in the form of the "Better Care Fund". £1.1bn will be transferred from the NHS for 2014/15 to support the new agenda, however the funding must be used to support adult social care services which have a health benefit, and plans must be agreed with local health partners on how the funding is best used within social care. Councils must submit agreed plans setting out performance targets by 4 April 2014.

5.4.2 For 2015/16, Barking and Dagenham Clinical Commissioning Group (CCG) will receive a revenue allocation of £13.055m in respect of the Better Care Fund, including £4.185m in respect of continuing resources paid direct to the Council as a Social Care grant for the last time in 2014/15. The minimum contribution the Council has to make to the Better Care Fund is £1.180m in respect of capital grants (disabled facility grants and the adult social care capital grant).

5.4.3 The minimum Better Care Fund pool in 2014/15 is £14.235m (£13.055m plus £1.180m), and both the CCG and the local authority are free to extend the scope of the pooled budget to support better integration in line with the Joint Health and Wellbeing Strategy. The final Better Care Fund Plan for 2014/15 and 2015/16 will be considered by the Health and Wellbeing Board at its meeting on 25 March 2014.

5.4.4 An extension to the Troubled Families programme of £200m will be made available to support another 400,000 families. This will operate as before on a 'Payments by Results' basis.

5.4.5 Proposals were announced allowing councils increased flexibility over capital receipts from assets to fund one-off revenue costs of reforming services. Further guidance will be available in the New Year.

5.5 Demographic and other Corporate pressures

5.5.1 Members are aware that 31% of Barking and Dagenham's residents are between 0-18. This is 30% higher than the London average and causes substantial pressures on the Children's social care budget. To date, Children's Services have largely managed this pressure through taking management action and flexible use of grant funding. However as these funds are exhausted, this leaves an on-going pressure of £3m per annum. Children's Services will continue to manage down this pressure though additional in year funds made need to be transferred to support the budget in 2014/15. This pressure increases the MTFs budget gap for 2015/16.

5.5.2 Corporate pressures are reviewed annually but are set on a three year rolling basis. The pressures based on the impact of other decisions, actuarial valuations, estimated cost of levies, revenue implications of borrowing costs from the approved capital programme and any contingencies required to support the budget.

5.6 Table 4 below captures the funding changes, potential pressures and opportunities outlined in section 5 above. The table illustrate three different scenarios:

- Best case scenario – assumes Government will fully fund the legislative changes, and demographic pressures for Children’s placements continue to be managed within the directorate.
- Middle case scenario – assumes Government will partially fund the legislative changes, and Children’s Services identify management actions to partially offset the demographic pressures.
- Worst case scenario of each pressures above – assumes no additional funding will be allocated and demographic pressures cannot be contained within the Directorate at all.

Table 4 - Potential 2015/16 MTFs gap based on scenarios above

	Best £000	Mid £000	Worst £000
Opening budget gap / (surplus)	1,044	1,044	1,044
Funding changes	18,402	18,402	18,402
Contingency to cover budget risk	2,000	2,000	2,000
Contribution from Collection Fund reserve	1,143	1,143	1,143
Investment in the capital programme	1,500	1,500	1,500
Staff pay award	1,000	1,000	1,000
ELWA levy increase	700	700	700
Increased contribution to pension fund deficit	650	650	650
2% increase in Council Tax	(800)	(800)	(800)
Elevate contractual savings	(100)	(100)	(100)
Implications of the Care Bill 2013	0	2,500	5,000
Implications of the Children and Families Bill	0	1,250	2,500
Children’s placement pressures	0	3,000	6,000
Revised budget gap / (surplus)	25,539	32,289	39,039

6.0 Post Comprehensive Spending Review – 2016/17 and 2017/18

6.1 The Autumn Statement focused on the continuing need to reduce spending and the government reinforced its commitment to tackling the deficit, to help get the public finances back in to balance. Therefore the reduction in funding can be expected to continue over the coming years.

6.2 Due to the election, CLG has given no indication regarding future funding arrangements beyond 2015/16. No commitment to funding the Council Tax Freeze grants worth £2.4m to the Council has been given past 2015/16. This funding could continue or be redistributed as part of the formula grant.

6.3 The table below models different reduction scenarios to provide an indication of the possible outcomes.

Table 5 – Indicative cuts to central funding from 2016/17 to 2019/20

% of Reduction	6%	8%	10%	12%	14%
	Annually £m	Annually £m	Annually £m	Annually £m	Annually £m
2016/17	6.4	8.5	10.6	12.7	14.9
2017/18	6.0	7.8	9.6	11.2	12.8
2018/19	5.6	7.2	8.6	9.9	11.0
2019/20	5.3	6.6	7.7	8.7	9.5
Total	23.3	30.1	36.5	42.5	48.2

6.4 Based on funding reduction trends and analysis carried out by the Greater London Authority (GLA), the Council's MTFS assumes further pressures for 2016/17 of £21.8m and £17.7m for 2017/18 respectively. Taking the mid-case scenario for 2015/16 outlined in table 4 above of £32.3m, the three year budget gap from 2015/16 is estimate to be over £70m.

6.5 Officers have already started work identifying potential saving targets via a series of budget reviews to address the estimated three year gap 2015/16 to 2017/18.

7.0 Business Rates Retail Relief

7.1 Central Government announced in the Autumn Statement on 5 December 2013 that it will provide relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less in 2014/15 and 2015/16. Government are leaving the process for awarding the relief up to the discretion of local authorities.

7.2 Any loss of income incurred by the Council through granting this relief will be fully funded by central Government through a Section 31 grant. There are approximately 1,400 eligible properties which equates to a grant of £300k for the Council.

7.3 As this is a discretionary relief, local authorities need to agree to award the relief before it can be granted. Should Members agree to award the relief then this will be applied to all properties with rateable value of less than £50,000 as part of the annual billing, unless the Council has evidence that they do not meet the criteria of a retail premises.

8.0 Capital Programme

8.1 The Council is required to review its capital spending plans each year and set a capital programme. A key consideration when setting the programme is the projected level of available capital resources and the affordability of the overall programme, including the revenue cost of financing any debt.

8.2 The level of existing internal resources has been reviewed during the year and where relevant capital receipts and other capital reserves are being used to reduce the borrowing requirement of the approved programme in order to reduce debt charges on the Council's revenue budget. Officers will continue to review the level of borrowing and to identify further reductions that can be made.

8.3 New schemes that have identified external funding (e.g. government grants) are added to the capital programme during the year and are appraised internally as and when the development arises. Further borrowing will only be possible for new schemes where the expenditure is essential for statutory and/or health and safety reasons to enhance assets that are in need of urgent maintenance or where the completed project generates an income stream that will enable the financing of the incurred debt.

8.4 Current capital programme

The current approved capital programme for the Council for 2013/14 (as at the end of December 2013) is £138.1 million. There are currently also draft capital budgets for 2014/15 and 2015/16 of £176.3 million and £73.9 million respectively, which are still subject to change, roll-forwards and re-profiling. A summary of these budgets is shown in the table below.

Table 6 – Draft capital programme 2013/14 to 2016/17

Capital Expenditure	2012/13 Actual £'000	2013/14 Approved £'000	2014/15 Proposed £'000	2015/16 Proposed £'000	2016/17 Proposed £'000
General Fund	57,473	56,991	84,014	32,265	(TBC)
HRA	31,059	81,170	92,315	41,639	39,757
Approved Programme	88,532	138,161	176,329	73,904	39,757
Financed by:					
Capital Grant	43,825	55,100	85,536	31,620	0
Revenue Contributions	6,120	1,009	0	0	
Section 106	931	846	400	0	0
Capital Reserves	1,056	452	765	0	0
Capital Receipts	4,521	25,684	13,026	6,375	0
MRR & HRA funding	17,548	48,090	65,552	35,629	39,757
Sub-Total	74,001	131,181	165,279	73,624	39,757
Net financing need*	14,531	6,980	11,050	280	0

* *Borrowing requirement*

8.5 The current 2013/14 programme is funded by £55.1m worth of capital grants and contributions, £1.0m of revenue funding, £26.9 of other capital sources (capital receipts, Section 106, and reserves), £48.0m in HRA resources (including the Major Repairs Allowance - MRA), with the remaining £6.9m funding requirement met from borrowing.

8.6 Following the recent budget re-profiling exercise approved by Cabinet, current year-end forecasts show an underspend of £8.6m as at December, against a budget of £138.2m. The current budget is a reduction to the July 2013 budget of £155.3m following approval of the 2012/13 roll-forwards. Any slippage in the remainder of the year will be subject to carry forward requests and submitted to Cabinet for approval in June 2014.

- 8.7 The full list of approved schemes is included at Appendix E. Future capital scheme proposals will be considered as and when new funding streams are identified, or where there are major Council developments which will require capital investment to meet strategic objectives. Essential remedial works for health and safety or statutory reasons will be met, however it is planned that further borrowing will be kept to an absolute minimum.
- 8.8 To meet the statutory demand for school places, the Council will continue to lobby for additional funds from central Government, as it has achieved some success at this in the past. The Council has recently been awarded with £19.0m of Basic Needs funding over the following three years (2014/15 – 2016/17).
- 8.9 The Council is working on implementing the ICT strategy and has identified a number of projects that will improve the way IT services are delivered. Projects such as the next phase of My Account, network performance enhancements and server upgrades which total £0.765m have been added to the capital programme for 2014/15 which will be funded through capital reserves.
- 8.10 A draft capital programme is presented for approval as amendments will be required before 1 April 2014 when further information becomes available, particularly the roll forwards / slippage from the current financial year. The amendments will be carried out in accordance with financial regulations.
- 8.11 **Capital appraisal and monitoring arrangements**
- 8.12 The Council has in place a capital appraisal process for new capital schemes. These arrangements have recently been revised, in consultation with project managers and Capital Delivery, in order to ensure it is streamlined and efficient (including preventing delays in getting projects approved), but also to ensure that proposed schemes are robust in terms of financial control, risk management, and deliverability. The appraisal process includes an analysis of the strategic fit of the scheme, options appraisal and key risks, financial implications, a detailed risk register, health and safety issues, and deliverability and key milestone issues. Only once a scheme successfully meets all these criteria can physical works commence.
- 8.13 The Council also has a capital monitoring system, which is primarily designed to ensure that projects are delivered within the timescales and within the budget. The capital programme is supported by the Capital Delivery Team and is monitored by Project Managers in consultation with the Finance Service. Upon the implementation of the new Oracle R12 system, Project Managers will have the facility to enter forecasts directly on to Oracle, which will be available for review by other relevant officers, and hence will be a more efficient way of reporting.
- 8.14 Also introduced this year is more streamlined and consistent budget re-profiling process for capital schemes. Capital schemes will now only be re-profiled in three dedicated windows, which will be within the reports presented to Cabinet in June, November, and February.

9.0 Capital Financing Requirement (CFR)

- 9.1 As at the end of 2012/13 the Council had a total capital financing requirement (CFR) of £491.578m (as shown in the Council's published Statement of Accounts). By the end of 2013/14 this is predicted to decrease to £488.761m.
- 9.2 This decrease is due to the excess of the Minimum Revenue Provision (MRP), i.e. the statutory provision to repay debt, over the new borrowing requirement for 2013/14. There is a general downward trend in the predicted future years' capital financial requirement, as MRP continues to exceed new borrowing requirements, which reduces the Capital Financing Requirement. However there is an exception within 2014/15, where there is slight overall increase, as the HRA is expecting to borrow a further £9.9m.
- 9.3 By 2016/17 the total CFR is currently predicted to fall to £472.632m, based on current borrowing predictions. As noted above however, there are draft / unapproved plans to borrow up to an additional £9.1m for Highways Improvements, which would cause upward pressure on the CFR.
- 9.4 The Council currently has £315.9m of external loans. The 2012/13 CFR less leases and PFI's is £431.6m. Thus there is a gap of £115.7m between the Council's theoretical borrowing requirement (the CFR) and its actual external loans. This difference is funded by 'internal borrowing', which is the use of other internal cash balances. This approach makes it cheaper, as the Council saves the external interest cost that would have been paid on this balance.

Table 7 – Capital Financing Requirement (CFR)

	2012/13 Actual £000	2013/14 Estimate £000	2014/15 Estimate £000	2015/16 Estimate £000	2016/17 Estimate £000
Capital Financing Requirement (CFR)					
Cumulative CFR	163,898	163,121	156,857	149,939	143,817
CFR - Housing	267,722	267,722	277,649	277,649	277,649
Alternative Financing	59,958	57,918	55,771	53,528	51,167
Total CFR	491,578	488,761	490,097	481,117	472,632
Movement in CFR	6,140	(2,817)	1,336	(9,314)	(8,484)
Movement in CFR Represented By:					
Net Borrowing Need for the year	14,531	6,980	11,050	280	-
MRP & other financing	(8,391)	(9,797)	(9,714)	(9,621)	(8,484)
Movement in CFR	6,140	(2,817)	1,336	(9,341)	(8,484)

- 9.5 In terms of the affordability of the capital programme, the following table sets out the financing cost of borrowing against the net budget / revenue stream for the General Fund and for the HRA. In the case of the General Fund, the financing cost below includes both the MRP (principal repayment) and the net interest cost, and is shown as a proportion of the Council's overall net budget. In the case of the HRA, the financing cost relates only to interest payable, as the HRA does not have an equivalent to the MRP, and it is shown as a proportion of the total HRA revenue stream.

Table 8 - Ratio of financing costs to net budget / revenue stream

	2012/13 Actual £000	2013/14 Estimate £000	2014/15 Estimate £000	2015/16 Estimate £000	2016/17 Estimate £000
General Fund Financing cost					
MRP & Other Financing (table 8)	8,391	9,797	9,714	9,621	8,484
Net Interest Payable / (Receivable)	654	885	500	150	(150)
Total	9,045	10,682	10,214	9,771	8,334
Net budget	177,379	178,333	167,510	148,593	-
Financing cost as a % of Net Budget	5.1%	6.0%	6.1%	6.6%	-
HRA Financing cost					
Financing Cost Interest Payable	9,294	9,759	10,120	10,120	10,120
Total Revenue Stream	103,775	106,774	108,803	112,067	115,429
Financing cost as a % of Revenue	9.0%	9.1%	9.3%	9.0%	8.8%

9.6 The table above shows that as the Council's net budget continues to reduce, the financing cost becomes a greater proportion of the net budget, despite the financing cost also reducing. In contrast, within the HRA the financing cost as a proportion of the total HRA stream revenue peaks in 2014/15 and then decreases, reflecting increases in future HRA revenues and a stable financing cost.

9.7 The following tables also set out what proportion each Band D equivalent of the council tax base, and each HRA dwelling contributes on average towards the total financing costs for the General Fund and HRA respectively per week.

Table 9 - Impact of capital spending plans on Council Tax and rents

General Fund	2012/13 Actual	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Council Tax Base (Band D equivalents)	53,087	39,956	40,522	41,088	41,654
Proportion of Capital Financing cost per Band D equivalent	£3.28	£5.14	£4.85	£4.57	£3.85

HRA	2012/13 Actual	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Housing Stock (number of properties)	19,200	18,000	17,000	17,000	17,000
Proportion of Interest payable per dwelling	£9.31	£10.43	£11.45	£11.45	£11.45

- 9.8 For the General Fund there is an increase between 2012/13 and 2013/14 to reflect both the increase in the MRP and a reduction to the Council Tax base as a result of Council Tax support localisation. From 2013/14 onwards there is a steady reduction, which reflects predicted increases in population and reductions in capital financing. For the HRA there is an increase in the contribution per dwelling until 2014/15, which reflects the reduction in the number of dwellings and the increase in the financing cost.
- 9.9 The following table also sets the incremental impact on Council Tax and Housing rents, relating to the changes in the borrowing profile from last year.

Table 10 – Impact of changes in borrowing projects since last year

	2012/13 Actual	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Council Tax – band D	-£5.81	£1.79	- £6.03	£0.58	-
Weekly Rents	£0.00	£0.00	£0.00	£0.00	£0.00

- 9.10 The full set of Prudential Indicators is included in the Council's annual Treasury Management Strategy statement.

10.0 Consultation

- 10.1 A consultation on the 2014/15 savings was carried out in the autumn of 2012. Details of the consultation are included in Appendix F of the Budget Framework 2013/14 report that was presented to Assembly on 25 February 2013.
- 10.2 Since the approval of the 2014/15 savings by Cabinet on 19 December 2012 no new savings have been proposed.

11.0 Financial Implication

- 11.1 Financial Implications have been covered throughout the report.

12.0 Legal Implications

Implications completed by Paul Feild, Corporate Governance Lawyer

- 12.1 A local authority is required under the Local Government Finance Act 1992 to produce a 'balanced budget'. The current budget setting takes place in the context of significant and widely known reductions in public funding to local authorities. Where there are reductions or changes in service provision as a result of changes in the financial position the local authority is free to vary its policy and consequent service provision but at the same time must have regard to public law considerations in making any decision lawfully as any decision eventually taken is also subject to judicial review. Members would also wish in any event to ensure adherence as part of good governance. Specific legal advice may be required on the detailed implementation of agreed savings options. Relevant legal considerations are identified below:
- 12.2 Whenever there are proposals for the closure or discontinuance of a service or services, there will be a need for appropriate consultation, so for example if savings proposals will affect staffing then it will require consultation with Unions and staff. In

addition to that Members will need to be satisfied that Equality Impact Assessments have been carried out before the proposals are decided by Cabinet.

12.3 If at any point resort to constricting expenditure is required, it is important that due regard is given to statutory duties and responsibilities. In particular the Council must have regard to:

- any existing contractual obligations covering current service provision. Such contractual obligations where they exist must be fulfilled or varied with agreement of current providers;
- any legitimate expectations that persons already receiving a service (due to be cut) may have to either continue to receive the service or to be consulted directly before the service is withdrawn;
- any rights which statute may have conferred on individuals and as a result of which the council may be bound to continue its provision. This could be where an assessment has been carried out for example for special educational needs statement of special educational needs in the education context);
- the impact on different groups affected by any changes to service provision as informed by relevant equality impact assessments;
- to any responses from stakeholders to consultation undertaken.

12.4 In relation to the impact on different groups, it should be noted that the Equality Act 2010 provides that a public authority must in the exercise of its functions have due regard to the need to eliminate discrimination and to advance equality of opportunity between persons who do and those who do not share a relevant 'protected characteristic'. This means an assessment needs to be carried out of the impact and a decision taken in the light of such information.

13.0 Other Implications

13.1 **Risk Management** – This report concerns financial risks carried by the Council. The report sets out how the Council will manage and minimise these financial risks.

13.2 **Contractual Issues** – There are no contractual risks directly linked to this report however the impact of the savings approved as part of this budget report may have an impact on individual contracts.

13.3 **Staffing Implications** – The savings plans for 2014/15 have been known for some time and where these have had implications for staff consultation will have taken place in accordance with the HR policies and procedures around change. The implications of the MTFP for staff are significant and we are already briefing Trade Unions and staff on the potential implications.

13.4 **Customer Impact** – The freezing of Council Tax at 2010/11 levels is designed to minimise the financial impact on residents. The saving options have been subject to an assessment of equalities and diversity implications and consideration given to the extent of adverse impact on customers. Extensive consultation has also taken place. Front line services have been protected as far as possible, but some cuts to front line services have been unavoidable.

- 13.5 **Crime and Disorder Issues** – The Crime and Disorder Act places a duty on the Council as a responsible authority to have regard to the reduction and prevention of crime and disorder in its decision making process and policy development and delivery. As such in terms of financial constraints it is important to have regard to the impact of budget reductions in terms of crime and disorder.
- 13.6 **Property / Asset Issues** – Some of the savings proposals have indirect property/ asset implications with regards building closures resulting from service reviews, which will reduce the Council's property estate. The implications of these will be dealt with on a property-by-property basis in line with the Council's disposal rules. Additionally the continued reduction in posts across various areas of the Council may result in increased health and safety management risks within the borough.
- 13.7 **Health Issues** – The Department of health notified LBBDD that a ring-fenced public health grant of £14.213m had been approved for 2014/15. This is in addition to the £12.921m that was allocated to the Council in 2013/14. The Department of Health (DH) expectation is that funds will be utilised in-year, but if at the end of the financial year there is any underspend, this can be carried over, as part of a public health reserve, into the next financial year. In utilising those funds in the next year, the grant conditions will still need to be complied with.

Public Health England has also declared that the Public Health grant will be ring-fenced for a third year (2015/16), although specific amounts for each local authority have not yet been disclosed. It is anticipated that these will be released in December 2014.

The Health Premium Incentive Scheme will be introduced in 2015/16. It will be designed to reward communities for making progress against certain indicators identified from the Public Health Outcomes Framework. The selected health premium indicators will be communicated to local authorities by March 2014. The first incentive payment will be in the year 2015/16 to ensure local authorities are rewarded for the improvements they make.

The 2014/15 budget allocation of £14.213m has been provisionally allocated as a result of a zero-based budgeting exercise. Requests for project funding have exceeded the £14.213m grant available, but the forecast underspend from 2013/14 could be used to meet this shortfall (£667k), assuming all 2014/15 budgets are approved, as shown in the table below. This will be reviewed following the finalisation of the outturn position in May 2014. Until this point, some schemes will need to be placed on a reserve list. There may be a further potential pressure of up to £5m in 2015/16, hence decisions on priorities for investment will need to be made.

Background Papers Used in the Preparation of the Report: None

List of appendices:

- Appendix A – Revenue Budget 2014/15
- Appendix B – MTFs 2014/15 to 2017/18
- Appendix C – The Statutory Budget Determination
- Appendix D – Calculation of the Council Tax Requirement
- Appendix E – Draft Capital Programme

2014/15 Details of Directorate Gross and Net Budgets Including Recharges

Directorate	Gross Expenditure £'000	Support Costs £'000	Depreciation £'000	Recharge Income £'000	Income £'000	Net Budget £'000
Adults & Community Services	77,614	6,660	2,804	(855)	(31,395)	54,828
Children's Services	66,528	7,403	10,706	(1,601)	(21,424)	61,612
Housing & Environment	51,902	11,000	10,592	(10,530)	(38,982)	23,982
Chief Executive's Directorate	201,026	9,815	1,582	(24,144)	(167,838)	20,441
General Finance	33,538	-	(25,684)	-	(3,397)	4,457
Dedicated Schools Grant	221,017	2,252	-	-	(223,269)	-
TOTAL	651,625	37,130	-	(37,130)	(486,305)	165,320

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Medium Term Financial Strategy - Summary Position 2014/15 - 2017/18

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Prior Year (Surplus) / Deficit	(5,234)	1,044	32,289	54,454
Budget Increases				
Investment in the capital programme	1,250	1,500	1,250	1,000
Staff pay award	1,000	1,000	1,000	1,000
ELWA levy increase	200	700	400	-
Increased contribution to Pension Fund deficit	650	650	650	650
Contingency to cover budget risk	500	2,000	2,000	2,000
Housing people in temporary accommodation	250	-	-	-
Contribution to Collection Fund reserve	(2,003)	1,143	-	-
Children's placement pressures*	-	3,000	-	-
Implications of the Care Bill 2013*	-	2,500	4,000	-
Implications of the Children and Families Bill*	-	1,250	-	-
Increase in employers' NI contributions	-	-	3,000	-
End of waste reduction initiative	-	-	(135)	-
Potential parking CCTV implications	-	-	-	3,000
Total Additional Costs	1,847	13,743	12,165	7,650
Changes in Income & Funding				
Formula & Specific Grant	12,213	17,004	9,715	10,445
Collection Fund surplus/(deficit) from prior years	1,206	(756)	-	-
Education Services Grant	50	1,200	-	-
Benefits Administration Grant	25	1,400	-	-
New Homes Bonus Grant	(342)	(864)	-	355
Council Tax Freeze Grant	(540)	1	1,085	-
Increase in the Council Tax base	(439)	-	-	-
Weekly Collection Grant (Refuse)	-	417	-	-
2% increase in Council Tax	-	(800)	(800)	(800)
NNDR retained below baseline	978	-	-	-
Total Changes in Income	13,151	17,602	10,000	10,000
Cumulative Budget Gap	9,764	32,389	54,454	72,104
Savings				
Savings approved by Cabinet Dec 2012	(7,749)	-	-	-
Elevate contractual savings	(971)	(100)	-	-
Total Savings	(8,720)	(100)	-	-
Cumulative Budget Gap Including Savings	1,044	32,289	54,454	72,104

* Pressures based on a mid case scenario

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STATUTORY BUDGET DETERMINATIONS

SETTING THE AMOUNT OF COUNCIL TAX FOR THE LONDON BOROUGH OF BARKING AND DAGENHAM

1. At its meeting on 21 January 2014 the Council approved the Council Tax Base 2014/2015 calculation for the whole Council area as 40,522.12 [Item T in the formula in Section 31B (3) of the Local Government Finance Act 1992, as amended ("the Act")].
2. The following amounts have been calculated by the Council for the year 2014/15 in accordance with Sections 31 to 36 of the Act:-

(a)	£651,625,366	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	£610,438,683	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£41,186,683	being the amount by which the aggregate at 2(a) above exceeds the aggregate at 2(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year (i.e. Item R in the formula in Section 31A(4) of the Act).
(d)	£1,016.40	being the amount at 2(c) above (i.e. "Item R"), divided by Item T (shown at 1 above), calculated by the Council, in accordance with Section 31B(1) of the Act as the basic amount of its Council Tax for the year. Refer below for further detail.

Valuation Bands

A	B	C	D	E	F	G	H
£677.60	£790.53	£903.47	£1,016.40	£1,242.27	£1,468.13	£1,694.00	£2,032.80

being the amounts given by multiplying the amount at 2(d) above by the number which, in the proportion set out in Section 5(2) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band 'D' calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

3. That it be noted that for the year 2014/15 the Greater London Authority has indicated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown below:-

Precepting Authority: Greater London Authority

Valuation Bands

A	B	C	D	E	F	G	H
£199.33	£232.56	£265.78	£299.00	£365.44	£431.89	£498.33	£598.00

4. That, having calculated the aggregate in each case of the amounts at 2 and 3 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2014/15 for each of the categories of dwellings shown below:-

Valuation Bands

A	B	C	D	E	F	G	H
£876.93	£1,023.09	£1,169.25	£1,315.40	£1,607.71	£1,900.02	£2,192.33	£2,630.80

Calculation of the Proposed Council Tax for 2014/15

	£000
Revised 2013/14 Budget	178,333
Members Approved Decisions - February 2013 Assembly	(2,934)
New MTFS Items	(2,330)
Savings Approved by Cabinet - December 2012	(7,749)
	<hr/>
Total Adjustments	(13,013)
	<hr/>
Base Budget Requirement for 2014/15	165,320
Funded By:	
Formula & Specific Grant	(112,681)
Education Services Grant	(4,871)
New Homes Bonus Grant	(3,234)
Council Tax Freeze Grants	(2,419)
Benefits Administration Grant	(1,835)
Weekly Collection Grant (Refuse)	(417)
NNDR Retained Below Baseline	568
Collection Fund Deficit	756
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Total Funding	(124,133)
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Council Tax Requirement	41,187
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Council Tax Base (Equivalent Band D properties)	40,522.12
Council Tax:	
London Borough of Barking & Dagenham	£1,016.40
Greater London Authority	£299.00
	<hr/>
Overall Council Tax - Band D equivalent	£1,315.40
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Project No.	Project Name	Approved Budget 13/14	Draft Budget 14/15	Draft Budget 15/16	Total	Government Grants	MRA & HRA Revenue Contributions	Section 106	GF Revenue Cont	Borrowing	Reserves (Incl Invest to Save)	Capital Receipts	Total Funding
Adult & Community Services													
Adult Social Care													
2872	Fews Lodge Extra Care Scheme				197,809	197,809							197,809
2913	80 Gascoigne Road Care Home	197,809			400,000				400,000				400,000
2888	Direct Pymt Adaptations	400,000			574,717	574,717							574,717
106	Private Sector Households	574,717			991,908	991,908							991,908
2976	Community Capacity Grant	490,995	500,913										
Culture & Sport													
1654	Ripple Hall (St Georges/Vol Group Relocation)	1,215			1,215					1,215			1,215
191	Eastbury House	3,198			3,198					3,198			3,198
2233	Valence Site Redevelopment	18,880			18,880	7,805				11,075			18,880
2266	Barking Park Restoration & Improvement	100,247			100,247					100,247			100,247
2603	Becontree Heath Leisure Centre	159,170			159,170	5,515				153,655			159,170
2815	Goresbrook Leisure Centre - Olympic Training Venue	251,465			251,465	235,885				15,580			251,465
2855	Mayesbrook Park Athletics Arena	4,922,902	7,020,957		12,113,859			400,000				11,713,859	12,113,859
2870	Barking Leisure Centre 12-14			170,000									
Total For Adult & Community Services		7,120,598	7,521,870	170,000	14,812,468	2,013,639	0	400,000	400,000	284,970	0	11,713,859	14,812,468

Project No.	Project Name	Approved Budget 13/14	Draft Budget 14/15	Draft Budget 15/16	Total	Government Grants	MRA & HRA Revenue Contributions	Section 106	GF Revenue Cont	Borrowing	Reserves (Incl Invest to Save)	Capital Receipts	Total Funding
Children's Services													
Primary Schools													
2365	Gascoigne Primary				32,477	32,477							
2555	Eastbury	32,477			32,477								32,477
2736	Roding Primary School - Cannington Road Annex	137,093			137,093								137,093
2745	George Carey CE Primary School (formerly Barking Riverside Primary)	273,065	659,615		932,700	712,700		220,000					932,700
2759	Beam Primary Expansion	81,668			81,668	81,668							81,668
2799	St Joseph's Primary - expansion	82,503			82,503	82,503							82,503
2800	St Peter's Primary - expansion	33,869			33,869	33,869							33,869
2776	Thames View Infants - London TG Agreement	39,937			39,937	39,937							39,937
2787	Cambell Junior - Expansion & Refurb	17,626			17,626	17,626							17,626
2786	Thames View Juniors - Expansion & Refurb	49,185	284,587		333,772	333,772							333,772
2784	Manor Longbridge (Former UEL Site)												
2789	Westbury - New Primary School												
2790	St Georges - New Primary School	25,385			25,385	25,385							25,385
2860	Monteagle Primary (Quadrangle Infill)	95,696			95,696	95,696							95,696
2861	Eastbury Primary (Expansion)	144	872,868		873,012	873,012							873,012
2862	Gascoigne Primary (Expansion)	988,963			988,963	988,963							988,963
2863	Parsloes Primary (Expansion)	49,090			49,090	49,090							49,090
2864	Godwin Primary (Expansion)	1,674,018			1,674,018	1,674,018							1,674,018
2865	William Bellamy Infants/Juniors (Expansion)	750,000	2,300,000	539,489	3,589,489	3,589,489							3,589,489
2866	Dagenham Village Rectory Road Library (Expansion)												
2867	Southwood Primary (Expansion)	13,163			13,163	13,163							13,163
2900	Becontree Primary Expansion	41,890			41,890	41,890							41,890
2924	St Josephs Primary Extn	352,092			352,092	352,092							352,092
2967	Warren Junior School												
Other Schemes													
2972	Implementation of early education for 2 year olds	750,000	639,302		1,389,302	1,389,302							1,389,302
2793	SMF - School Modernisation Fund	412,067			412,067	412,067							412,067
2742	Youth Access Card												
2751	School's Kitchen Extension/Refurbishment 10/11	11,556			11,556	11,556							11,556
2724	Basic Needs Projects (formerly Additional School Places)2011/12	231,226			231,226	231,226							231,226
2581	Schools Legionella Works												
2808	Schools LB Water Quality Remedial Works 2010/11												
2809	Schools Reboiler & Repipe Fund	185,081			185,081	185,081							185,081
2826	512a Heathway - Conversion to a Family Resource												
2878	512a Heathway (phase 2)- Conversion to a Family Resource with additional teach	7,222			7,222	7,222							7,222
9999	Devolved Capital Formula	1,638,865			1,638,865	1,638,865							1,638,865
2601	Renewal School Kitchens 2009/10												
2753	Cross-Government Co-Location Fund												
2906	School Expansion SEN Projects	862,722	500,000	500,000	1,862,722	1,862,722							1,862,722
2909	School Expansion Minor Projects	473,144	1,000,000		1,473,144	1,473,144							1,473,144
2968	Capital Works (Devolved Funds)												
Children Centres													
2310	William Bellamy Childrens Centre	6,458			6,458	6,458							6,458
2311	Becontree Childrens Centre												
2217	John Perry Childrens	9,619			9,619	9,619							9,619
2651	Alibon Childrens Centre												
2739	Gascoigne Community Centre												
Secondary Schools													
2818	Sydney Russell - Schools For The Future	224,295			224,295	224,295							224,295
2825	Dagenham Park School												
2859	Robert Clack Expansion												
2932	Trinity 6th Form Provision												
2966	Eastbrook Comprehensive School												
Skills, Learning & Enterprise													
2723	Advanced Skills Centre	580,451			580,451	580,451							580,451
Approved by Cabinet - awaiting Appraisal approval													
2974	Robert Clack Artificial Football Pitch	668,435			668,435	668,435			50,000				668,435
2975	Barking Abbey Artificial Football Pitch	629,797			629,797	629,797			50,000		22,585		629,797

Project No.	Project Name	Approved Budget 13/14	Draft Budget 14/15	Draft Budget 15/16	Total	Government Grants	MRA & HRA Revenue Contributions	Section 106	GF Revenue Cont	Borrowing	Reserves (Incl Invest to Save)	Capital Receipts	Total Funding
2977	Barking Riverside Secondary Free School	300,000	17,500,000	4,300,000	22,100,000	22,100,000							22,100,000
2980	Barking Riverside Special Free School		7,800,000		7,800,000	7,800,000							7,800,000
	Feasibility & Design & Site Set-up		1,350,000		1,350,000	1,350,000							1,350,000
	Lymington Primary expansion 13-15												
	Gascoigne Primary -Abbey Road Depot												
2918	Roding Cannington 2013-15	1,826,151			1,826,151	1,826,151							1,826,151
2919	Richard Alibon Expansion	985,000	620,000	41,133	1,646,133	1,646,133							1,646,133
2920	Warren/Furze Expansion	1,500,000	282,825		1,782,825	1,782,825							1,782,825
2921	Manor Infant Jnr Expansion	1,000,000	1,640,631	125,000	2,765,631	2,765,631							2,765,631
2922	Valence Halbutt Expansion	1,609,122	40,000		1,649,122	1,649,122							1,649,122
2923	Rush Green Expansion	150,000	150,000		300,000	300,000							300,000
2956	Marsh Green Primary 13-15	30,000	1,920,000	50,000	2,000,000	2,000,000							2,000,000
2957	John Perry School Expansion 13-15	785,945	1,214,055		2,000,000	2,000,000							2,000,000
2958	Fanshawe Adult College Refurb 13-15	2,250,000	50,000		2,300,000	2,300,000							2,300,000
2960	Fanshawe Primary Expansion 13-15	300,000	1,900,000		2,200,000	2,200,000							2,200,000
2929	SMF 2012/13	2,379,960	1,833,262		4,213,212	4,213,212							4,213,212
2978	SMF - School Modernisation Fund 13/14	1,000,000	20,353		1,020,353	1,020,353							1,020,353
2952	Barking Abbey Expansion 13-15	50,000	12,000,000	12,250,000	24,300,000	24,300,000							24,300,000
2953	All Saints Expansion 13-15	3,603,308	3,245,000	139,294	6,987,602	6,987,602							6,987,602
2954	Jo Richardson Expansion 13-15	350,000	2,550,000	100,000	3,000,000	3,000,000							3,000,000
2955	Barking Riverside City Farm	5,141,383			5,141,383	5,141,383							5,141,383
2959	Robert Claack Expansion 13-15	50,000	13,575,000	13,575,000	27,200,000	27,200,000							27,200,000
Total For Children's Services		34,739,681	73,947,498	31,619,916	140,307,095	139,964,510	0	220,000	100,000	22,585	0	0	140,307,095

Project No.	Project Name	Approved Budget 13/14	Draft Budget 14/15	Draft Budget 15/16	Total	Government Grants	MRA & HRA Revenue Contributions	Section 106	GF Revenue Cont	Borrowing	Reserves (Incl Invest to Save)	Capital Receipts	Total Funding
Housing and Environment													
2764	Street Light Replacing	210,869			210,869					210,869			210,869
2873	Environmental Improvements and Enhancements	119,456			119,456					119,456			119,456
2894	Road Safety Impv Sch Year 2 (TFL)												
2964	Road Safety Improvement 2013-14 (TFL)	98,400			98,400	98,400							98,400
2887	Frizlands Wkshp Major Wks												
2886	Parking Strategy Imp	157,386			157,386					157,386			157,386
2907	Leys Road Reconstruction 12-13												
2908	Brown Wheeled Bins Recycling												
2930	Highways Improvement Programme	3,555,094			3,555,094				478,600		313,000	2,763,494	3,555,094
2981	Parkmap scheme (Traffic Management Orders)	170,000			170,000					170,000			170,000
2982	Controlled Parking Zones (CPZ's)	170,000			170,000					170,000			170,000
PGSS													
2421	Staff Costs 12/14	38,216			38,216					38,216			38,216
2423	Pondfield Park												
2567	Abbey Green Park Development	8,913			8,913			8,913					8,913
2817	Mayesbrook Park Improvements (Phase 1)	67,459			67,459	67,459							67,459
2911	Quaker Burial Ground	60,000			60,000			30,000		30,000			60,000
2912	Barking Park Tennis Project	40,531			40,531					20,000			40,531
2948	Abbey Green- Churchyard Wall	78,234			78,234			78,234					78,234
2925	Adizone Project 12-13	40,949			40,949				12,851	28,098			40,949
Total For Housing & Environment		4,815,507	0	0	4,815,507	186,390	0	117,147	491,451	944,025	313,000	2,763,494	4,815,507

Project No.	Project Name	Approved Budget 13/14	Draft Budget 14/15	Draft Budget 15/16	Total	Government Grants	MRA & HRA Revenue Contributions	Section 106	GF Revenue Cont	Borrowing	Reserves (Incl Invest to Save)	Capital Receipts	Total Funding
Chief Executive (CEO)													
Asset Strategy													
2741	L8 Control of Legionella Remedial Works	60,000	100,000	100,000	260,000					217,841		42,159	260,000
2578	Asbestos (Public Buildings)	10,000	15,000	15,000	40,000							40,000	40,000
2771	Automatic Meter Reading Equipment	41,494	22,987	30,000	94,481					94,481			94,481
2587	Energy Efficiency Programme	86,173			86,173								86,173
2542	Backlog Capital Improvements	600,000	644,850		1,244,850					1,199,111		45,739	1,244,850
2565	Implement Corporate Accommodation Strategy	538,542	185,000	150,000	873,542					873,542			873,542
ICT													
2623	Microsoft Enterprise Agreement	88,794			88,794					88,794			88,794
2738	Modernisation & Improvement Capital Fund	1,529,055	934,945		2,464,000					1,699,000	765,000		2,464,000
2877	Oracle R12 Joint Services	2,778,484			2,778,484					2,639,970	138,514		2,778,484
Regeneration													
2458	New Dagenham Library & One Stop Shop	73,666			73,666					73,666			73,666
2596	Legi Business Centres	79,978	80,000		159,978								159,978
2969	Economic Development Growth Fund	225,000	100,000		325,000								325,000
2775	BTC Public Realm - Tsq & Abbey	24,771			24,771			24,771					24,771
2625	Thames View Regen Initiative	21,499			21,499			21,499					21,499
2819	London Road/North Street Site Acquisitions	77,359	180,000	180,000	437,359					77,359		360,000	437,359
2831	Barking Station Forecourt - Phase 2 Implementation (TFL & S106)												
2821	Shopping Parade Enhancements	365,341			365,341					77,341			365,341
2854	Improvements to the rear of The Mall, Dagenham Heathway	170,009			170,009					90,000			170,009
2901	Creekmouth Arts & Heritage Trail	165,000			165,000								165,000
2902	Short Blue Place (New Market Square Barkin - Phase II)	304,469			304,469			70,812	17,685				304,469
2926	Outer London Fund Round 2	119,834			119,834								119,834
2927	Chequers/Abbey Road Public Realm Improvements	391,677			391,677			391,677					391,677
2928	Captain Cook Site Acquisition and Public Realm Works (Abbey Leisure Centre)	50,000	281,297		331,297								331,297
2841	Biking Borough Initiative (TFL)	141,200			141,200								141,200
2890	Principal Road Resurfacing (TFL)												
2891	Merry Fiddlers Jct Imp Year 2 (TFL)	384,000			384,000								384,000
2892	Cycling Greenways Year 2 (TFL)	96,000			96,000								96,000
2893	Thames Rd Cor Imp	315,000			315,000								315,000
2895	Chadwell Heath Station Impv (TFL)	288,000			288,000								288,000
2898	Local Transport Plans (TFL)	96,000			96,000								96,000
2899	River Roding Cycle Link / Goresbrook Park Cycle Links	192,000			192,000								192,000
2962	Principal Road Resurfacing 2013-14 TFL	530,137			530,137								530,137
2963	Maysbrook Neighbourhood Improvements (DIY Streets) 2013-14	288,000			288,000								288,000
2965	Safer & Smarter Travel Plans 2013-14 (TFL)	111,360			111,360								111,360
2914	Barking Job Shop Relocation	73,003			73,003								73,004
Total For CEO		10,315,846	2,544,079	475,000	13,334,925	4,285,964	0	508,759	17,685	7,491,105	903,514	487,898	13,334,925

Total General Fund	56,991,632	84,013,447	32,264,916	173,269,995	146,450,503	0	1,245,906	1,009,136	8,742,685	1,216,514	14,965,251	173,269,995
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Project No.	Project Name	Approved Budget 13/14	Draft Budget 14/15	Draft Budget 15/16	Total	Government Grants	MRA & HRA Revenue Contributions	Section 106	GF Revenue Cont	Borrowing	Reserves (Incl Invest to Save)	Capital Receipts	Total Funding
HRA													
100	Disabled Adaptations (HRA)	582,902			582,902								
2840	MAJOR WORKS (R&M) PROJ.	1,000,000	1,000,000	1,000,000	3,000,000								
2841	Heating works (Thaxted, Maxey & Humphries Houses)												
2845	Planning and Contingencies	523,180	750,000	250,000	1,523,180								
2725	Extensions and deconve	12,917			12,917								
2726	External Enveloping Work	251,244			251,244								
2728	Electrical Switchgear Project	97,685			97,685								
2731	Colene & Mersea Blocks	187,500			187,500								
2772	King William St Qtr	97,879			97,879								
2773	New Build phase 2 & 3	225,365			225,365								
2811	Capitalised Improvement Works	360,000			360,000								
2813	Estate Improvement Project	450,000			450,000								
2822	Communal Lighting and Electrical Switchgear	87,930			87,930								
2823	New Council Housing Phase 3	1,000,000	300,000		1,300,000								
2824	Oldmead & Bartlett Remedial Works	5,000			5,000								
2844	Door Entry Project 11/12	271,944	28,056		300,000								
2845	External Enveloping & Fire proofing project (including walkways)	858,614			858,614								
2847	Central Heating Installation inc. Communal Boiler Replacement	24,928			24,928								
2848	Kitchen & Bathroom Replacement Project	64,000			64,000								
2849	High Rise Surveys	392,000	400,000	500,000	1,292,000								
2850	Capitalised Improvement Works (Estates)	158,000			158,000								
2852	Adaptations - Housing	120,220	87,000		207,220								
2853	Estate Improvements	371,000			371,000								
2880	Central Heating Installation Phase 2 (Enhanced)	14,239			14,239								
2881	Kitchen, Bathroom, Central Heating and Re-wiring (Enh)	73,839			73,839								
2882	Electrical Rewiring (Enhanced)	12,021			12,021								
2933	Voids 12-14	3,000,000	1,000,000	1,000,000	5,000,000								
2934	Roof Replacement Project	1,125,100	2,874,900		4,000,000								
2935	Internal Works Multiple Elimnts	6,500,000			6,500,000								
2936	Rewiring (incl Smoke Alarms)	1,083,100			1,083,100								
2937	CCTV/SAMS Phase 2	10,000			10,000								
2938	Fire Safety Works	232,769	755,291	350,000	1,338,060								
2939	Riverside House Refurb	2,300,000	95,000		2,395,000								
2940	Door Entry Project 12/13 Phase II	1,101,948	424,182		1,526,130								
2941	Renewables (PVs) & CESP's additional External Enveloping Works	1,223,814	702,918		1,926,732								
2942	Travellers Site Refurbishment	237,000			237,000								
2943	Asbestos Removal (Communal Areas only)	150,000	250,000	250,000	650,000								
2944	R&M Set up Costs	3,129,468			3,129,468								
2945	Street Properties Acquisition	2,000,000			2,000,000								
2946	Older Persons Housing Strategy Phase 1	400,000	100,000		500,000								
2949	External Enveloping incl. Walkways Phase II	1,422,863	1,500,000		2,922,863								
2950	Central Heating Installation inc. Communal Boiler Replacement Phase II	1,489,936	1,452,938		2,942,874								
2951	Electrical Switchgear inc. Communal & Emergency Lighting Phase II	483,158			483,158								
2952	Boroughwide Estate Renewal - Gascoigne Decants	867,859	500,000	500,000	1,867,859								
2928	Boroughwide Estate Renewal - Leys Decants	141,072			141,072								
2929	Boroughwide Estate Renewal - Goresbrook Village Decants	87,000			87,000								
2956	Boroughwide Est Renewal - Leaseholders Buybacks (all)	6,690,000	2,000,000	1,500,000	10,190,000								
2957	Boroughwide Est Renewal - Resources/Masterplanning	1,198,160	400,000	400,000	1,998,160								
2958	Boroughwide Est Renewal - Demolition	4,394,800	3,780,000	2,500,000	10,674,800								
2915	Boroughwide Estate Renewal - Althorne Way	111,000			111,000								
2916	Lawris & Wood Lane Dvlpmnt	6,100,000	1,384,182		7,484,182								
2917	Abbey Road CIQ	13,493,250	6,407,000		19,900,250								
2931	Leys New Build Dev (HRA)	1,354,788	10,264,000	1,000,000	12,618,788								
2961	Goresbrook Village Housing Development 13-15	3,625,042	6,184,958	1,490,000	11,300,000								
2970	Marks Gate Open Gateway Regen Scheme	2,600,000	8,250,000	2,404,000	13,254,000								
2971	Minden Gardens	300,000			300,000								
2983	Decent Homes Backlog Programme	6,000,000	15,000,000	10,220,000	31,220,000								
2984	Becontree Heath Enveloping Project	100,000	2,900,000	2,000,000	5,000,000								
2985	West Gascoigne Upgrading	50,000	450,000	250,000	750,000								
2986	Gascoigne Estate 1		6,850,000	6,850,000	13,700,000								
2987	Stansgate New Build	225,000	5,025,000		5,250,000								
2988	Margaret Bondfield New Build	100,000	700,000		800,000								
2989	Ilchester Road New Build	100,000	1,700,000		1,800,000								
2990	Abbey Road Phase II New Build	500,000	7,000,000	7,375,000	14,875,000								
2991	North St		1,300,000	1,300,000	2,600,000								
2992	Eyeseore Sites		500,000	500,000	1,000,000								

Project No.	Project Name	Approved Budget 13/14	Draft Budget 14/15	Draft Budget 15/16	Total	Government Grants	MRA & HRA Revenue Contributions	Section 106	GF Revenue Cont	Borrowing	Reserves (Incl Invest to Save)	Capital Receipts	Total Funding
	HRA FUNDING					25,806,000	149,270,960			9,927,000		30,120,000	215,123,960
Total HRA		81,169,534	92,315,425	41,639,000	215,123,960	25,806,000	149,270,960	0	0	9,927,000	0	30,120,000	215,123,960
TOTAL CAPITAL PROGRAMME		138,161,166	176,328,872	73,903,916	388,393,954	172,256,503	149,270,960	1,245,906	1,009,136	18,669,685	1,216,514	45,085,251	388,393,955

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CABINET

18 February 2014

Title: Treasury Management Strategy Statement 2014/15	
Report of the Cabinet Member for Finance	
Open Report	For Decision
Wards Affected: None	Key Decision: Yes
Report Author: David Dickinson, Group Manager Pensions and Treasury	Contact Details: Tel: 020 8227 2722 E-mail: david.dickinson@lbbd.gov.uk
Accountable Director: Jonathan Bunt, Chief Finance Officer	
<p>Summary</p> <p>This report deals with the Treasury Management Annual Strategy Statement, Treasury and Prudential Indicators, Annual Investment Strategy and borrowing limits, in compliance with Section 15(1)(a) of the Local Government Act 2003.</p> <p>The production and approval of a Treasury Management Annual Strategy Statement and Annual Investment Strategy are requirements of the Council under Section 15(1) of the Local Government Act 2003. It is also a requirement of the Act to set an authorised borrowing limit for the forthcoming financial year.</p> <p>The Local Government Act 2003 also requires the Council to have regard to the Prudential Code, and to set prudential indicators which take into account the Council's capital investment plans for the next three years.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is asked to recommended the Assembly to:</p> <p>(i) Adopt the Treasury Management Strategy Statement for 2014/15 attached as Appendix 1 to the report and, in doing so, to:</p> <p>(a) Note the current treasury position for 2013/14 and prospects for interest rates, as referred to in sections 6 and 7 of Appendix 1;</p> <p>(b) Approve the Council's Borrowing Strategy, Debt Rescheduling Strategy and Policy on borrowing in advance of need for 2014/15 as referred to in sections 9 - 12 of Appendix 1;</p> <p>(c) Approve the Authorised Borrowing Limit (General Fund and HRA) of £500m for 2014/15, representing the statutory limit determined by the Council pursuant to section 3(1) of the Local Government Act 2003, as set out in Appendix 1B;</p> <p>(d) Approve the Treasury Management Indicators and Prudential Indicators for 2014/15, as set out in Appendix 1B;</p>	

- (e) Approve the Minimum Revenue Policy Statement for 2014/15, representing the Council's policy on repayment of debt, as set out in Appendix 1C; and
- (f) Approve the Annual Investment Strategy and Creditworthiness Policy for 2014/15 outlining the investments that the Council may use for the prudent management of its investment balances, as set out in Appendix 1D.

Reason(s)

To enable the Council to accord with the requirements of the Local Government Act 2003.

1. Introduction and Background

- 1.1 This report provides a brief explanation of the key elements of the Council's Treasury Management Strategy, its Minimum Revenue Provision (MRP) Strategy and the Annual Investment Strategy for 2014/15, which are set out in detail in Appendix 1 to this report. The Council is statutorily required to approve the Treasury Management Strategy prior to the new financial year.
- 1.2 The key elements of the Strategy relate to the following:
 - Investment Strategy – the management of the Council's cash balances;
 - Borrowing Strategy – the financing of the Council's capital programme; and
 - MRP Strategy – the Council has a duty to charge to its general fund an amount of MRP which it considers to be "prudent".
- 1.3 The report also summarises proposed changes to strategy from last year.

2. Proposal and Issues

2.1 Cash Management

- 2.1.1 The Council has cash balances arising from its operational activities, i.e. sources of income such as grants and Council Tax are received during the year and this is offset by daily expenditure to run services. Due to the timing of these cash inflows and outflows, a surplus of cash is available at any point in time for investing. This is because, in general, significant sources of income for the year such as grants are received in advance of expenditure, plus the Council also holds specific reserves for future expenditure plans.
- 2.1.2 Cash balances are also affected by "working capital", which relates to amounts of outstanding payments to be made to suppliers (accounts payable) offset by amounts owed to the Council (accounts receivable).
- 2.1.3 The Council's year-end (31 March) cash balances since 2010/ 11 are provided below:

2013/14 - £120m (estimate)
2012/13 - £110m
2011/12 - £100m
2010/11 - £ 94m

2.1.4 These balances are made up of the following sources of cash:

- Capital grants and Section 106 funds received in advance of expenditure;
- General Fund and HRA Fund balances;
- Earmarked Reserves;
- Capital Receipts;
- Provisions;
- Loans from Public Works Loan Board (PWLB) and banks to fund capital expenditure but not yet spent; and
- Working Capital.

2.1.5 At the end of December 2013, the Council's cash balances totalled £107.8m and were invested as follows:

Counterparty	£m
Internally Managed:	
Banks and Building Societies	
Lloyds Banking Group	49.3
Royal Bank of Scotland	23.9
Nationwide Building Society	5.0
Santander Group	0.1
Barclays	0.1
Money Market Funds	
Federated	3.5
Goldman Sachs	0.1
Local Authorities and Government	
UK Government GILTS	5.8
Local Authorities	20.0
Total	107.8

2.2 Prospects for Interest Rates

2.2.1 After reasonable UK growth of 0.7% in quarter 2 and 0.8% in quarter 3, the speed of the UK GDP growth is forecast to be at an even faster pace in quarter 4 of 2013. Forward surveys are also very encouraging in terms of strong growth and there are positive indications that recovery is broadening away from reliance on consumer spending and the housing market into construction, manufacturing, business investment and exporting. This strong growth has resulted in unemployment falling faster towards the threshold of 7%, set by the MPC before it said it would consider any increases in Bank Rate, than it expected last August when that threshold was initially set. Accordingly, markets are expecting a first increase in early 2015 though recent comments from MPC members have emphasised they would want to see strong growth well established, and an increase in real incomes, before they would consider raising Bank Rate.

2.2.2 Also encouraging has been a sharp fall in inflation (CPI) to 2.1% in November and forward indications are that inflation will continue to be subdued. The return to strong growth has also helped lower forecasts for the increase in Government debt by £73bn over the next five years, as announced in the Autumn Statement, and

fostered optimism for achieving a balance in the cyclically adjusted budget within five years, a year earlier than previously forecast.

2.2.3 In the United States the Federal Reserve, in December 2013, felt sufficiently confident that the premise for strong growth had been established in America that it could start to taper its asset purchases by reducing them by \$10bn per month from January 2014. These encouraging growth scenarios in the USA and UK led to a sharp jump up, in December, in short dated gilts; this, accordingly, increased the 5 and 10 year PWLB rates.

2.3 Investment Strategy

2.3.1 The Council's investments are managed on the following principles, in order of priority:

- **Security** – minimising the risk of losing cash arising from a bank failure and consequent default (as occurred with Icelandic Banks in 2008).
- **Liquidity** – ensuring the Council will have access to cash as required to meet daily expenditure obligations.
- **Yield** – after ensuring the above are met, the Council will aim to maximise interest earnings on cash invested.

2.3.2 The current economic outlook and structure of market interest rates and government debt yields have several key treasury investment:

1. Eurozone sovereign debt difficulties remain, with concerns as to how these will be managed over the next few years. Counterparty risks remain elevated and as a result the Council's strategy of using higher quality UK Bank and Building Societies for shorter time periods will remain in place during 2014/15.
2. Investment returns are forecast to remain low during 2014/15, with an average target return of 1% for the in-house Treasury section. To reach the 1% target, while ensuring risks are minimised, the Treasury section has lent a total of £25m to a number of Local Authorities, with an average duration of 22 months.

2.3.3 In the past the Council has set a minimum short term rating and long term credit rating restriction for investment. While this is a reasonable approach, the Counterparties the Council invests in are exposed to a greater range of factors that should be considered when monitoring their counterparty risk.

2.3.4 During 2014/15 the Council will continue to use the creditworthiness service provided by its advisor, Capita Asset Services, which employs a modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- Credit Default Swaps (CDS) spreads to give early warning of likely changes in credit ratings;
- Sovereign ratings to select counterparties from only the most creditworthy countries.

2.3.5 This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments and are outlined in detail in Appendix 1 section 16.

2.3.6 The use of derivative financial products will continue to be excluded from the strategy.

2.4 Borrowing Strategy

2.4.1 The Council is allowed to borrow funds from the capital markets for two purposes:

- (i) Short term temporary borrowing for day to day cash flow purposes to ensure liquidity. This is likeliest to occur during the midyear period when the Council's cash balances are lowest and Council's own cash may be tied up in longer term investments.
- (ii) Long term borrowing to finance the capital programme where the Council can demonstrate the borrowing is affordable. The Council receives external funding (e.g. grants, contributions etc) to meet a large proportion of its capital expenditure but some projects do not attract specific funding. These projects have to be funded by the Council from sources such as capital receipts from the sale of property. However in the relatively recent past, the Council has not had these funds available and therefore has had to borrow.

2.4.2 The Council's borrowing as at 31 December 2013 was made up of five elements:

- a) External loans from Public Works Loan Board and private banks - £50m;
- b) Short Term Borrowing - £11.8m;
- c) HRA PWLB Loans - £266m;
- d) PFI/finance lease liabilities - £60m; and
- e) "Internal" borrowing - £103.8m.

2.4.3 The current economic outlook and structure of market interest rates and government debt yields have an effect on borrowing decisions. With borrowing rates increasing significantly during 2013 but with investment returns remaining low the Council used internal borrowing to fund capital expenditure. Internal borrowing represents the use of surplus available cash balances to pay for capital spend, rather than undertaking new external loans.

2.4.4 In 2014/15 a continuation of low short term interest rates compared to the medium and longer term rates is expected. This indicates that it is likely that there will be an on-going "cost of carry" for holding cash through borrowing in advance of capital expenditure being incurred. Cost of carry is the difference in the borrowing cost compared to the investment return the Council can achieve were it to borrow money before it is required. As an example, were the Council were to borrow £10m at 4% but did not to use the cash during the year and reinvested it at 1%, the cost of carry would be 3% for the year, or £300k.

2.4.5 Therefore, during 2014/15, the Council will continue the strategy of keeping cash balances low and utilising internal borrowing to finance capital expenditure.

2.5 Repayment of Borrowing

2.5.1 The Council's external borrowings are all loans where the principal is repaid at maturity. A loan of £10m is scheduled to be repaid in 2014/15 and it is proposed to fund the principal repayment from revenue or generating capital receipts.

2.5.2 Internal borrowing can be also be reduced by generating capital receipts, which will replenish cash balances and in accounting terms be used for financing historic spend rather than for new capital projects.

3. Financial Implications

3.1 The financial implications are discussed in detail in this report.

4. Legal Implications

Implications completed by: Eldred Taylor-Camara, Legal Group Manager

4.1 The Local Government Act 2003 (the "Act") requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy which sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. The Council also has to 'have regard to' the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities when carrying out its functions under the Act.

4.2 This report sets out the Councils strategies in accordance with the Act.

5. Other Implications

5.1 **Risk Management** - This report has risk management issues for the Council, primarily that a counterparty could cease trading or risk that interest rates would rise adversely. The mitigation of these is contained in this report.

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

List of appendices:

- Appendix 1 – Treasury Management Strategy 2014/15
- Appendix 1A – Interest Rate Forecasts 2014 – 2017
- Appendix 1B – Prudential Indicators 2014/15 – 2016/17
- Appendix 1C – Minimum Revenue Provision Policy Statement
- Appendix 1D – Annual Investment Strategy
- Appendix 1E – Approved countries for investments
- Appendix 1F – Treasury management scheme of delegation

TREASURY MANAGEMENT STRATEGY STATEMENT 2014/15**1. Background**

- 1.1 The Council is required to operate a balanced budget, with cash raised during the year sufficient to meet the Council's cash expenditure. Treasury management supports the Council by seeking to ensure its cash flow is adequately planned, with cash being available when it is needed. Surplus cash is invested in counterparties or instruments commensurate with the Council's risk appetite, providing adequate security and liquidity before considering an investment return.
- 1.2 A second function of treasury management is funding the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses.
- 1.3 The Council is responsible for its treasury decisions, activity and risk appetite. The successful identification, monitoring and control of risk are integral elements of treasury management, including credit and counterparty risk, liquidity risk, market risk, interest risk, refinancing risk and legal and regulatory risk.
- 1.4 The Treasury Management Strategy takes into account the impact of the Council's proposed Revenue Budget and Capital Programme on the Balance Sheet position, the current and projected Treasury position, the Prudential Indicators (PIs) and the outlook for interest rates. In addition the current market conditions are factored into any decision making process.
- 1.5 As the Council is responsible for housing, PIs relating to capital expenditure, financing costs and the Capital Financing Requirement (CFR) will be split between the Housing Revenue Account (HRA) and the General Fund (GF). The impact of new capital investment decisions on housing rents will also need to be considered.

2. Reporting Requirements

- 2.1 The Council is required to receive and approve at least three main treasury reports each year. These reports are required to be adequately scrutinised by Committee before being recommended to the Council.
- 2.2 **Prudential and Treasury Indicators and Treasury Strategy** (this report) covers:
- the capital plans (including PIs);
 - a Minimum Revenue Provision policy; and
 - the Treasury Management Strategy (including the investment strategy).
- 2.3 **An annual treasury report** which outlines the actual PIs, treasury indicators and treasury operations compared to the estimates within the strategy.
- 2.4 **A mid-year treasury management report** to update Members on the progress of the capital position, amending PIs and investment strategy as necessary.

3. Treasury Management Strategy for 2014/15

- 3.1 The Local Government Act 2003 and supporting regulations require the Council to have regard to the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to:
1. set Prudential and Treasury Indicators for the next three years; and
 2. ensure the Council's capital programme is affordable, prudent and sustainable.
- 3.2 The Act requires councils to set out their treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by investment Guidance issued subsequent to the Act). This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 3.3 The Department of Communities and Local Government (DCLG) has issued revised investment guidance that came into effect from 1 April 2010, and the Council has adopted the recommendations of the guidance.
- 3.4 The strategy for 2014/15 covers two main areas:

Capital Issues

- The capital plans and the prudential indicators; and
- The minimum revenue provision (MRP) strategy.

Treasury Management Issues

- Treasury Management Advisors;
- Member and Officer Training;
- The current portfolio position;
- Economic Forecast and Prospects for Interest Rates;
- The General Fund and HRA borrowing requirement and strategy;
- Policy on borrowing in advance of need, debt rescheduling and repayment;
- The use of the Council's resources and expected investment balances;
- The Annual Investment Strategy and Investment Policies;
- Investment Counterparty Selection Criteria and Creditworthiness policy;
- Use of additional information other than credit rating;
- Policy on use of external service providers; and
- Treasury indicators which limit the treasury risk and activities of the Council.

4. Treasury Management Advisors

- 4.1 The Council uses Capita Asset Services for external treasury advice. However the Council does recognise that it is ultimately responsibility for all treasury management decisions and will ensure that undue reliance is not placed on the external advisors.
- 4.2 The Council also recognises that, if managed correctly, there is some value in receiving advice from external treasury advisor in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are documented, and subjected to regular review.

4.3 For its cash flow generated balances, the Council will utilise a range of investment instruments, as agreed within the Annual Investment Strategy restrictions (appendix 1D) in order to benefit from the compounding of interest.

5. Member and Officer Training

5.1 The CIPFA Code requires the responsible officer, the Chief Finance Officer (CFO), to ensure that members with responsibility for treasury management receive adequate training in treasury management. Training will be arranged for Members as required. The training needs of treasury management officers are periodically reviewed.

6. Economic Forecast and Prospects for Interest Rates

6.1 Economic Forecast

The long term trend is for gilt yields and PWLB rates to continue to rise, due to the high volume of gilt issuance in the UK, and of bond issuance in other major western countries. Increasing investor confidence in economic recovery is also likely to compound this effect as a continuation of recovery will further encourage investors to switch back from bonds to equities.

The overall balance of risks to economic recovery in the UK is currently weighted to the upside after a number of months of robust good news on the economy. Interest rate forecasts have been adjusted to reflect the improvement in economic conditions, with table 3 outlining Capita's central view on interest rates.

Table 3: Capita Asset Services Bank Rate and PWLB borrowing rate forecast

Annual Average %	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Mar-14	0.50	2.5	4.4	4.4
Jun-14	0.50	2.6	4.4	4.4
Sep-14	0.50	2.7	4.5	4.5
Dec-14	0.50	2.7	4.5	4.6
Mar-15	0.50	2.8	4.6	4.7
Jun-15	0.50	2.8	4.7	4.8
Sep-15	0.50	2.9	4.8	4.9
Dec-15	0.50	3.0	4.9	5.0
Mar-16	0.50	3.2	5.0	5.1
Jun-16	0.50	3.3	5.1	5.2
Sep-16	0.75	3.5	5.1	5.2
Dec-16	1.00	3.6	5.1	5.2

6.2 As interest rate forecast shows that the UK base rate is forecast to remain at 0.5% until June 2016, this would mean that short term rates are likely to remain significantly lower than long term rates throughout 2014/15.

7. Current Portfolio Position

7.1 Table 1 shows the Council's investments and borrowing balances as at 31 December 2013, including the average life and the Rate of Return.

Table 1: Council's treasury position at 31 December 2013

	Principal Outstanding 31/12/2013 £'000s	Average Rate of Return 31/12/2013 %	Average Life as at 31/12/2013 (yrs)
Fixed Rate Funding			
PWLB	275,912	3.52	37.96
Market	40,000	4.02	54.89
Local Authorities (temporary borrowing)	11,800	0.51	0.07
Total Debt	327,712	3.59	41.04
Investments (In-House)	107,800	0.90	
Net Borrowing	219,912		

- 7.2 The sum invested broadly represents the reserves, provisions and balances that the Council holds together with the impact of any difference between the collection of income and expenditure (working capital). Included in Council managed cash balances is £7m relating to the Pension fund.
- 7.3 The Council's treasury portfolio position at 31 March 2013, with forward projections are summarised in table 2. The table shows the actual external debt against the underlying capital borrowing need (CFR), highlighting any over or under borrowing.

Table 2: Council's treasury position at 31 March 2013, with forward projections

£'000s	2012/13 Actual	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
External Debt					
Debt at 1 April	335,912	325,912	315,912	305,912	315,912
Expected change in Debt	-10,000	-10,000	-10,000	10,000	0
Other long-term liabilities	59,958	57,918	55,771	53,528	51,167
Gross debt at 31 March	385,870	373,830	361,683	369,440	367,079
CFR	491,578	488,761	490,277	481,116	472,633
Under / (over) borrowing	105,708	114,931	128,594	111,676	105,554

8. The Capital Expenditure Plans 2014/15 – 2016/17

- 8.1 The Council's Housing and General Fund capital expenditure plans, together with Balances and Reserves, are the key drivers of treasury management activity. The estimates for Capital expenditure, and its funding based on current proposed Revenue Budget and Capital Programmes, are reflected in prudential indicators, which are designed to assist Members overview and confirm capital expenditure plans. The Prudential Indicators are included in Appendix 1A of this report.

- 8.2 Table 4 below shows the proposed capital expenditure over the coming three financial years. It is a requirement of the Prudential Code to ensure that capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax and, in the case of the HRA, housing rent levels.

Table 4: Proposed Capital Expenditure 2014 to 2017

Capital expenditure	2012/13	2013/14	2014/15	2015/16	2016/17
	Actual £000	Approved £000	Estimate £000	Estimate £000	Estimate £000
General Fund	57,473	57,574	84,014	32,265	(TBC)
HRA	31,059	80,587	92,315	41,639	39,757
Total	88,532	138,161	176,329	73,904	39,757
Financed by:					
Capital Grants	43,825	55,100	85,536	31,620	0
Section 106	6,120	1,592	0	0	
Revenue Contributions	931	846	400	0	0
Capital Reserves	1,056	452	765	0	0
Capital Receipts	4,521	25,684	13,026	6,375	0
HRA Contributions	17,548	47,507	65,552	35,629	39,757
Sub-Total	74,001	131,181	165,279	73,624	39,757
Net financing need for the year	14,531	6,980	11,050	280	0

- 8.3 The estimated financing need for the year in Table 3 represents a shortfall of resources resulting in a requirement to borrow. This underlying need to borrow is the CFR. The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.
- 8.4 Other long term liabilities: the above financing need excludes other long term liabilities, such as PFI and leasing arrangements, which already include borrowing instruments.
- 8.5 Sufficient headroom has been provided within the Authorised Limit on external borrowing to ensure that any major capital investment projects where finance has yet to be finalised, are not restricted by this statutory limit. The limit covers any short term borrowing for cash flow purposes as well as long term borrowing for capital projects, finance leases PFI initiatives as well as any unforeseen incidences where expected capital receipts are not forthcoming due to unexpected economic factors.

9. The Council's Borrowing Strategy and Borrowing Requirement

- 9.1 The decision to borrow is a treasury management decision and is taken by the CFO under delegated powers of the Council's constitution. The key objective of the Council's borrowing strategy is to secure long term funding for capital projects at

borrowing rates that are as low as possible. This can result in a trade off of short term returns on deposits to obtain the best possible rate on long term borrowings.

- 9.2 Treasury management, and borrowing strategies in particular, continues to be influenced by the absolute level of borrowing rates and also the relationship between short and long term interest rates. Rate forecasts indicate that interest rates will remain low until 2016 which creates a “cost of carry” between what is paid on the borrowing and what is earned on the investment for any new longer term borrowing. This is because borrowing requirements are generally over a long term period of up to 25 years, while cash is currently being invested for a maximum of a year.
- 9.3 As a result the Council will maintain an under-borrowed position throughout 2014/15. This means that the CFR will not be fully funded with loan debt during the year as cash supporting the Council’s reserves, balances and cash flow will be used as a temporary measure. This strategy is prudent as it reduces the “cost of carry” while investment returns remain low, as well as reduces the Council’s counterparty risk, which continues to be high and is likely to will continue throughout 2014/15.
- 9.4 As circumstances can change during the year, the CFO will monitor interest rates in financial markets and adopt a flexible approach to any changes. The Council’s borrowing strategy will also give consideration to the following when deciding to take-up new loans:
- Use internal cash balances while the current rate of interest on investments remains low and cash flow forecasts indicate that borrowing is not required;
 - Consideration given to weighing the short term advantage of internal borrowing against potential long term costs if long term borrowing rates begin to increase more than forecast;
 - Using PWLB or Local Authority short term fixed and variable rate loans;
 - Maintain an appropriate debt balance between PWLB and market debt;
 - Ensure new borrowings are drawn at suitable rates and periods; and
 - Consider the issue of stocks and bonds if appropriate.
- 9.5 The Council has £40m of loans which are Lender’s Options Borrower’s Option (LOBO) and all of them will be in their call period during 2014/15. A LOBO is called when the Lender exercises its right to amend the interest rate on the loan at which point the Borrower (the Council) can accept the revised terms or reject them and repay the loan. LOBO loans present a potential refinancing risk to the Council since the decision to call a LOBO is entirely at the Lender’s discretion.
- 9.6 As LOBOs currently make up 12.7% of the total external debt portfolio, this is not a significant risk. Any LOBO called will have the default position of repayment of the LOBO without penalty, i.e. the revised terms will not be accepted.

10. Self Financing

10.1 HRA Debt

Central Government completed the reform of the HRA subsidy system on 28 March 2012. The Council is required to recharge interest expenditure and income attributable to the HRA in accordance with Determination issued by the CLG.

The Determinations do not set out a methodology for calculating the interest rate to use in each instance. The Council is therefore required to adopt a policy that will set out how interest charges attributable to the HRA will be determined. The CIPFA Treasury Management Code of Practice recommends that authorities present this policy in the annual TMSS.

The Council has adopted a two loans pool approach for long term debt.

- The full £265.9m of PWLB long term debt from the HRA reform settlement is allocated to the HRA, with the remaining £50.0m of debt allocated to the GF; and
- All future long term loans are allocated into either the HRA or GF pool.

A breakdown of the HRA borrowing is provided in table 5 below:

Table 5: HRA borrowing:

Loan Type	Loan Amount	Maturity profile	Interest Rate
	£'000s	Yrs	%
PWLB	50,000	27	3.51
PWLB	50,000	37	3.52
PWLB	50,000	45	3.49
PWLB	50,000	46	3.48
PWLB	65,910	47	3.48
Total	265,910		

A debt cap of £277m has been set for the HRA, which cannot be breached. Good treasury management is required under self-financing to support the achievement of business objectives and to conform to the requirements of the debt cap as should the cap be breached the CFO and the Council as a whole would be in breach of the law.

10.2 HRA Investments

Cash balances held by the HRA will be invested as part of the Council's overall treasury strategy. Cash balances will generally earn the average rate of the Council's investments, which will be calculated at the financial year end.

Where there is agreement between the CFO and the Corporate Director of Housing and Environment, individual investments can be ring-fenced for the HRA, with the allocations made within the Council's overall treasury strategy requirements.

For further details please refer to the HRA Business Plan.

11. Policy on borrowing in advance of need

- 11.1 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved CFR estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.
- 11.2 Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.
- 11.3 Current forecasts indicate that it is unlikely that the Council will seek to borrow in advance in 2014/15.

12. Debt rescheduling and repayment

- 12.1 As short term borrowing rates are usually cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, any savings will need to be based on the current treasury position and the size of the cost of debt repayment (premiums incurred).
- 12.2 The reasons for any rescheduling to take place will include:
- the generation of cash savings and / or discounted cash flow savings;
 - helping to fulfil the treasury strategy; and
 - enhance the balance of the portfolio (amend the maturity profile).
- 12.3 Consideration will be given to identify any residual potential to make savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.
- 12.4 Any rescheduling will be reported to the Council at the earliest meeting.
- 12.5 In April 2014 a £10m PWLB loan, borrowed at 4.25%, matures. Given the high level of cash currently held, the loan is expected to be repaid and will not immediately be replaced. This will reduce the General Fund borrowing to £40m.

13. Minimum Revenue Provision Policy Statement

- 13.1 In accordance with Statutory Instrument 2008 number 414 and new guidance issued by the Government under section 21 (1A) of the Local Government Act 2003 a statement on the Council's policy for its annual MRP needs to be approved before the start of the financial year.
- 13.2 The Council are asked to approve the Minimum Revenue Provision Statement set out in Appendix 1C.

14. The use of the Council's Resources and expected investment balances

14.1 The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an on-going impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year end balances for each resource and anticipated day to day cash flow balances.

Year End Resources £'000s	2012/13 Actual	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Fund balances / reserves	231,366	234,000	212,000	212,000	226,000
Capital receipts	15,609	20,000	19,000	17,000	17,000
Provisions	8,616	8,000	8,000	8,000	8,000
Total core funds	255,591	262,000	239,000	237,000	251,000
Working capital*	28,469	30,000	30,000	30,000	30,000
External borrowing	325,912	316,000	306,000	316,000	316,000
CFR	(491,578)	(489,000)	(490,000)	(481,000)	(473,000)
Expected investments*	118,394	119,000	85,000	102,000	124,000

**Working capital balances and expected investments are estimated year end; these may be higher mid-year.*

15. Annual Investment Strategy and Investment Policies

15.1 Investment policy

The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code").

15.2 These guidelines do not apply to either trust funds or pension funds, which operate under a different regulatory regime. The key intention of the guidance is to maintain the current requirement for councils to invest prudently. The Council's investment priorities are:

- **security** of the investment capital;
- **liquidity** of the investment capital; and
- an optimum **yield** which is commensurate with security and liquidity.

15.3 In accordance with the above, and in order to minimise the risk to investments, the Council has below clearly stipulated the minimum acceptable credit quality of counterparties for inclusion on the lending list. The creditworthiness methodology used to create the counterparty list fully accounts for the ratings and watches published by all three ratings agencies with a full understanding of what the ratings reflect in the eyes of each agency. Using the Capita Asset Services ratings service, banks' ratings are monitored on a real time basis with knowledge of any changes notified electronically as the agencies notify modifications.

15.4 Further, the Council's officers recognise that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate.

- 15.5 The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as Credit Default Swaps and overlay that information on top of the credit ratings. This is encapsulated within the credit methodology provided by the advisors, Capita Asset Services.
- 15.6 Other information sources used will include the financial press and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- 15.7 The aim of the strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk. The intention of the strategy is to provide security of investment and to minimise risk.

16. Security of Capital - the Creditworthiness Policy

- 16.1 This Council applies the creditworthiness service provided by Capita Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:
- credit watches and credit outlooks from credit rating agencies;
 - CDS spreads to give early warning of likely changes in credit ratings;
 - Sovereign ratings to select counterparties from the most creditworthy countries.
- 16.2 This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments.
- 16.3 The Council will therefore use counterparties within the following durational bands:
- Yellow - 5 years (this is for AAA rated Government debt or its equivalent)
 - Pink - 5 years (this is for Enhanced money market funds)
 - Purple - 2 years
 - Blue - 1 year (only applies to nationalised or semi nationalised UK Banks)
 - Orange - 1 year
 - Red - 6 months
 - Green - 100 days
 - No colour - not to be used
- 16.4 The Capita Asset Services creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.
- 16.5 Typically the minimum credit ratings criteria the Council will use is the short term rating (Fitch or equivalent) of short term rating F1, long term rating A-, viability rating of A-, and a support rating of 1. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still

be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

16.6 All credit ratings will be monitored daily. The Council is alerted to changes to ratings of all three agencies through its use of the Capita Asset Services creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

16.7 Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on government support for banks and the credit ratings of that supporting government.

17. Use of additional information other than credit ratings.

17.1 Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating watches/outlooks) will be applied to compare the relative security of differing investment counterparties.

18. Time and monetary limits applying to investments.

18.1 The time and monetary limits for institutions on the Council's counterparty list are set out in appendix 1D (these will cover both specified and non-specified investments).

18.2 The time limits and monetary limits set out in appendix 1D are the operational criteria in normal times. At times of heightened volatility, risk and concern in financial markets, this strategy may be amended by temporary operational criteria further limiting investments to counterparties of a higher creditworthiness and / or restricted time limits.

19. Use of other Local Authorities

19.1 Where the investment is a straightforward cash loan the Local Government Act 2003 s13 suggests that the credit risk attached to English, Welsh and Scottish local authorities is an acceptable one. The Council will limit its lending to local authorities in England, Wales and Scotland.

20. Use of Multilateral Development Banks

20.1 S15 of the Local Government Act 2003 SI 2004 no. 534 amended provides regulations to clarify that investments in multilateral development banks were not to be treated as being capital expenditure. Should the Council invest in such institutions

then only such institutions with AAA credit rating and government backing would be invested in consultation with the Council's treasury adviser and the S151 Officer.

21. Use of Brokers

21.1 The Council deals with many of its counterparties directly through its daily dealings. From time to time the Council will use the services of brokers to act as agents between the Council and its counterparties when lending or borrowing. However no one broker will be favoured by the Council. The Council will ensure that sufficient quotes are obtained before investment or borrowing decisions are made via brokers.

22. Country limits and Use of Foreign Banks

22.1 The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AAA (excluding the United Kingdom) from Fitch. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy. This will ensure that the Council's investments are not concentrated in too few counterparties or countries.

22.2 Given the strength of some foreign banks the Council will invest in strong non UK foreign banks whose sovereign and individual ratings meet its AAA minimum criteria.

22.3 As the United Kingdom's sovereign rating was downgraded in 2013, the TMSS will not set a minimum sovereign rating of AAA for the United Kingdom so as to ensure continuity of being able to invest in UK banks.

23. Investment strategy

23.1 **In-house funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

23.2 **Investment returns expectations.** Bank Rate is forecast to remain unchanged at 0.5% before starting to rise from quarter 2 of 2016. Bank Rate forecasts for financial year ends (March) are:

- 2013/14 0.50%
- 2014/15 0.50%
- 2015/16 0.50%
- 2016/17 1.25%

23.3 There are upside risks to these forecasts (i.e. start of increases in Bank Rate occurs sooner) if economic growth remains strong and unemployment falls faster than expected. However, should the pace of growth fall back, there could be downside risk, particularly if Bank of England inflation forecasts for the rate of fall of unemployment were to prove to be too optimistic.

23.4 Investment instruments identified for use in the financial year are listed in Appendix 1D under the 'Specified' and 'Non-Specified' Investments categories. Counterparty limits will be as set through the Council's Treasury Management Practices – Schedules.

23.5 Alternative financial instruments such as derivatives will not currently be considered but future use will remain under review.

24. Provisions for Credit-related losses

24.1 If any of the Council's investments appeared at risk of loss due to default, (i.e. a credit-related loss and not one resulting from a fall in price due to movements in interest rates) the Council will make revenue provision of an appropriate amount. Where there is a loss of the principal amount borrowed due to the collapse of the institution, the Council will seek legal and investment advice.

25. End of year investment report

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

26. External cash managers

26.1 In December 2013 the Council recalled its remaining cash managed by an external cash manager, Investec. This was due to the current very low rates of return and the relatively poor return provided net of fees.

26.2 The use of external cash managers will be periodically reviewed during the year.

27. Pension Fund Cash

27.1 The Council manages its Pension Fund's in-house cash with its share of interest earnings credited to the Pension Fund.

27.2 From 7 April 2014 the Pension Fund will have a bank account that is separate from the Councils for investment purposes, in compliance with the Local Government Pension Scheme (Management and Investment of Funds) Regulations of 2009.

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Interest Rate Forecasts 2013 – 2017

	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
Bank rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.00%	1.25%
5yr PWLB rate	2.50%	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.40%
10yr PWLB rate	3.60%	3.70%	3.80%	3.80%	3.90%	3.90%	4.00%	4.10%	4.20%	4.30%	4.30%	4.40%	4.50%
25yr PWLB rate	4.40%	4.50%	4.50%	4.60%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.10%	5.10%	5.10%
50yr PWLB rate	4.40%	4.50%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.20%	5.20%	5.20%

This latest forecast now includes a first increase in Bank Rate in quarter 2 of 2016 (previously quarter 3) and reflects greater caution as to the speed with which the MPC will start increasing Bank Rate than the current expectations of financial markets.

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Prudential Indicators 2014/15 – 2016/17

1. The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the PIs, which are designed to assist members overview and confirm capital expenditure plans.
- 1.1 **Capital expenditure** is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts in Table 1:

Table 1: Capital Expenditure Forecast 2013 to 2017

Capital expenditure	2012/13 Actual £000	2013/14 Approved £000	2014/15 Estimate £000	2015/16 Estimate £000	2016/17 Estimate £000
Adult & Community	4,163	7,703	7,522	170	0
Children's Services	33,562	34,740	73,948	31,620	0
Environment & Housing	8,081	4,816	0	0	0
Chief Executive	9,448	10,315	2,544	475	0
Finance lease & PFI	2,219	0	0	0	0
General Fund	57,473	57,574	84,014	32,265	0
HRA	31,060	80,587	92,315	41,639	39,757
Total	88,533	138,161	176,329	73,904	39,757

Table 2 below summarises the above capital expenditure plans and how these plans will be financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Table 2: Capital Expenditure Financing Plans 2013 to 2017

Capital expenditure	2012/13 Actual £000	2013/14 Approved £000	2014/15 Estimate £000	2015/16 Estimate £000	2016/17 Estimate £000
General Fund	57,473	56,991	84,014	32,265	(TBC)
HRA	31,059	81,170	92,315	41,639	39,757
Total	88,532	138,161	176,329	73,904	39,757
Financed by:					
Capital Grants	43,825	55,100	85,536	31,620	0
Section 106	6,120	1,009	0	0	
Revenue Contributions	931	846	400	0	0
Capital Reserves	1,056	452	765	0	0
Capital Receipts	4,521	25,684	13,026	6,375	0
HRA Contributions	17,548	48,090	65,552	35,629	39,757
Sub-Total	74,001	131,181	165,279	73,624	39,757
Net financing need for the year	14,531	6,980	11,050	280	0

1.2 The Council's borrowing requirement (CFR)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

The CFR includes any other long term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. Table 3 sets out the CFR until 2016/17. The Council is asked to approve the CFR projections.

Table 3: Council's CFR 2012/13 to 2016/17

Capital expenditure	2012/13	2013/14	2014/15	2015/16	2016/17
	Actual £000	Approved £000	Estimate £000	Estimate £000	Estimate £000
Capital Financing Requirement					
CFR – General Fund	223,856	221,039	212,448	203,107	194,984
CFR – housing	267,722	267,722	277,649	277,649	277,649
Total CFR	491,578	488,761	490,097	481,756	472,633
Movement in CFR	6,140	(2,817)	1,336	(9,341)	(8,483)
Movement in CFR represented by					
Net financing need for the year	14,531	6,980	11,050	280	0
Less MRP and other financing movements	(8,391)	(9,797)	(9,714)	(9,621)	(8,483)
Movement in CFR	6,140	(2,817)	1,336	(9,341)	(8,483)

2. Affordability prudential indicators

The previous section covered the overall capital and control of borrowing PIs, but within this framework PIs are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

- 2.1 Actual and estimates of the ratio of financing costs to net revenue stream** - this PI identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream. The estimates of financing costs include current commitments and the proposals in this budget report.

%	2012/13	2013/14	2014/15	2015/16	2016/17
	Actual	Estimate	Estimate	Estimate	Estimate
General Fund	5.1	6.0	6.1	6.6	tbc
HRA	9.0	9.1	9.3	9.0	8.8

2.2 Estimates of the incremental impact of capital investment decisions on council tax (Band D) - this PI identifies the revenue costs associated with proposed changes to the three year capital programme recommended in the budget report compared to the Council's existing approved commitments and current plans. The expectation is that the budget will be based on approved capital schemes' existing commitments and current plans but, if on review, this is not the case this will be reported to Members.

£	2012/13	2013/14	2014/15	2015/16	2016/17
	Actual	Estimate	Estimate	Estimate	Estimate
Council tax - band D	0.00	0.00	0.00	0.00	0.00

2.3 Estimates of the incremental impact of capital investment decisions on housing rent levels - similar to the council tax calculation, this PI identifies the trend in the cost of proposed changes in the housing capital programme recommended in this budget report compared to the Council's existing commitments and plans, expressed as a discrete impact on weekly rent levels.

Incremental impact of capital investment decisions on housing rent levels

£	2012/13	2013/14	2014/15	2015/16	2016/17
	Actual	Estimate	Estimate	Estimate	Estimate
Weekly housing rent levels	0.00	0.00	0.00	0.00	0.00

This indicator shows the revenue impact on any newly proposed changes, although any discrete impact will be constrained by rent controls.

3. Investment treasury indicator and limit for investments greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment. They are based on the availability of funds after each year-end. The Council is asked to approve the treasury indicator and limit:

£'000s	2013/14	2014/15	2015/16	2016/17
Maximum principal sums invested > 364 days	50,000	50,000	50,000	50,000

4. Treasury Indicators: Limits to Borrowing Activity

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;

- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates; and
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

Interest rate exposures	2014/15	2015/16	2016/17
	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	70%	70%	70%
Limits on fixed interest rates:			
• Debt only	100%	100%	100%
• Investments only	80%	80%	80%
Limits on variable interest rates			
• Debt only	70%	70%	70%
• Investments only	80%	80%	80%

Maturity structure of fixed interest rate borrowing 2014/15		
	Lower	Upper
Under 12 months	0%	20%
12 months to 2 years	0%	40%
2 years to 5 years	0%	70%
5 years to 10 years	0%	70%
10 years and above	0%	100%

Maturity structure of variable interest rate borrowing 2014/15		
	Lower	Upper
Under 12 months	0%	40%
12 months to 2 years	0%	40%
2 years to 5 years	0%	70%
5 years to 10 years	0%	70%
10 years and above	0%	80%

5. Treasury Indicators: Limits to Borrowing Activity

- 5.1 **The Operational Boundary** - this is the limit beyond which external borrowing is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual borrowing.

Operational boundary	2013/14	2014/15	2015/16	2016/17
£'000s	Estimate	Estimate	Estimate	Estimate
Borrowing	336,000	375,000	395,000	395,000
Long term liabilities	60,000	58,000	56,000	54,000
Total	396,000	433,000	451,000	449,000

- 5.2 **The Authorised Limit for external borrowing** – this represents a control on the maximum level of borrowing, with a limit set, beyond which external borrowing is prohibited. This limit must be set or revised by the full Council.

It reflects the level of external borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is also a statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised. The Council is asked to approve the following Authorised Limit:

Authorised Limit £'000s	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Borrowing	442,000	441,000	445,000	438,000
Long term liabilities	60,000	59,000	57,000	55,000
Total	502,000	500,000	502,000	493,000

5.3 HRA CFR Limit - the Council is also limited to a maximum HRA CFR through the HRA self financing regime. This limit is currently:

HRA Debt Limit £'000s	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
Total	277,649	277,649	277,649	277,649

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Minimum Revenue Provision Policy Statement

- 1.1 The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the Minimum Revenue Provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).
- 1.2 CLG regulations have been issued which require the full Council to approve **an MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:
 - 1.2.1 For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:
 - **Existing practice** - MRP will follow the existing practice outlined in former CLG regulations (option 1).

These options provide for an approximate 4% reduction in the borrowing need (CFR) each year.
 - 1.2.2 From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be:
 - **Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the proposed regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3).
- 1.3 These options provide for a reduction in the borrowing need over approximately the asset's life.
- 1.4 There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made (although there are transitional arrangements in place).
- 1.7 Repayments included in annual PFI or finance leases are applied as MRP.
- 1.8 The MRP methodologies provided above are currently being reviewed by officers. Any change to the MRP methodology will be brought for agreement by Members and will be effective from 1 April 2015.

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Annual Investment Strategy

1. Treasury Management Practice: Credit and Counterparty Risk Management

1.1 In 2010 the CLG issued Investment Guidance, which forms the structure of the Council's policy below (please note that these guidelines do not apply to trust funds or pension funds which operate under a different regulatory regime). The key intention of the Guidance is to maintain the current requirement for councils to invest prudently, and that priority is given to security and liquidity before yield.

1.2 In order to facilitate this objective the guidance requires this Council to have regard to the 2011 revised CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. In accordance with the Code, the Chief Finance Officer (CFO) has produced its treasury management practices (TMPs). This part, TMP 1(5), covering investment counterparty policy requires approval each year.

1.3 Annual Investment Strategy

1.3.1 The key requirements of the Code and investment guidance are to set an annual investment strategy covering the identification and approval of the following:

- 1) The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- 2) The principles to be used to determine the maximum duration for investments.
- 3) Specified investments that the Council will use. These are high security and high liquidity investments in sterling and with a maturity of no more than a year.
- 4) Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

1.4 Specified Investments

1.4.1 Sterling investments of less than one year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

- 1) The UK Government (such as the Debt Management Account Deposit Facility, UK Treasury Bills or Gilts with less than one year to maturity).
- 2) Supranational bonds of less than one year's duration.
- 3) A local authority, parish council or community council.
- 4) Pooled investment vehicles (PIV) with a high credit rating. This covers PIVs such as money market funds, rated AAA by the rating agencies.
- 5) A body (i.e. bank of building society), of sufficiently high credit quality (at least a short term rating of F1 or the equivalent as rated by the three rating agencies).

1.5 Non-Specified Investments

1.5.1 Non-specified investments are any other type of investment (i.e. not defined as Specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investments would include any sterling investments with:

Non Specified Investment Category (maturity greater than one year)	
a.	<p>Supranational Bonds</p> <p>(a) Multilateral development bank bonds These are bonds defined as an international financial institution having as one of its objects economic development, either generally or in any region of the world (e.g. European Investment Bank etc.).</p> <p>(b) A financial institution that is guaranteed by the UK Government The security of interest and principal on maturity is on a par with the Government and so very secure. These bonds usually provide returns above equivalent gilt edged securities. However the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.</p>
b.	<p>Gilt edged securities. Government bonds which provide the highest security of interest and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.</p>
c.	<p>The Council's own bank if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible. The Council's current bankers are Lloyds Banking Group which is currently supported by the UK government.</p>
d.	<p>Any bank or building society that has a minimum long term credit rating of AA- or equivalent, for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).</p>
e.	<p>Share capital or loan capital in a body corporate – The use of these instruments will be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. Revenue resources will not be invested in corporate bodies. There is a higher risk of loss with these types of instruments.</p>
f.	<p>Pooled property or bond funds– normally deemed to be capital expenditure, and as such will be an application (spending) of capital resources. Revenue resources will not be invested in corporate bodies.</p>

1.5.2 Within categories c and d, and in accordance with the Code, the Council has developed additional criteria to set the overall amount of monies which will be invested in these bodies. This criteria is set out in section 11.3 in the body of the report. In respect of categories e and f, these will only be considered after obtaining external advice and subsequent Member approval.

1.6 The Monitoring of Investment Counterparties

1.6.1 The credit rating of counterparties will be monitored regularly. The Council receives credit rating information from its advisor as and when ratings change, and counterparties are checked promptly. Any counterparty failing to meet the criteria will be removed from the list immediately by the CFO, and if required new counterparties which meet the criteria will be added to the list.

1.6.2 During 2014/15 it is possibly that the UK Government may try and sell its remaining shares in Lloyds Banking Group (Lloyds), thereby removing the support currently provided. To manage this transition it is proposed that the following procedure will be followed should this event occur:

- 1) As soon as the UK Government announces the sale of its remaining Lloyds holding, future investments will be restricted to those allowable for banks with the same credit rating as Lloyds (currently a Fitch rating of A+). Based on the current investment criteria, this would restrict investments to a maximum of 95 days but this will be subject to the credit ratings in place at this time which will continue to be monitored.
- 2) All investments held at the time of the sale would be held to maturity, subject to agreement from the CFO, in consultation with external advisors. Whilst the UK Government continues to hold a material (>15%) equity stake in Lloyds Banking Group, Lloyds will continue to be viewed as UK Government risk and the current limits will apply.

1.7 Use of External Cash Manager(s)

1.7.1 The Council no longer uses an external cash manager within its investment portfolio. Were the Council to use an external cash manager in the future there would be a requirement for the Cash Manager to comply with the Annual Investment Strategy. Any agreement between the Council and the cash manager will stipulate guidelines, durations and other limits in order to contain and control risk. The investment restrictions for a cash manager have been included in the Credit Quality Criteria and Allowable Financial Instruments outlined below.

1.8 Credit Quality Criteria and Allowable Financial Instruments

1.8.1 The table on the following page sets out the credit quality criteria for counterparties and allowable financial instruments for Council investments:

Specified Investments: All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' quality criteria where applicable. The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

Counterparty / Financial Instrument	Minimum Credit Rating Criteria / Colour Band	Other Investment Criteria		Use	
		Maximum Duration	Counterparty Limit £m	In House	Cash Manager
Government Supported UK Bank Lloyds TSB: SIBA (Call) Accounts, Term Deposits, CDs, Structured Deposits, Corporate Bonds	Blue	Up to 1 year	£50m	Y	Y
Government Supported UK Bank - RBS SIBA (Call) Accounts Term Deposits, CDs, Structured Deposits, Corporate Bonds	Blue	Up to 1 year	£30m	Y	Y
Other UK Banks & Building Societies * SIBA (Call) Accounts Term Deposits, CDs, Structured Deposits, Corporate Bond	Orange Red Green No Colour	Up to 1 year Up to 6 Months Up to 3 months Not for use	£20m	Y	Y
Multilateral Development Banks Corporate Bonds	AAA	12 months	£10m	Y	Y
Local Authorities: Term Deposits	High Security - not credit rated	12 months	£15m per authority	Y	Y
UK Government (The in house treasury team is limited to holding and selling but not buying UK Government debt). Treasury Bills Gilts DMADF	UK Sovereign Rating	N/A	N/A	Y Y Y	Y Y Y
Money Market Funds	AAA	T+1	£15m per Manager	Y	Y
Managed Funds Gilt Funds/Bond Funds Collective Investment Schemes	Long Term rating for Fitch (AA), Moody's (Aa2), S&P (AA)	T+3	£15m	N Y	Y Y

Non-Specified Investments: These are any investments which do not meet the specified investment criteria and are held for longer than 365 days. A maximum of £55m will be held in aggregate in non-specified investments.

	Minimum Credit Rating – Based on Fitch and S&P’s Ranking			Used By	Support Rating	Maximum Maturity Period	Maximum Value (£ms) of Total Council Investment
	Short-Term	Long-Term	Viability				
Term Deposits – Local Authorities (with maturity in excess of 1 year)	High Security – although not credit rated			In House		3 years	£40m
Term deposits – Banks & Building Societies (maturity in excess of 1 year)	F1 or Equivalent	AA- or Equivalent		In-house	1	2 years	£20m
Certificates of deposit issued by banks & building societies	F1 or Equivalent	AA- or Equivalent		In-house / Cash Manager	1	2 years	£15m
UK Government Gilts with maturities in excess of 1 year	AAA			In-house / Cash Manager		5 years	£20m
Pooled Funds (Various)	F1	AAA		In-house / Cash Manager			£10m
Structured Deposits with variable rates and maturities	F1	AAA	B	In-house / Cash Manager	1	2 years	£10m
Bonds issued by: Financial Institutions with explicit UK government guarantee and Multilateral Development Banks	AAA			In-house / Cash Manager		3 years	£20m
Sovereign Bond Issues (other than UK Government)	AAA			In-house / Cash Manager		3 years	£20m
Bond Funds	AAA			In-house / Cash Manager		3 years	£20m

Key

Short Term Ratings F1 – Indicates the strongest capacity for timely repayment

Long Term Ratings A – Capacity for payment of commitments considered strong
AA – Very strong capacity for payment of commitments
AAA – Exceptionally strong capacity for payment of commitments

Individual Rating B – Strong organisation, no major concerns.
C – Adequate organisation, some concerns regarding its profitability and Balance Sheet.

Support Rating 1 – There is an extremely high probability of external support.
2 – High probability of external support
3 – Moderate probability of support

Approved countries for investments

Credit Rating as at 31 January 2014 - AAA

Australia
Canada
Denmark
Finland
Germany
Luxembourg
Norway
Singapore
Sweden
Switzerland

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Scheme of Delegation and Section 151 Officer Responsibilities

Treasury management scheme of delegation

(i) Full board/council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

(ii) Boards/committees/council/responsible body

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

(iii) Body/person(s) with responsibility for scrutiny

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

The treasury management role of the section 151 officer

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit; and
- recommending the appointment of external service providers.

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CABINET

18 February 2014

Title: Pay Policy Statement 2014/15	
Report of the Cabinet Member for Adult Services and Human Resources	
Open Report	For Decision
Wards Affected: None	Key Decision: Yes
Report Author: Martin Rayson, Divisional Director Human Resources and Organisational Development	Contact Details: Tel: 020 8227 3113 E-mail: martin.rayson@lbdd.gov.uk
Accountable Divisional Director: Martin Rayson, Divisional Director Human Resources and Organisational Development	
Accountable Corporate Director: Graham Farrant, Chief Executive	
<p>Summary:</p> <p>Under the terms of the Localism Act 2011 the Council must agree before the start of the new financial year a pay policy statement covering chief officer posts and above. The Act sets out matters which must be covered under the policy.</p> <p>The draft Pay Policy Statement for 2014/15 is included at Appendix A. It incorporates changes made in staff structures at a senior level since the last pay policy statement was agreed in 2013.</p> <p>If Cabinet are content with the policy, it will go forward to Assembly on 19 February for final approval.</p>	
<p>Recommendation(s)</p> <p>Cabinet is asked to recommend the Assembly to approve the Pay Policy Statement for the London Borough of Barking and Dagenham for 2014/15 as set out at Appendix A, for publication with effect from 1 April 2014 on the Council's website.</p>	
<p>Reason(s)</p> <p>Under the terms of the Localism Act 2011 the Assembly must agree a pay policy statement in advance of the start of each financial year.</p>	

1. Introduction and Background

- 1.1 Section 38 (1) of the Localism Act 2011 requires English and Welsh local authorities to produce a pay policy statement for senior staff (chief officers) to be agreed by all Councillors at an Assembly meeting, before the beginning of each financial year. This policy is timetabled to go to Assembly on 19 February 2014.

- 1.2 The Council produced its first pay policy statement for the 2012/13 financial year and this document follows the same format. The definition of “chief officers” covers the Chief Executive, Corporate Directors and Divisional Directors. The matters that must be included in the pay policy statement are the Council’s policy on:
- The level and elements of remuneration for each chief officer.
 - The remuneration of its lowest-paid employees (together with its definition of “lowest-paid employees” and its reasons for adopting that definition).
 - The relationship between the remuneration of its chief officers and other officers.
 - Other specific aspects of chief officers’ remuneration: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments and transparency.
- 1.3 The Localism Act defines remuneration widely, to include not just pay but also charges, fees, allowances, benefits in kind, increases in / enhancements of pension entitlements and termination payments.

2. Proposal and Issues

2.1 The pay policy statement:

- Must be approved formally by the Council (Assembly) meeting itself
- Must be approved by the end of March each year,
- Can be amended in-year
- Must be published on the Council’s website (and in any other way the Council chooses)
- Must be complied with when the Council sets the terms and conditions for a chief officer.

2.2 The statement has been updated to take account of changes during the course of the year, notably:

- The formal deletion of the post of Corporate Director, Finance and Resources;
- The creation of the Chief Finance Officer post;
- The secondment of the Corporate Director of Housing and Environment to cover the role of Director of Environment at Thurrock Council;
- The decision to appoint a temporary Director of Growth at LBBD (initially to June 2014), again a shared post with Thurrock Council;
- Amendments made to the Chief Officer salary structure, following discussions with the JNC Salary and Conditions Panel.

2.3 The Chief Executive will continue to review senior management posts as part of the process of agreeing a budget for 2015/16, including opportunities for sharing posts with other Councils.

- 2.4 The policy refers to issues of fairness and it should be noted that the Council continues to pay the highest minimum hourly rate among local authorities in London, of £9.03 per hour.

3. Financial Issues

Implications completed by: Kathy Freeman, Group Manager – Corporate Finance

- 3.1 The cost of the £9.03 per hour minimum rate was built into the Council's financial planning during the 2013/14 budget setting process.
- 3.2 As part of the Council's annual budget setting process, funding is aligned to reflect the HR establishment.
- 3.3 There are no other financial implications arising from this report.

4. Legal Issues

Implications completed by: Fiona Taylor, Head of Legal and Democratic Services

- 4.1 The Pay Policy Statement at Appendix A meets the legislative requirements under Section 38 (Pay Accountability) of the Localism Act 2011.

5. Other Implications

- 5.1 **Risk Management** - There is a Corporate Risk associated with staff morale. Pay is obviously an influence on morale. However this pay policy statement in itself does not change the risk profile of the Council.
- 5.2 **Contractual Issues** - This statement makes no changes to employees' contractual position.
- 5.3 **Staffing Issues** - The staffing issues are fully explored within the main body of the report.

Background Papers Used in the Preparation of the Report: None

List of appendices:

Appendix A – Pay Policy Statement 2014/15

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LONDON BOROUGH OF BARKING AND DAGENHAM

PAY POLICY STATEMENT 2014/15

1. Introduction – Requirement for Council Pay Policy Statement

- 1.1 Section 38 (1) of the Localism Act 2011 requires English and Welsh local authorities to produce a pay policy statement to be agreed by members before the beginning of each financial year. The Act does not apply to local authority schools. This document meets the requirements of the Act for the London Borough of Barking and Dagenham. This Pay Policy Statement covers the 2014/15 financial year.
- 1.2 The provisions of the “Act” require that councils are more open about their own local policies and how their local decisions are made. The Code of Recommended Practice for Local Authorities on Data Transparency enshrines the principles of transparency and asks councils to follow three principles when publishing data they hold: responding to public demand; releasing data in open formats available for re-use, and, releasing data in a timely way. This includes data on senior salaries and the structure of the workforce.

2. Pay and Reward Principles

- 2.1 The Council recognises that if it is to serve its communities well and deliver the objectives in the Community Strategy, it needs to be able to attract and retain talented people at all levels of the organisation. The Council’s People Strategy describes the actions we will take to ensure that we have

“the right people, with the right skills in the right places, with the right kinds of management and leadership, motivated to perform well”

- 2.2 One of the things that we must get right if we are to achieve this is our approach to reward for staff at all levels.
- 2.3 Whatever their role, the Council seeks to ensure that every member of staff is valued and remunerated on a fair and just basis. Our approach to pay is designed to ensure:
- Pay levels are affordable for the Council, at a time when we are making some very difficult decisions about spending on services to the community;
 - We can demonstrate fairness and equity in what we pay people at different levels and in different parts of the Council; and
 - Pay is set at levels which enable us to recruit and retain the quality of staff we need to help us achieve our objectives at a time of financial hardship.

- 2.4 The Council remains committed to being part of the local government national pay negotiation structure (overseen by the National Joint Council). The Council has also committed to pay all its employees in substantive posts an annual salary, which equates to at least £9 per hour.
- 2.5 Pay levels are determined through a job evaluation system. For staff at PO6 and below we generally use the Greater London Provincial Council job evaluation system. For posts at PO7 and above we use the HAY job evaluation system. Pay point 49 (£43,802) is at the top of PO6 and bottom of PO7. Each system assesses the relative “size” of the role against a range of criteria, relating to its complexity, the number of resources managed and the knowledge required to undertake the role.
- 2.6 Pay rates are generally set against the national pay spine agreed by the National Joint Council, although there are local pay points at the top of the LBBB pay scale.

3. Defining “Chief Officers”

- 3.1 The implementation of savings plans has seen a reduction in the number of “chief officer” posts year on year. At the start of the 2014/15 financial year, the Council will employ the following Chief Officers:

- Chief Executive (Head of Paid Service) (0.5fte)
- Corporate Director of Adult and Community Services
- Corporate Director of Children’s Services
- Corporate Director of Housing and Environment (0.66 fte)
- Director of Growth (0.5 fte)
- Director of Public Health
- Chief Finance Officer (Section 151 Officer)
- Head of Legal and Democratic Services (Monitoring Officer) (0.5fte)
- Divisional Director - Human Resources and Organisational Development
- Divisional Director - Regeneration
- Divisional Director - Housing Strategy
- Divisional Director - Housing and Neighbourhoods
- Divisional Director - Environment
- Divisional Director - Strategic Commissioning and Safeguarding
- Divisional Director - Targeted Support
- Divisional Director - Complex Needs and Social Care
- Divisional Director - Education
- Divisional Director - Culture and Sport
- Divisional Director - Adult Social Care
- Divisional Director - Commissioning and Partnerships

4. Accountability for Chief Officers Pay

- 4.1 The pay arrangements for chief officers are overseen by a Panel (called the JNC Salaries and Conditions Panel) appointed by the Council’s Assembly.

- 4.2 The Council's constitution sets out the responsibilities and composition of the Panel and states:

JNC Salaries and Conditions Panel - consisting of the Leader and Deputy Leader of the Council (as Chair and Deputy Chair respectively), the relevant Portfolio Holder(s), the Cabinet Member for Finance plus at least two other councillors, to consider and make final decisions in relation to salaries and conditions for JNC officers (including the Chief Executive) and the grading of any new JNC posts in line with Council policy.

5. Current Pay Policy and Base Pay Rates

5.1 Setting Salary Levels

- 5.1.1 Chief Officer roles are evaluated using the HAY job evaluation system. Spot salary levels were set for Chief Officer roles in 2008. There is a commitment to review salary levels every three years. In undertaking reviews, account is taken of the market, particularly the market in London.
- 5.1.2 In 2008 salaries were set at the top of the third quartile in comparison with equivalent roles in London at that time. This reflected the fact that whilst the London Borough of Barking and Dagenham is one of the smaller boroughs in terms of population, it is a community that faces significant challenges and therefore the view was taken that we needed to attract a good choice of senior staff with the appropriate skills and experience.
- 5.1.3 Divisional Directors' salaries were reviewed in December 2010, following structural changes made in preparation for the 2011/12 financial year. Corporate Directors' salaries have not been reviewed since 2008. A recent benchmarking exercise suggests that in most cases the salary levels for Corporate Directors and Divisional Directors are around the median level for posts around London and it is appropriate to pay at that level or just below, given the size of the borough, the state of the employment market and the pressure on LBBB budgets.

5.2 Chief Executive

- 5.2.1 The current Chief Executive was appointed initially on an interim basis in July 2012 and then permanently, subject to due notice on either side. The post is shared with Thurrock Council and the salary paid by Thurrock to the post holder is £185,000. The contribution towards the Chief Executive's salary by this Council is therefore £92,500 per annum plus on-costs. The previous LBBB Chief Executive was on a salary of £150,000.

5.3 Chief Officer Pay Range

- 5.3.1 The Chief Executive reviewed the Chief Officer pay range as part of a broader look at senior pay (which was conducted in consultation with the JNC Panel). The Chief Officer pay range was amended and the top and bottom points removed and two new points added to give greater flexibility on pay (as shared posts are created for example). The pay range is as follows:

CO1	£78,740
CO2	£89,763
CO3	£99,212
CO4	£108,661
CO5	£120,000
CO6	£131,757

5.3.2 It is appropriate for there to be some differentiation in pay levels at Divisional Director level because of the differing amounts of risk and responsibility being carried at that level.

5.3.3 The table below sets out the salaries of the chief officer posts referred to in paragraph 3.1 above:

Position	Post Status	Grade of Post	Salary cost to LBBB (excl. on-costs)
Chief Executive (Head of Paid Service)	0.5 full-time equivalent (fte) - shared with Thurrock Council (employing authority)	Not applicable (see paragraph 5.2.1 for further details)	£92,500
Corporate Director, Adult and Community Services	Full time	CO6	£131,757
Corporate Director, Children's Services	Full time	CO6	£131,757
Corporate Director, Housing and Environment	0.66 fte - shared with Thurrock Council	CO6	£87,838
Director of Growth	0.5 fte - shared with Thurrock Council (employing authority)	Not applicable (see paragraph 5.4.2 for further details)	£51,500
Director of Public Health	Full time	Not applicable (see paragraph 5.4.1 for further details)	£90,000
Chief Finance Officer (Section 151 Officer)	Full time	Not applicable (see paragraph 5.5 for further details)	£111,898
Head of Legal and Democratic Services (Monitoring Officer)	0.5 fte - shared with Thurrock Council	CO2	£44,881.50
Divisional Director, Human Resources and Organisational Development	Full time	CO2	£89,763
Divisional Director, Regeneration	Full time	CO4	£108,661
Divisional Director, Housing Strategy	Full time	CO2 + supplement (see paragraph 7.2 for further details)	£90,020.52

Divisional Director, Housing and Neighbourhoods	Full time	CO2	£89,763
Divisional Director, Environment	Full time	CO2	£89,763
Divisional Director, Strategic Commissioning and Safeguarding	Full time	CO4	£108,661
Divisional Director, Targeted Support	Full time	CO2	£89,763
Divisional Director, Complex Needs and Social Care	Full time	CO2 + market supplement (see paragraph 7.2 for further details)	£99,763
Divisional Director, Education	Full time	CO2	£89,763
Divisional Director, Culture and Sport	Full time	CO2	£89,763
Divisional Director, Adult Social Care	Full time	CO2	£89,763
Divisional Director, Commissioning and Partnerships	Full time	CO4	£108,661

5.4. Directors of Public Health and Growth

5.4.1 Following the transfer of responsibility for public health to local authorities, we have from 1st April 2013, established a Director of Public Health post. The post holder has transferred across from the NHS on current pay (£90,000) and terms and conditions, under TUPE.

5.4.2 A post of Director of Growth has been created, initially on a temporary basis until June 2014. The postholder is on a Thurrock Council salary rate of £103,000 and the contribution towards the salary by this Council is therefore £51,500 per annum plus on-costs.

5.5 Chief Finance Officer

5.5.1 The former post of Divisional Director of Finance was grade CO4 and carried a market supplement of £3,237. That post and the Corporate Director of Finance and Resources post were replaced with the new post of Chief Finance Officer in July 2013. The previous market supplement was consolidated into the grade to create an individual spot salary of £111,898 for the Chief Finance Officer position.

6. Shared Posts

6.1 Where posts are shared, regular payments are made between the respective Councils to meet the salary payments and on-costs.

7. Contingent Pay

7.1 The Council pays its Chief Officers a spot salary. There is no element of performance pay, nor are any bonuses paid. No overtime is paid to Chief Officers. There are no lease car arrangements.

7.2 There are two additional historic payments made to senior staff over and above basic salary:

- Divisional Director, Complex Needs and Social Care - £10,000 per annum (market supplement)
- Divisional Director, Housing Strategy - £257.52 per annum (experience and length of service payment)

8. Pensions

8.1 All Council employees are eligible to join the Local Government Pension Scheme. The Council does not enhance pensionable service for its employees either at the recruitment stage or on leaving the service, except in certain cases of retirement on grounds of permanent ill-health where the strict guidelines specified within the pension regulations are followed.

9. Other Terms and Conditions

9.1 Employment conditions and any subsequent amendments are incorporated into employees' contracts of employment. Chief Officer contracts state:

"Where adopted by the Council for your employment group and unless otherwise indicated in this statement, your terms and conditions of employment are as set out in the NJC (National Joint Council) for Local Government Services otherwise called the "Green Book". These terms and conditions may be supplemented by agreements reached collectively at the Greater London Provincial Council and at the Council's Employee Joint Consultative Committee."

9.2 The Council's employment policies and procedures and terms and conditions are reviewed on a regular basis in the light of service delivery needs and any changes in legislation.

10. Election Expenses

10.1 The fees paid to Council employees for undertaking election duties vary according to the type of election they participate in and the nature of the duties they undertake. All election fees paid are additional to Council salary and are subject to normal deductions for tax.

10.2 Returning Officer duties (and those of the Deputy Returning Officer) are contractual requirements but fees paid to them for national elections / referendums are paid in accordance with the appropriate Statutory Fees and Charges Order.

11. Termination / Severance Payments

11.1 Employees who leave the Council, including the Chief Executive and Chief Officers, are not entitled to receive any payments from the Council, except in the case of redundancy or retirement as indicated below.

11.2 Retirement

11.2.1 Employees who contribute to the Local Government Pension Scheme who elect to retire at age 60 or over or who are retired on redundancy or efficiency grounds over age 55 are entitled to receive immediate payment of their pension benefits in accordance with the Scheme. Early retirement, with immediate payment of pension benefits, is also possible under the Pension Scheme with the permission of the Council in specified circumstances from age 55 onwards and on grounds of permanent ill-health at any age.

11.2.2 The Council will consider applications for flexible retirement from employees aged 55 or over on their individual merits and in the light of service delivery needs.

11.3 Redundancy

11.3.1 Employees who are made redundant are entitled to receive statutory redundancy pay as set out in legislation calculated on their actual salary. The standard London Borough of Barking and Dagenham redundancy scheme applies to Chief Officers. The scheme was amended in November 2011 and a maximum of 45 weeks of actual pay is payable depending on length of service. This scheme may be amended from time to time in accordance with the Council's Constitution

11.4 Settlement Agreements

11.4.1 Where an employee leaves the Council's service in circumstances which are, or would be likely to, give rise to an action seeking redress through the Courts from the Council about the nature of the employee's departure from the Council's employment, the Council may settle such claims by way of settlement agreement where it is in the Council's interests to do so. The amount to be paid in any such instance may include an amount of compensation, which is appropriate in all the circumstances of the individual case. Should such a matter involve the departure of a Director or the Chief Executive it will only be agreed following external legal advice that it would be lawful and reasonable to pay it.

12. Fairness

12.1 It was agreed that as of 1 January 2013, no permanent member of the Council's staff should be paid less than £9 per hour (excluding those on apprenticeship schemes). This supports the Council's ambition to raise average household incomes and believes this to be an important statement in terms of pay fairness. The Council has also agreed that this should apply to all agency staff working on Council assignments.

12.2 The closest existing pay point to £9 per hour is £16,647. Based on this figure, the Council's pay multiple - the ratio between the highest paid employee and lowest paid employee - is 1:8 (1:10 in 2012/13), if we consider the Council's highest paid

employees to be the Corporate Directors on salaries of £131,757 per annum. However if we take the Chief Executive's full salary as the comparator, the ratio is 1:11.

- 12.3 The ratio between the Corporate Directors' salary level and the median earnings figure for all employees in the Council is 1:6.67 (1:9.36 when compared to the Chief Executive's full salary). The median earnings figure is for all employees as at December 2013 was £19,758 pa.
- 12.4 Across London the average ratio between the highest and lowest salaries is 1:7.2, based on an average Chief Executive salary of £180,000 and a median gross pay figure for all staff of £24,944.

13. Any Additional Reward Arrangements

- 13.1 There are none in place.

If there are any enquiries about these arrangements please apply to Martin Rayson, Divisional Director, Human Resources and Organisational Development (martin.rayson@lbbd.gov.uk)

CABINET**18 February 2014**

Title: Private Rented Property Licensing Scheme	
Report of the Cabinet Member for Crime, Justice and Communities	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Robin Payne, Divisional Director of Environmental Services	Contact Details: Tel: 0208 227 5660 E-mail: robin.payne@lbbd.gov.uk
Accountable Divisional Director: Robin Payne, Divisional Director of Environment Services	
Accountable Director: Darren Henaghan Corporate Director of Housing and Environment	
Summary	
<p>This report is to request Members to consider options to declare a Selective and Additional Licensing schemes by using discretionary powers under the Housing Act 2004, subject to meeting the necessary requirements laid down by Central Government; and to recommend to Assembly the adoption of the proposed designations at Appendix 1a and 1b. If agreed this will mean that all private rented sector housing in the borough will be covered by compulsory licensing. If adopted the borough wide Selective Licensing scheme and a borough wide Additional Licensing scheme would be known collectively as the Barking and Dagenham Private Rented Property Licensing Scheme.</p> <p>A Private Rented Property Licensing scheme will allow much greater interaction between the Council and landlords and seek to increase responsibility of landlords to deal with issues such as anti social behaviour through conditions attached to a license, as well as to improve the conditions for private tenants.</p> <p>The two designations include an additional licensing scheme targeting landlords of all houses in multiple occupation (HMOs) occupied by three or more non related occupiers sharing facilities or amenities, and a selective licensing scheme for all private landlords of other residential accommodation which fall outside the definition of HMO.</p>	
Recommendation(s)	
The Cabinet is asked to:	
<ul style="list-style-type: none"> (i) Consider the representations received in response to the consultation on the proposed introduction of additional licensing of houses in multiple occupation (HMOs) and selective licensing of other private rented property; (ii) Recommend the Assembly to resolve: 	

- (a) To designate a selective licensing area of the district of the London Borough of Barking and Dagenham as delineated and edged red on the map at Appendix 1(a) to the report;
- (b) To designate an additional licensing area of the district of the London Borough of Barking and Dagenham as delineated and edged red on the map at Appendix 1(b) to the report;
- (c) That the selective licensing scheme shall be cited as the London Borough of Barking and Dagenham Designation for an Area for Selective Licensing No 1, 2014;
- (d) That the selective licensing designation shall come into force on 1 September 2014;
- (e) That the additional licensing scheme shall be cited as the London Borough of Barking and Dagenham Designation for an Area for Additional Licensing of Houses in Multiple Occupation No 2, 2014;
- (f) That the additional licensing designation shall come into force on 1 September 2014;
- (g) That the schemes be known collectively as the Barking and Dagenham Private Rented Property Licensing Scheme;
- (h) To adopt the Private Rented Property Licensing Scheme Conditions as set out in Appendix 2 to the report;
- (i) That the fees and charges set out in Appendix 3 to the report be applied to the Private Rented Property Licensing scheme;
- (j) To delegate authority to the Corporate Director of Housing and Environment to make changes to the proposed implementation where necessary and ensure that all statutory notifications are carried out in the prescribed manner for each designation; and
- (k) To delegate authority to the Corporate Director of Housing and Environment to grant licences under the Council's Private Rented Property Licensing Scheme.

Reason(s)

The area of the London Borough of Barking and Dagenham suffers from significant and persistent anti social behaviour related to the private rented housing stock together with poor tenancy and property management.

Parts 2 and 3 of the Housing Act 2004 provides powers for local housing authorities to designate areas, or the whole of the area of its district, as subject to discretionary licensing in respect of private rented accommodation.

In the case of Part 2 designations, the authority must consider that the ineffective management of a significant number of Houses in Multiple Occupation (HMOs) is likely to

give rise to problems for occupants or members of the public.

In the case of Part 3 designations, the authority must consider that amongst other criteria, the area is experiencing significant problems caused by anti social behaviour (ASB) which the private sector landlords are failing to tackle.

The two-stage independent public consultation undertaken by M.E.L identified differences across residents, stakeholders, private rented sector (PRS) tenants, landlords and lettings agents. The outcomes were that 80% of residents and 73% of private tenants support borough-wide selective licensing and 85% of residents and 76% of tenants support borough wide additional licensing.

It was also found that 75% of landlords disagree with Selective Licensing and 46% agree with additional licensing for smaller houses with three or more non related tenants. PRS tenants all support both selective and borough wide licensing. Most landlords (83%) thought the fees proposed were too high although 29% supported a structure of varied fees. Some support the need to tackle ASB in the borough but only 26% believe the proposal will make the borough more attractive to residents.

Officers have considered the representations received in response to the consultation and their findings and conclusions are set out in this report and appendices.

These designations fall within a description of designations in relation to which the Secretary of State has issued a General Approval dated 30 March 2010.

1. Introduction and Background

- 1.1. In May 2012 the Living and Working Select Committee (LWSC) issued their report into 'The Emerging Private Rented Sector' in LBBB. This report included the recommendation that 'the Council gives consideration to a scheme for targeted, area based, mandatory licensing'. This recommendation is incorporated into the London Borough of Barking and Dagenham Housing Strategy 2013-17, but has been widened to allow for consideration of a scheme up to and including full borough wide licensing.
- 1.2. This report sets out the outcomes of work undertaken to establish whether a business case exists for adoption of discretionary powers to adopt a compulsory full or partial scheme for licensing private rented sector properties in the borough.
- 1.3. There is a growing perception that poorly managed privately rented properties are having a negative effect on neighbourhoods. Anti social behaviour, noise nuisance, and accumulations of refuse are just three issues which have been linked to the failure of private landlords to manage properties in an effective way.
- 1.4. The recent national concern over "beds in sheds" has not only highlighted an unacceptable element of private renting but also the difficulties of dealing with those rogue landlords determined to evade their legal responsibilities. This is part of a larger problem of illegal planning activities thought to be driven by the demand for private rented accommodation.

- 1.5. The private rented sector (PRS) in Barking and Dagenham is now estimated to comprise 15,000 dwellings. It now almost equates to the social rented sector in the borough and has almost doubled in size in the last five years and provides 20% of all housing in Barking and Dagenham. Compared to 16% nationally and is the only accessible housing option for many households on modest incomes.
- 1.6. The PRS is diverse in its makeup with an estimated 4,000+ landlords in the borough and nearly 80% of all private tenants receiving support through the benefits system. Growth of the PRS has been largely through the activities of 'buy to let' investors and these new landlords have replaced owner occupiers in many of our streets and neighbourhoods.

2. Proposal and Issues

- 2.1 This proposal is to introduce a borough wide Private Rented Property Licensing Scheme in addition to the Councils existing duty under the Housing Act 2004 to license some types of houses in multiple occupation (Mandatory HMO Licensing) to improve the quality and impact of the private rented sector in the borough.

Mandatory Licensing and Discretionary Licensing Powers

- 2.2 Mandatory Licensing for Houses in Multiple Occupation (HMO) was introduced in 2006 and includes all such properties of three or more storeys. The Council has a duty to require landlords to license these properties. In 2011 the housing stock profile in LBBB suggested that the number of mandatory HMOs is low at around 200 with a total number of HMOs both mandatory and shared houses at 400. Actual licensing figures show that significantly less have registered, meaning that in terms of impact such licensing has had very limited effect on improving the privately rented stock in this borough.
- 2.3 There are two designations of licensing that are discretionary adoptive powers for local authorities for all other types of private rented properties. These cover smaller HMOs (Additional Licensing) and all other single occupation private rented sector accommodation (Selective Licensing). For each designation different considerations apply (see Appendix 1a and 1b).
- 2.4 For the Council to introduce a borough wide **Selective** licensing scheme applying to non HMOs it has to be satisfied it is an area which is experiencing a significant and persistent problem caused by anti social behaviour (ASB). In addition it must show that some or all of the private sector landlords who have let premises in the area (whether under leases or licences) are failing to take action to combat the problem that it would be appropriate for them to take. If these tests are met it must then demonstrate that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, lead to a reduction in, or the elimination of, the problem.
- 2.5 In order for the Council to introduce a borough wide **Additional** licensing scheme, it must consider and then decide that a significant proportion of HMOs in the area are being managed sufficiently ineffectively as to give rise or be likely to give rise to problems for those occupying them or for members of the public.

- 2.6 In addition for both designations the Council needs to be satisfied that some or all of the private sector landlords are failing to take action to combat problems of ASB and or issues arising from poor management in their premises.
- 2.7 Further, the Council should not make a designation under either Part of the Act unless it has considered other courses of action that might provide an effective remedy for achieving the objective or objectives of the proposed designation and that the making of the designation will significantly assist the Council to deal with the problem or problems, whether or not it takes any other course of action as well.

Review of Evidence

- 2.8 Assuming the Council accepts that there is an evidence base to justify a full or partial scheme, the first effective date needs to allow a standstill period within which any legal objections can be considered. The proposal here is to set an effective day of 1 September 2014 for implementation of the scheme.
- 2.9 The Council has collected evidence from a number of sources:
- We have physically surveyed nearly 500 private rented sector properties and questioned tenants.
 - We have consulted widely through an independent agency (M.E.L) on both the issues of concern and need for extended licensing, as well as on a proposal for a specific scheme for the borough.
 - We have analysed existing evidence of crime and anti social behaviour and cross referenced these to premises known to be in private rented sector.
 - We have sought a risk assessment of the private rented sector based on anti social behaviour.
- 2.10 Some headline findings from the evidence collected is summarised below.

Selective Licensing

- 2.11 **Review of Anti Social Behaviour**_ Having regard to the definition of ASB under the Act the average percentage proportion of PRS dwellings with one or more incidences of ASB in the last three years is 16.13%. This can be considered significant given the size of the PRS in Barking and Dagenham. A full report of this analysis of LBBD ASB & PRS research findings can be found with background papers to this report.
- 2.12 Our risk assessment further concludes that while anti social behaviour is not confined to any one housing sector, there is an elevated risk of anti social behaviour in the private rented sector of the single family type.
- 2.13 Members will be aware that we have considered and taken action on many initiatives to tackle problems related to ASB for the borough and specifically in the stock we manage. This includes the adoption of recommendations arising from the Safer Stronger Communities Committee Review on How the Council's Housing Service manages Anti Social Behaviour, March 2013. This review estimated that the total HRA staffing costs for time spent dealing with ASB (including housing Officers and managers) comes to £266,348 per year. Additionally ASB services

provided by other Council departments dealing with ASB on housing estates total £248,400.

Additional Licensing

- 2.14 A condition survey in 2013 identified significant poor property and tenancy management in HMOs. Specifically,
- The average number of occupants was 5.2 with two properties having 10 and 11 residents respectively.
 - 50% were flats
 - 41% demonstrated one or more Category 1 Hazards
 - No tenants had seen an energy performance certificate, and
 - only 7.5% had seen a gas certificate
- 2.15 A full report of this analysis of LBBB ASB & PRS research findings can be found with background papers to this report.
- 2.16 Whilst our survey estimated that there was a growth in small HMOs in the borough at 7% of the total, our risk assessment estimated that small HMOs represent nearly 53% of the private rented stock.
- 2.17 **Consultation and Findings** – we consulted through various methods including, one to one interviews, open forum events, our landlord forum and online. Over 300 landlords, 252 private sector tenants, and 1071 residents took part. Results are contained in background papers – M.E.L reports on Private rented Property Licensing consultation for Barking and Dagenham

3 Service Delivery and Performance

- 3.1 The Council needs to be satisfied that it has sufficient resources available if it is decided to make both designations on a borough wide basis. The Environmental Services Division has taken a number of steps to ensure that adequate resources are available over the five year period.
- 3.2 **Fees** - An on-line licence application and payment system will be available which will be integrated with the Council's current data systems and fully functional by June 2014. This has required upgrades to the existing Flare system and will allow applications to be made and paid for on line.
- 3.3 The proposal is to allow for an early application discount so that Landlords that come forward within the 3 months prior to the effective date (1 September 2014) will be able to obtain a licence for five years for only £180. To qualify applications will need to be complete, the Landlord must not be a person of concern (with a history of poor management practice) and compliant with the terms and conditions of the licence at the time of application. Proposed standard conditions are provided as Appendix 2.
- 3.4 Where a Landlord applies at a discounted rate but their application is incomplete or there are concerns regarding their history of management, or ability to meet licence conditions then no discount will be permitted (see Appendix 3).

- 3.5 Applications made after the 31 August 2014 will be charged at £500 for up to five years (or the period outstanding in the five year scheme). This will include applications rejected above. Applications here will be subject to more intensive compliance checks and screening.
- 3.6 Applications which are the result of investigation or where there is breach of conditions, will be charged at £500 per year for the remaining period of the scheme, and will be subjected to annual inspection. Fees set here will reflect the amount of additional activity we will use to monitor and deliver the scheme at those affected properties.
- 3.7 In all cases any enforcement costs that arise will be dealt with where appropriate through charges for notices and the recovery of costs through court or formal caution procedures.
- 3.8 Appendix 3 sets out the full fee charging proposed. It is proposed to review the scheme and charges in year 3 and at that time propose whether fees for new applicants is at the published rates, or reduced for new entrants. This review will also include a need to establish whether the scheme is delivering expected outcomes and should be extended for a further five year period.
- 3.9 **Communications and Enforcement** - a publicity campaign will be launched from 1 June 2014 to encourage applications. We will seek to offer additional support to landlords where required to assist with applications, but this will be charged to provide full cost recovery.
- 3.10 From 1 September 2014 we will begin to contact those properties known to us and to advertise more broadly the consequences of not licensing. Those found to be operating and not submitting an application before 1 September will be inspected formally and enforced.
- 3.11 **Staffing** - Additional staff teams will be recruited to cover the three key areas of the project; (a) applicant support; (b) compliance inspection / regulation activities and (c) enforcement/legal activities required from September 2014 onward. Except for the enforcement activity the remaining areas will be financially supported through the proposed fee income over five years.
- 3.12 It should be noted that the Provision of Service Regulations 2009 and a decision of the Administrative Court dated 16 May 2012 prevent the Council from including costs that are not directly related to the delivery of the licensing scheme, for example for costs.
- 3.13 **Project modelling** - each key area of the project has been mapped out and service actions priorities and demands have been modelled to anticipate application numbers and follow up activity including enforcement over the life of the designations.
- 4 Options Appraisal**
- 4.1 **Option 1: Do nothing** – This option will not address the issues relating to anti social behaviour and conditions identified in the private rented sector and will not assist with improving the management of rented properties.

- 4.2 **Option 2:** Adopt a Selective Licensing scheme only – there is a risk that this will lead to an increase in the conversion of rented properties to small HMOs increasing risk to occupiers from potential overcrowding and inadequate levels of basic amenities impacting on the health of occupants.
- 4.3 **Option 3:** Adopt an Additional Licensing scheme only – The majority of the rented sector is in single household accommodation. To exclude this sector means that the council will not have the additional powers and will not be able to apply conditions to rented properties and properties will not be improved. There would be no requirement for landlords to manage anti social behaviour by their tenants and the visual amenity of the borough will not improve,
- 4.4 **Option 4:** Adopt both a Selective and an Additional Licensing scheme in a designated area of the borough – This option will allow the council to control through conditions attached to all licenses requirements for all landlords to effectively manage their properties and will improve the quality of the private rented sector; reduce anti social behaviour and improve the visual amenity within a defined area only. Evidence confirms that the impacts of the private rented sector are not restricted to defined areas of the borough.
- 4.5 **Option 5:** Adopt either a Selective Licensing scheme or an Additional Licensing scheme borough wide – Evidence confirms the private rented sector is present across all Wards and that anti social behaviour is prevalent arising from the sector across all Wards. Small HMO's are also evident across all Wards.
- 4.6 **Option 6:** Adopt both a Selective and an Additional Licensing scheme for the whole borough – This option would provide an equal and fair impact on all landlords and will address all parts of the private rented sector. **This is the preferred option.**
- 4.7 Officers have duly considered these options and the impacts and having regard to the impacts on landlords, tenants and residents are of the opinion that both a Selective and an Additional Licensing scheme borough wide will provide the necessary controls through requirements to licence and to adhere to the conditions attached will have the greatest impact on the health and welfare of tenants, will be the fairest option available to all landlords and will significantly impact on reducing anti social behaviour across the borough as a whole.

5 Consultation

- 5.1 In 2012 the Living and Working Select Committee (LWSC) commissioned a study into the private rented sector. The LWCS's report "The Emerging Private Rented Sector" was presented to the Assembly on 16 May 2012).
- 5.2 The LWSC made the following recommendation which was supported by the Assembly:

Recommendation 4:
The LWSC recommends that the Council gives consideration to a scheme for targeted, area based, mandatory licensing and continues to promote accreditation for private landlords.

- 5.3 As part of establishing the need and views of residents, formal consultation on the proposals was carried out by independent consultants on behalf of the council. In addition consultation has taken place with key portfolio holders and Members attended the formal consultation open events.
- 5.4 Consultation ran from 11 November 2013 until 18 January 2014 with a second stage consultation running for two weeks from 24 January to 7 February 2014 with landlords, residents and tenants (a total of 12 weeks) and was carried out by M.E.L Research who designed, managed and conducted the survey.
- 5.5 The consultation focused on :
- General principle of a PRS licensing scheme
 - An Additional Licensing proposal – widening the definition of licensable Houses in Multiple Occupation (HMOs) to include properties occupied by three or more non-related occupiers sharing basic facilities or amenities such as kitchens and bathrooms
 - A Selective Licensing proposal – to require all private landlords to have a licence in order to let any residential property (falling outside the HMO definition).
 - The approximate proposed licence fee.
 - Occupancy conditions
 - Tenancy management conditions
 - Property management conditions
- 5.6 The consultation was carried out by:
- Open access consultation on the council's website
 - Postal survey of known PRS landlords with properties in the borough
 - Postal surveys to identified PRS tenants
 - Door to door interviews with residents and PRS tenants in representative locations across the borough
 - Two open consultation meetings with landlords, tenants and interested residents on 12 December 2013 and 8 January 2014.
- 5.7 In total 1071 residents, 252 tenants and 300 landlords responded to the consultation. The results have been weighted by age, gender and ward and are represented of the borough. The overall outcomes were:
- Residents and tenants are strongly in support of both Selective (80% and 73%) and Additional (85% and 76%) licensing schemes borough wide.
 - Landlords taken as a group oppose Selective licensing (75%) but are even minded about Additional Licensing (46% of HMOs)
 - Residents and tenants agreed with the proposed fees (66% and 63%). However 83% of landlords felt the fees were too high. There were 32% of landlords that supported the fee structure.
 - License conditions are widely supported by tenants (82%) and residents (88%) also 27% of landlords agreed with the conditions.
 - 69% of residents agreed that schemes would have a positive effect on the borough as a whole.

- 87% of residents agree that landlords and letting agents should take firmer action against nuisance and ASB tenants

6 Financial Implications

Implications completed by: Carl Tomlinson, Finance Group Manager

- 6.1 The scheme is intended to be cost neutral with administration and compliance being financed via fee generation over a five year period. Costs per license include administration and compliance but do not include any additional enforcement.
- 6.2 Licenses are proposed to be set at a standard cost of £500 subject to final review and approval and to last for up to five years. Any scheme would be monitored and fully reviewed at years 3 and 5 include an option to declare a further five year scheme.
- 6.3 There will be a reduced fee at the start of the scheme for a defined period. Applications received after the defined period would be subject to the full five year fee irrespective of the year in which an application may be made.
- 6.4 There may be an additional fee for assisting landlords with making a correct application.
- 6.5 It is proposed that Licensing fees will be:

Applicants who apply before the commencement date of the licensing designations	£180 for a five year licence
Applicants who apply after the commencement date of the licensing designations	£500 for a five year licence
Applicants who apply after the commencement date and receive two warning letters or landlords with previous management contraventions and are of concern	£500 for a one year licence

- 6.6 Analysis of anticipated fee income for a borough wide scheme against resource requirements has been conducted assuming 60% of applications at £180, 15% at £500 for the five year period and 25% at an annual rate of £500.
- 6.7 Income will vary depending on the numbers of applications received voluntarily and those where it is necessary to identify and ensure compliance. It is estimated that the total income for the five year period on this basis is £7.620m. This assumes 100% of Landlords comply by the end of the scheme.
- 6.8 As actual income collection and resource requirements are dependent on the mix of licence fee paid, assumptions will be reviewed in line with actual uptake and the financial position updated. Flexibility within the staffing structure is necessary in order to align with resource requirements over the five year period.
- 6.9 Potential legal action poses a financial risk, however, some provision is made within the estimates

7 Legal Implications

Implications completed by: Alison Stuart, Principal Solicitor

- 7.1 Before a designation for Selective or Additional Licensing can be introduced the Council must comply with the statutory framework of the Housing Act 2004.
- 7.2 Designations for Selective Licensing can be considered and introduced for an area, or areas, in the borough, or the whole area of the borough, where a local housing authority is satisfied that either an area is, or is likely to become, an area of low housing demand and that the making of the designation, when combined with other measures, will contribute to the improvement of the social and economic conditions in the area.
- 7.3 Alternatively, designations for Selective Licensing can be considered where the local housing authorities consider that the area is suffering from anti social behaviour and the following criteria are satisfied:
- the area is experiencing a significant and persistent problem caused by anti social behaviour;
 - that some or all of the private sector landlords who have let premises in the area (whether under leases or licences) are failing to take action to combat the problem that it would be appropriate for them to take and;
 - that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, lead to a reduction in, or the elimination of, the problem.
- 7.4 The definition of “Private sector landlord” does not include a non-profit registered provider of social housing or a registered social landlord.
- 7.5 Additional matters that the Council must consider before a selective licensing designation is made are specified in sections 81 and 82 of the Housing Act 2004 and in particular that the exercise of the power is consistent with its overall housing strategy and the Council must adopt a co-ordinated approach in connection with dealing with homelessness, empty properties and anti social behaviour. Further, the Council should not make a designation unless it has considered other courses of action that might provide an effective remedy for achieving the objective or objectives of the proposed designation and that the making of the designation will significantly assist the Council to achieve the objective or objectives, whether or not it takes any other course of action as well.
- 7.6 Designations for Additional HMO licensing can be considered and introduced for an area or areas in the borough or the whole area of the borough where the local housing authority considers that a significant proportion of HMOs in the area are being managed sufficiently ineffectively as to give rise or be likely to give rise to problems for those occupying them or for members of the public. The Council must also consider before an Additional Licensing designation is made the requirements of section 57 of the Housing Act 2004 and in particular that the exercise of the power is consistent with its overall housing strategy and the Council must adopt a co-ordinated approach in connection in dealing with homelessness, empty properties and anti social behaviour. Further, the Council should not make a

designation unless it has considered other courses of action that might provide an effective remedy for achieving the objective or objectives of the proposed designation and that the making of the designation will significantly assist the Council to deal with the problem or problems, whether or not it takes any other course of action as well.

- 7.7 Where the statutory conditions for introducing a designation are satisfied the Council must undertake a prescribed process of consultation before a designation is made, including consideration of all representations received to the consultation. The Council must have taken reasonable steps to consult persons who are likely to be affected by the designation. Public notice of a designation must be given once it is made. The designation cannot come into force until the elapse of three months after the date it is made. The proposed designations in respect of Selective or Additional licensing will not require confirmation from the appropriate National Authority as the designations will be covered by a General Approval dated 30 March 2010, issued by the Department of Communities and Local Government.
- 7.8 The General Approval requires a minimum period of 10 weeks for the statutory consultation. Once made, the operation of the designations must be reviewed from time to time and if appropriate the designation may be revoked. Members should consider when the designation should be reviewed.
- 7.9 The designations may be challenged by judicial review as has been the experience of other local housing authorities. The time for seeking judicial review is three months of the date the designation is made.
- 7.10 The Provision of Service Regulations 2009 and a recent decision of the Administrative Court, prevent the Council from including the costs of enforcement of the designations within the licence fees. This means the Council will have to fund enforcement from the General Fund. The decision is the subject of an appeal to the Court of Appeal.
- 7.11 Under the Equality Act 2010 section 149, the Council must in the exercise of its functions have due regard to the need to:
- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
 - Having due regard to the need to advance equality of opportunity as set out above involves having due regard in particular to the need to:
 - Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
 - Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

7.12 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard , in particular, to the need to:

- Tackle prejudice; and
- Promote understanding

7.13 The relevant protected characteristics are

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

7.14 The Council must take note of its obligations as set out above when making a decision.

8 Other Implications

8.1 Risk Management

8.2 Budgets – the service has worked closely with finance to project the levels of costs and income associated with different levels of licence application/demand. We have benchmarked the experiences of other Councils and the discount rate is one of the ways we have used to ensure that the budget does not operate at a deficit.

8.3 IT systems in place – we have developed our existing FLARE database to include this project. This system will be operational before the effective date and will have been fully tested before it goes live. As from June 2014 we will have three months to have received all applications.

8.4 The need for enforcement will exceed the levels historically delivered in the borough. To ensure existing resources are not under undue pressure the proposal is designed to maximise compliance through the licensing process and establish clear communications and support to ensure the majority of Landlords that want to be compliant can reach required standards without enforcement. Additional enforcement costs are not included in the scheme but can be recovered through other formal actions taken.

8.5 It is possible that the scheme would lead to a reduction in available private rented properties. There is no evidence to indicate that the comparatively low levels of charge associated will discourage legitimate landlords operating in the borough. This will be reviewed in year 3.

8.6 Legal challenge in the form of Judicial Review – we have worked closely with the London Borough of Newham to ensure our processes and evidence achieves the same standard that has proven successful there.

- 8.7 **Contractual Issues** – There are no direct contractual issues associated with the proposals.
- 8.8 **Staffing Issues** – LBBD has a very small existing PRS team and one of the challenges will be to recruit a competent team before June 2014. If adopted recruitment will commence immediately and we will use a combination of short contracts, permanent recruitment and agency staff to meet the levels of activity required. This also provides an opportunity to generate new career opportunities and we will be looking at opportunities to recruit and train those interested in this area of work.
- 8.9 **Corporate Policy and Customer Impact** – The proposal aligns with corporate priorities and the Council's vision is to encourage growth and unlock the potential of Barking and Dagenham and its residents. Introducing a Private Rented Property Licensing Scheme will seek to address Priority 2 Reduced crime and fear of crime by tackling poor management including nuisance and anti social behaviour by requiring Landlords to address nuisance issues directly with their tenants.
- 8.10 Improved private rented sector homes will also significantly contribute to Priorities 1, 3 and 4, every child matters, improving the health and wellbeing of residents and contributing to thriving and sustainable communities.
- 8.11 The proposal aligns with the priority themes established by the Health and Wellbeing Board within the framework of the Children and Young People's Plan and are contained within Priority 2 Protection and Safeguarding. Specifically Theme 2 includes protection from threats to health of people via the enablers of the built environment and housing stock.
- 8.12 The proposal is contained with the Council's Housing Strategy 2012-17.
- 8.13 A full Equalities Impact Assessment (EqIA) has been completed taking into account the potential impacts in relation to race, gender, disability, sexuality, faith, age and community cohesion, and the actions to be taken to mitigate these impacts, where appropriate.
- 8.14 **Safeguarding Children** - A full EqIA has been completed taking into account how this proposal will 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.
- 8.15 A PRS licensing scheme would increase opportunities to highlight and refer children and vulnerable people at risk at an earlier stage.
- 8.16 **Health Issues** - A full EqIA has been completed taking into account the potential impacts in relation to health issues including steps to be taken to mitigate the negative effects.
- 8.17 **Crime and Disorder Issues** - A full EqIA has been completed taking into account the considerations given to the planning, implementing and monitoring of the proposal around identified crime and disorder reduction priorities in line with the Community Safety Partnership Action Plan.

- 8.18 We have consulted with the police and built in recommendation for making properties more secure from burglary and break in into our standard licence conditions.
- 8.19 Section 17 of the Crime and Disorder Act requires the Council to have regard to crime reduction and prevention in its service delivery and design. The level and spread of ASB in the private rented sector highlights the level of anti social behaviour which emanates from private rented properties and it is anticipated that a licensing scheme will have a positive impact on this.
- 8.20 If Borough wide licensing is not introduced a useful enforcement tool to control housing conditions in HMOs and reduce anti social behaviour in the private rented sector will not be available to the service area. This will reduce the potential impact of the activities of the service area.
- 8.21 **Property / Asset Issues** – The council’s accommodation plan is being applied to facilitate the required staffing to implement the proposals. There is no proposal to purchase, lease or sell property/assets and any other matter which is, or is planned to be, incorporated in the Council’s Capital Programme. The development of the team to deliver this scheme will need to be accommodated in accordance with our existing accommodation strategy.

Public Background Papers Used in the Preparation of the Report:

- M.E.L reports on Private Rented Property Licensing consultation for the London Borough of Barking and Dagenham January 2014 (available at <http://authoring/Housing/Pages/PrivateRentedLicenceReportBackgroundPapers.aspx>)
- Anti Social Behaviour and Private Rented Sector Evidence Report January 2014 (<http://authoring/Housing/Pages/PrivateRentedLicenceReportBackgroundPapers.aspx>)
- Equalities Impact Assessment Private Rented Property Licensing January 2014 (<http://authoring/Housing/Pages/PrivateRentedLicenceReportBackgroundPapers.aspx>)

List of appendices:

- Appendix 1 Designations and Maps (a) and (b)
- Appendix 2 Private rented property licensing conditions
- Appendix 3 Private rented property licensing fees structure

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Designation of an area for Selective Licensing

The London Borough of Barking and Dagenham Council Designation of an Area for Selective Licensing 2014.

The London Borough of Barking and Dagenham Council in exercise of their powers under section 80 of the Housing Act 2004 (“the Act”) hereby designates for selective licensing the area described in paragraph 4.

CITATION, COMMENCEMENT AND DURATION

1. This designation may be cited as the London Borough of Barking and Dagenham Designation for an Area for Selective Licensing No1 2014.
2. This designation is made on 19th February 2014 and shall come into force on 1st September 2014.
3. This designation shall cease to have effect on 31st August 2019 or earlier if the Council revokes the scheme under section 84 of the Act.

AREA TO WHICH THE DESIGNATION APPLIES

4. This designation shall apply to the area of the district of the London Borough of Barking and Dagenham as delineated and edged red on the map at Annex A.

APPLICATION OF THE DESIGNATION

5. This designation applies to any house¹ which is let or occupied under a tenancy or licence within the area described in paragraph 4 unless –
 - (a) the house is a house in multiple occupation and is required to be licensed under Part 2 of the Act²
 - (b) the tenancy or licence of the house has been granted by a registered social landlord³;

- (c) the house is subject to an Interim or Final Management Order under Part 4 of the Act;
- (d) the house is subject to a temporary exemption under section 86 of the Act; or
- (e) the house is occupied under a tenancy or licence which is exempt under the Act⁴ or the occupation is of a building or part of a building so exempt as defined in annex b;

EFFECT OF THE DESIGNATION

- 6. Subject to sub paragraphs 5(a) to (e) every house in the area specified in paragraph 4 that is occupied under a tenancy or licence shall be required to be licensed under section 85 of the Act.⁵
- 7. The London Borough of Barking and Dagenham Council will comply with the notification requirements contained in section 83 of the Act and shall maintain a register of all houses registered under this designation, as required under section 232 of the Act.⁶

This designation is given general approval by the London Borough of Barking and Dagenham Council

Assembly

Date: 19th February 2014

This designation falls within a description of designations in relation to which the Secretary of State has given a general approval.

¹ For the definition of "house" see sections 79 and 99 of the Act

² Section 55 of the Act defines which Houses in Multiple Occupation are required to be licensed under the Act. See also The Licensing of Houses in Multiple Occupation (Prescribed Descriptions) (England) Order 2005 (SI 2006/371)

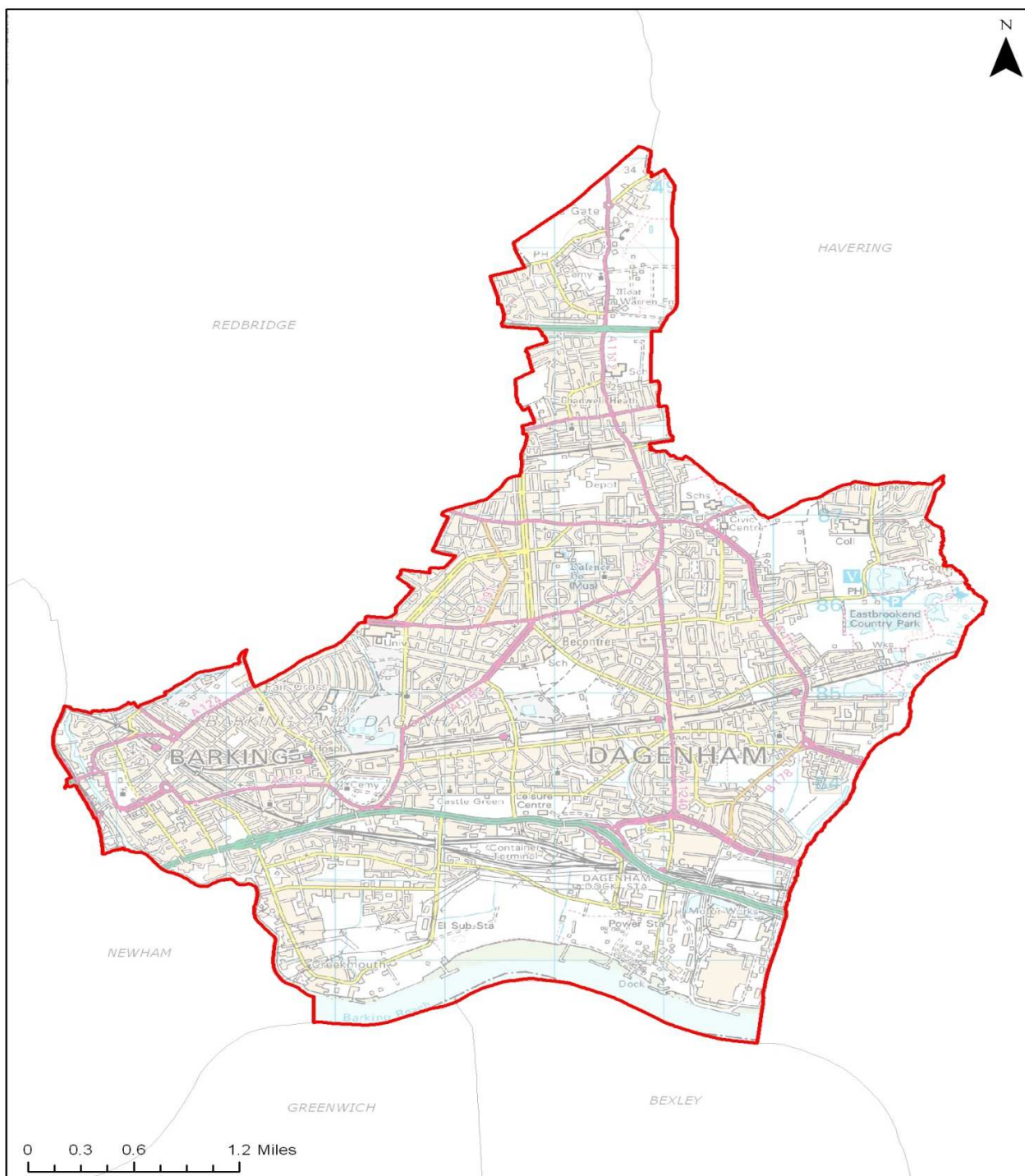
³ Section 79 (3) of the Act. For the definition of a Registered Social Landlord see Part 1 of the Housing Act 1996

⁴ Section 79 (4) of the Act and SI 370/2006

⁵ Section 86 of the Act provides for certain temporary exemption. As to suitability see section 89. Note, if the house is not suitable to be licensed the Council must make an Interim Management Order-see section 102.

⁶ Section 232 of the Act and paragraph 11 of SI/2006

Annex A – Paragraph 4: Map of Designated Area



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Annex B – Paragraph 5(d): Exempted Tenancies or licences⁷

Prohibition of occupation by law

1. A tenancy or licence of a house⁸ or a dwelling⁹ within a house where the house or the dwelling is subject to a prohibition order made under section 20 of the Act the operation of which has not been suspended under section 23.

Certain tenancies which cannot be assured tenancies

2. A tenancy which cannot be an assured tenancy by virtue of section 1 (2) of the Housing Act 1988 comprised in Part of Schedule 1 of the Act and which is:
 - (a) a business tenancy under Part II of the Landlord and Tenant Act 1954;
 - (b) a tenancy under which the dwelling-house consists of or comprises premises, which, by virtue of a premises licence under the Licensing Act 2003, May be used for the supply of alcohol (within the meaning of Section 14 of that Act) for consumption on the premises¹⁰;
 - (c) a tenancy under which agricultural land, exceeding two acres, is let together with the house¹¹;
 - (d) a tenancy under which the house is comprised in an agricultural holding or the holding is comprised under a farm business tenancy if it is occupied (whether as tenant or as a servant or agent o the tenant), in the case of an agricultural holding, by the person responsible for the control of the farming of the holding, and in the case of a farm business tenancy, by the person responsible for the control of the management of the holding¹²

Tenancies and licences granted etc by public bodies

3. A tenancy or licence of a house or dwelling within a house that is managed or controlled¹³ by:
 - (a) a local housing authority;
 - (b) a police authority established under section 3 of the Police Act 1996 or the Metropolitan Police Authority established under section 5B of that Act;
 - (c) a fire and rescue authority under the Fire and Rescue Services Act 2004;
 - (d) a health service body within the meaning of section 4 of the National Health Service and Community Care Act 1990.

Tenancies, licences etc regulated by other enactments

4. A tenancy, licence or occupation of a house which is regulated under the following enactments:
 - (a) sections 87 to 87D of the Children Act 1989;
 - (b) section 43 (4) of the Prison Act 1952;
 - (c) section 34 of the Nationality, Immigration and Asylum Act 2002;
 - (d) The Secure Training Centre Rules 1998¹⁴ ;

- (e) The Prison rules 1998¹⁵;
- (f) The Young Offender Institute Rules 2000¹⁶;
- (g) The Detention Centre Rules 2001¹⁷;
- (h) The Criminal Justice and Court Service Act 2000 (Approved Premises) Regulations 2001¹⁸;
- (i) The Care Homes Regulations 2001¹⁹;
- (j) The Children's Homes Regulations 2001²⁰;
- (k) The Residential Family Centres Regulations 2002²¹.

Certain student lettings etc

5. A tenancy or licence of a house or a dwelling within a house –
- (a) which is managed or controlled by a specified educational establishment or is of a specified description of such establishments and
 - (b) the occupiers of the house or dwelling are undertaking a full time course of further or higher education at the specified establishment²² and
 - (c) the house or dwelling is being managed in conformity with an Approved Code of Practice for the management of excepted accommodation under section 233 of the Act²³

Long leaseholders

6. A tenancy of a house or a dwelling within a house provided that –
- (a) the full term of the tenancy is for more than 21 years and
 - (b) the tenancy does not contain a provision enabling the landlord (or his successor his in title) to determine it other than by forfeiture, earlier than at the end of the term and
 - (c) the house or dwelling is occupied by a person to whom the tenancy was granted or his successor in title or by any members of either of those person's family.

Certain family arrangements

7. A tenancy or licence of a house or a dwelling within a house where –
- (a) the person who has granted the tenancy or licence to occupy is a member of the family of the person who has been granted the tenancy or licence and
 - (b) the person who has granted the tenancy or licence to occupy is the freeholder or long leaseholder of the house or dwelling and
 - (c) the person occupies the house or dwelling as his only or main resident (and if there are two or more persons at least one of them so occupies).

Holiday lets

8. A tenancy or licence of a house or a dwelling within a house that has been granted to the person for the purpose of a holiday.

Certain lettings etc by Resident Landlord etc

9. A tenancy or licence of a house or a dwelling within a house under the terms of which the person granted the tenancy or licence shares the use of any amenity with the person granting that tenancy or licence or members of that person's family. An "amenity" includes a toilet, personal washing facilities, a kitchen or a living room but excludes any area used for storage, a staircase, corridor or other means of access.

Interpretation

In Annex B –

- (a) a "person" includes "persons", where the context is appropriate;
- (b) a "tenancy" or "Licence" includes "a joint tenancy" or "joint Licence", where the context is appropriate;
- (c) "long leaseholder" in paragraph 7 (b) has the meaning conferred in paragraphs 6 (a) and (b) and in those paragraphs the reference to "tenancy" means a "long lease";
- (d) A person is a member of the family of another person if –

- (i) he lives with that person as a couple;
- (ii) one of them is a relative of the other; or
- (iii) one of them is, or is a relative of, one member of a couple and the other is a relative the other member of the couple

and

- (iv) For the purpose of this paragraph –

- (1) "couple" means two persons who are married to each other or live together as husband and wife or in an equivalent arrangement in case of person of the same sex;
- (2) "relative" means a parent, grandparent, child, grandchild, brother, sister, uncle, aunt, nephew, niece or cousin;
- (3) A relationship of the half-blood is to be treated as a relationship of the whole blood and
- (4) A stepchild of a person is to be treated as his child

⁷ See The Selective Licensing of Houses (Specified Exemptions) (England) Order 2006 SI 370/2006

⁸ Sections 79 (2) and 99 of the Act

⁹ For the definition of a dwelling – see section 99 of the Act

¹⁰ See paragraph 5 of Schedule 1 of the 1988 Act as amended by section 198 (1) and paragraph 108 of schedule 6 of the Licensing Act 2003

¹¹ For the meaning of "agricultural land" section 26 (3) (a) of the General Rate Act 1967

¹² See paragraph 7 of Schedule 1 of the 1988 Act as amended by section 40 and paragraph 34 of the Schedule to the Agricultural Tenancies Act 1995

¹³ For the definition of "person managing" and "person having control" see section 263 of the Act

¹⁴ SI 472/1998 as amended by SI 3005/2003

¹⁵ SI 728/1999 as amended by SI 1794/2000, SI 1149/2001, SI 2116/2002, SI 3135/2002. SI 3301/2003 and SI 869/2005

¹⁶ SI 3371/2000 as amended by SI 2117/2002, SI 3135/2002 and SI 897/2005

¹⁷ SI 238/2001. Section 66 (4) of the Nationality, Immigration and Asylum Act 2002 provides that the reference to a detention centre is to be construed as a reference to a removal centre as defined in Part VIII of the Immigration and Asylum Act 1999

¹⁸ SI 850/2001

¹⁹ SI 664/2004, SI 696/2004, SI 1770/2004, SI 2071/2004 SI and SI 3168/2004

²⁰ SI 3967/2001 as amended by SI 865/2002, SI 2469/2002, SI 664/2004 and SI 3168/2004

²¹ SI 3213/2002 as amended by SI 664/2004, SI 865/2004 and SI 3168/2004

²² See the schedule to The Houses in Multiple Occupation (Specified Education Establishments) (England) (No 2) Regulations 2006 for the list of specified bodies

²³ The relevant codes of practice are approved under SI 646/2006 – The Housing (Approval of Codes of Management Practice) (Student Accommodation) (England) Order 2006

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Designation of an area for Additional Licensing

The London Borough of Barking and Dagenham Council Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2014.

The London borough of Barking and Dagenham Council in exercise of their powers under section 56 of the Housing Act 2004 (“the Act”) hereby designates for additional licensing of Houses in Multiple Occupation (“HMSs”) the area described in paragraph 4.

CITATION, COMMENCEMENT AND DURATION

1. This designation may be cited as the London Borough of Barking and Dagenham Council Designation for an Area for Additional Licensing of Houses in Multiple Occupation **No.2. 2014.**
2. This designation is made **on 19th February 2014** and shall come into force on **1st September 2014.**
3. This designation shall cease to have effect on **31st August 2019** or earlier if the Council revokes the scheme under section 60 of the Act.

AREA TO WHICH THE DESIGNATION APPLIES

4. This designation shall apply to the area of the district of the London Borough of Barking and Dagenham as delineated and edged red on the map at Annex A. This excludes the existing licensing designation cited as the London borough of Barking and Dagenham Designation for an Area for Selective Licensing No1 2009.

APPLICATION OF THE DESIGNATION

5. This designation applies to all Houses in Multiple Occupation within the area described in paragraph 4 unless –
 - (a) the building is of a description specified in annex c (Buildings that are not HMOs for the purpose of the Act – other than Part1);
 - (b) the HMO is subject to an Interim or Final Management Order under Part 4 of the Act;

- (c) the HMO is subject to a temporary exemption under section 62 of the Act; or
- (d) the HMO is required to be licensed under section 55 (2) (a) of the Act (mandatory licensing).¹

EFFECT OF THE DESIGNATION

- 6. Subject to sub paragraphs 5(a) to (d) every HMO of the description specified in that paragraph in the area specified in paragraph 4 shall be required to be licensed under section 61 of the Act.²
- 7. The London borough of Barking and Dagenham Council will comply with the notification requirements contained in section 59 of the Act and shall maintain a register of all houses registered under this designation, as required under section 232 of the Act.³

This designation is given general approval by the London Borough of Barking and Dagenham Council

Assembly

Date: 19th February 2014

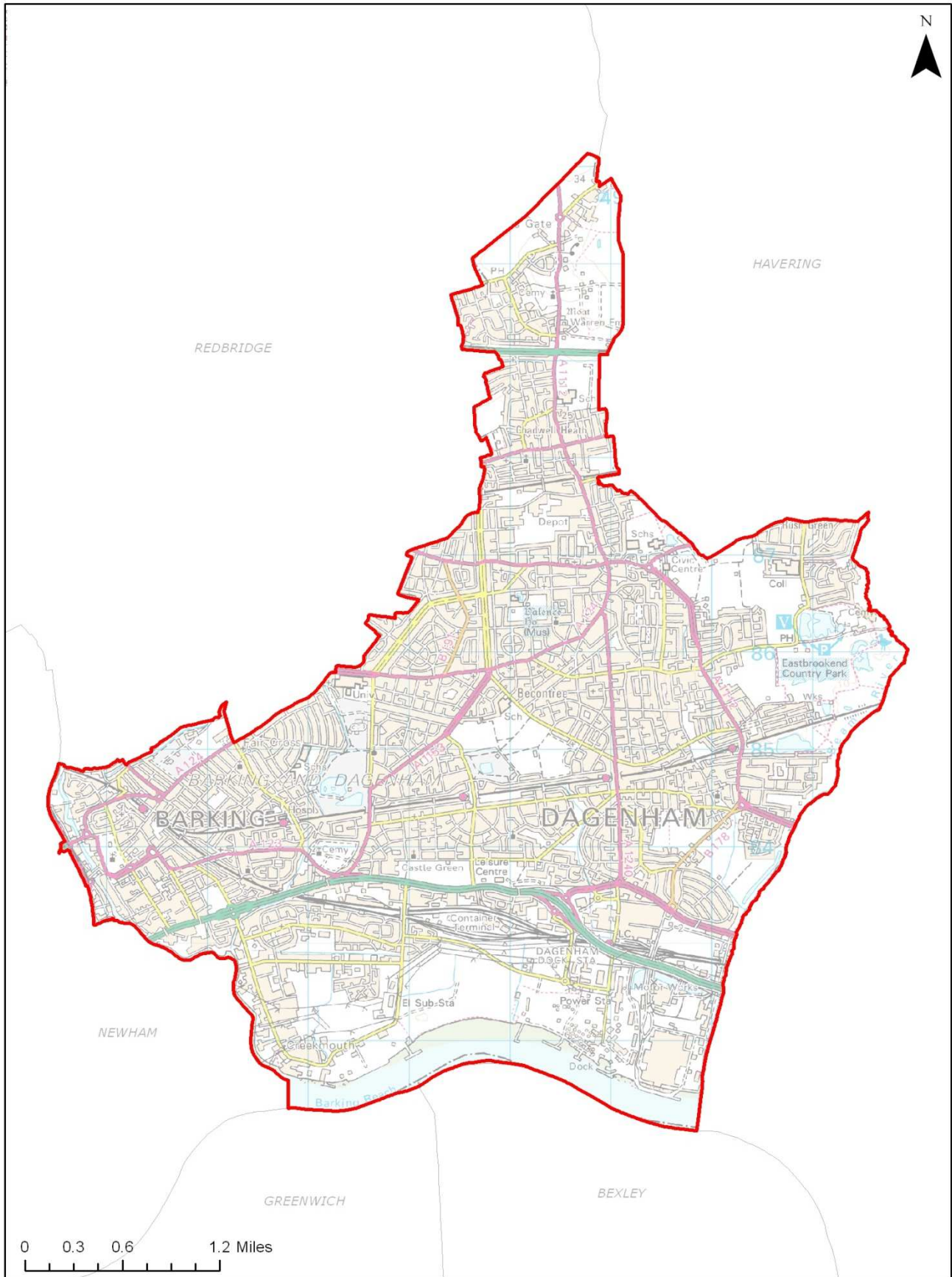
This designation falls within a description of designations in relation to which the Secretary of State has given a general approval.

¹ For the application of mandatory licensing see SI 371/2006 – The Licensing of Houses in Multiple Occupation (Prescribed Descriptions) (England) Order 2006

² Section 62 of the Act provides for certain temporary exemption. As to suitability see section 64. Note, if the house is not suitable to be licensed the Council must make an Interim Management Order – see section 10

³ Section 232 of the Act and paragraph 11 of SI 373/2006

ANNEX A – Paragraph 4: Map of Designated Area



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ANNEX B – Paragraph 5: HMOs subject to the designation;

- (1) For the purposes of the designation a building or a part of a building is a “house in multiple occupation” if –
- (a) it meets the conditions in subsection (2) (“the standard test”);
 - (b) it meets the conditions in subsection (3) (“the self-contained flat test”);
 - (c) it meets the conditions in subsection (4) (“the converted building test”);
 - (d) an HMO declaration is in force in respect of it under section 255 of the Act;
- or
- (e) it is a converted block of flats to which section 257 of the Act applies.
- (2) A building or a part of a building meets the standard test if –
- (a) it consists of one or more units of living accommodation not consisting of a self-contained flat or flats;
 - (b) the living accommodation is occupied by person who do not form a single household (see section 258 of the Act);
 - (c) the living accommodation is occupied by those person as their only or main residence or they are to be treated as so occupying it (see section 259 of the Act);
 - (d) their occupation of the living accommodation constitutes the only use of that accommodation;
 - (e) rents are payable or other consideration is to be provided in respect of at least one of those persons’ occupation of the living accommodation; and
 - (f) two or more of the households who occupy the living accommodation share one or more basic amenities or the living accommodation is lacking in one or more basic amenities.
- (3) A part of a building meets the self-contained flat test if –
- (a) it consist of a self-contained flat; and
 - (b) paragraphs (b) to (f) of subsection (2) apply (reading references to the living accommodation concerned as references to the flat).
- (4) A building or part of a building meets the converted building test if –
- (a) it is a converted building;
 - (b) it contains one or more units of living accommodation that do not consist of a self-contained flat or flats (whether or not it also contains any such flat or flats);
 - (c) the living accommodation is occupied by persons who do not form a single household (see section 258 of the Act);
 - (d) the living accommodation is occupied by those person as their only or main residence or they are to be treated as so occupying it (see section 259 of the Act);
 - (e) their occupation of the living accommodation constitutes the only use of that accommodation; and
 - (f) rents are payable or other consideration is to be provided in respect of at least one of those person’ occupation of the living accommodation.

- (5) But for any purposes of the designation a building or part of a building within subsection (1) is not a house in multiple occupation if it is listed in Annex c below.

References to an HMO include (where the context permits) any yard, garden, outhouses, outbuildings and appurtenances belonging to, or usually enjoyed with, it (or any part of it).

Interpretation

In Annex B –

- “basic amenities” means –
 - (a) A toilet,
 - (b) Personal washing facilities, or
 - (c) Cooking facilities;
- “converted building” means a building or part of a building consisting of living accommodation in which one or more units of such accommodation have been created since the building or part was constructed;
- “enactment” includes an enactment comprised in subordinate legislation (within the meaning of the Interpretation Act 1978 (c. 30));
- “self-contained flat” means a separate set of premises (whether or not on the same floor) –
 - (a) which forms part of a building;
 - (b) either the whole or a material part of which lies above or below some other part of the building; and
 - (c) in which all three basic amenities are available for the exclusive use of its occupants.

ANNEX C – Paragraph 5(a): Buildings that are not HMOs for the purpose of the Act⁴

Buildings controlled or managed by public bodies etc⁵

1. A building where the person managing or having control of it is⁶:
 - (a) a local housing authority;
 - (b) a police authority established under section 3 of the Police Act 1996 or the Metropolitan Police Authority established under section 5B of that Act;
 - (c) a fire and rescue authority under the Fire and Rescue Services Act 2004;
 - (d) a health service body within the meaning of section 4 of the National Health Service and Community Care Act 1990;
 - (e) a body which is registered as a social landlord under Part 1 of the Housing Act 1996.

Buildings regulated by other enactments⁷

2. A tenancy, licence or occupation of a house which is regulated under the following enactments:
 - (a) sections 87 to 87D of the children Act 1989;
 - (b) section 43 (4) of the Prison Act 1952;
 - (c) section 34 of the Nationality, Immigration and Asylum Act 2002;
 - (d) The Secure Training Centre Rules 1998⁸;
 - (e) The Prison rules 1998⁹;
 - (f) The Young Offender Institute Rules 2000¹⁰;
 - (g) The Detention Centre rules 2001¹¹;
 - (h) The Criminal Justice and Court Service Act 200 (Approved Premises) Regulations 2001¹²;
 - (i) The Care Homes Regulations 2001¹³;
 - (j) The Children’s Homes Regulations 2001¹⁴;
 - (k) The Residential Family Centres Regulations 2002.¹⁵

⁴ Schedule 14 of the Act and SI 373/2006

⁵ Paragraph 2 of schedule 14

⁶ For the definition of “person managing” and “person having control” see section 263 of the Act

⁷ Paragraph 3 of schedule 14 and paragraph 6 (1) and schedule 1 of SI 373/2006

⁸ SI472/1998 as amended by SI 3005/200

⁹ SI 728/1999 as amended by SI 1794/2000, SI 1149/2001, SI 2116/2002, SI 3135/2002. SI 3301/2003 and SI 869/200

¹⁰ SI3371/2000 as amended by SI 2117/2002, SI 3135/2002 and SI 897/20

¹¹ SI 238/2001. Section 66 (4) of the Nationality, Immigration and Asylum Act 2002 provides that the reference to a detention centre is to be construed as a reference to a removal centre as defined in Part VIII of the Immigration and Asylum Act 1999

¹² SI 850/2001

¹³ SI 3965/2001 as amended by SI 865/2001. SI 534/2003, SI 1590/2003, SI 1703/2003, SI 1845/2003, SI 664/2004, SI 696/2004, SI 1770/2004, SI 2071/2004 SI and SI 3168/200

¹⁴ SI 3967/2001 as amended by SI 865/2002, SI 2469/2002, SI 664/2004 and SI 3138/2004

¹⁵ SI 3213/2002 as amended by SI 664/2004, SI 865/2004 and SI 3168/2004

Certain student lettings etc¹⁶

3. A building –

- (a) which is managed or controlled by a specified educational establishment or is of a specified description of such establishments
and
- (b) the occupiers of the house or dwelling are undertaking a full time course of further or higher education at the specified establishment¹⁷
and
- (c) the house or dwelling is being managed in conformity with an Approved code of Practice for the management of excepted accommodation under section 233 of the Act.¹⁸

Religious communities¹⁹

4. A building which is occupied principally for the purpose of a religious community whose principal occupation is prayer, contemplation, education or the relief of the suffering except if the building is a converted block of flats to which section 257 of the Act applies.

Buildings occupied by owners²⁰

5. A building which is only occupied by –

- (a) One or more persons who hold the freehold or a leasehold interest granted for a term of more than 21 years of the whole, or any part of, the building
- (b) And/or any member of the household²¹ of that person or persons but this exemption does not apply to a converted block of flats to which section 257 of the Act applies, except for ascertaining the status of any flat within the block.

Buildings occupied by Resident Landlord etc²²

6. A building which is occupied by a person or person to whom paragraph 5 applies (subject to the proviso therein) and no more than two other persons²³, not forming part of the owner's household.

¹⁶ Paragraph 4 of schedule 14

¹⁷ See the schedule to The Houses in Multiple Occupation (Specified Educational Establishments) England) (No 2) Regulations 2006 for the list of specified bodies

¹⁸ The relevant codes of practice are approved under SI 646/2006 – The Housing (Approval of Codes of Management Practice) (Student Accommodation) (England) Order 2006

¹⁹ Paragraph 5 of schedule 14

²⁰ Paragraph 6 of Schedule 14

²¹ For the definition of "household" see section 258 (2) and paragraphs 3 and 4 of SI 373/2006 Paragraph 6 of Schedule 14

²² Paragraph 6 (2) of SI 373/200

²³ Paragraph 6 (2) of SI373/200

Buildings occupied by two persons²⁴

7. Any building which is only occupied by two person (forming two households)

Meaning of “building”

8. In this annex a “building” includes a part of a building.

²⁴ Paragraph 7 of schedule 1



Private Rented Property Licensing Conditions

1. Permitted Occupation

A new resident must not be permitted to occupy the house or any part of the house if that occupation:

- exceeds the maximum permitted number of persons for the house as detailed in the schedule of permitted occupation below
- exceeds the maximum permitted number of households for the house
- exceeds the maximum permitted number of persons for any letting as detailed in the schedule of permitted occupation below

A new resident means a person who was not an occupier of the house and/or the specific room

Letting	Location	Area (sq m)	Max Permitted number per Room
Room 1	First Floor Front	-	-
Room 2	First Floor Rear	-	-

at the date of the issue of the licence

Total Maximum Permitted Number of Person for the House

Total Maximum Permitted Number of Households

Comments

Occupation is determined at point of application by room sizes, facilities and amenities

2. Tenancy management

The licence holder shall supply the occupiers of the property with a written statement of the terms on which they occupy the property and details of the arrangements in place to deal with repair issues and emergency issues. Copies of the written statement of terms must be provided to the Council for inspection within 7 days upon demand.

The licence holder shall obtain references from person who wish to occupy a letting in the property before entering into any tenancy, licence or other agreement with them to occupy the accommodation. No new occupiers shall be allowed to occupy the accommodation if they are unable to provide a reference.

The licence holder must retain all references obtained for occupiers for the duration of this license and provide copies to the Council within 28 days on demand.

The licence holder shall protect any deposit taken under an assured short-hold tenancy by placing it in a statutory tenancy deposit scheme. The tenant must be given the prescribed information about the scheme being used at the time the deposit is taken. This information must be provided to the Council within 28 days on demand.

The licence holder must provide to the Council details in writing of the tenancy management arrangements that have been, or are to be, made to prevent or reduce anti-social behaviour by persons occupying or visiting the property. Copies of these must be provided to the Council within 28 days on demand.

The following arrangements shall be implemented to fulfil the requirements of this condition:

- Provision of an emergency 24hr contact number (including out of hours response arrangements)
- Formal arrangements for the disposal of rubbish and bulky waste
- Maintenance of written records of property inspections for management and repair issues at least once every 6 months

The licence holder shall ensure that inspections of the property are carried out at least every six months to identify any problems relating to the condition and management of the property. The records of such inspections shall be kept for the duration of this license. Copies of these must be provided to the Council within 28 days on demand.

Anti-social behaviour

The licence holder shall effectively address problems of anti-social behaviour resulting from the conduct on the part of occupiers of, or visitors to the premises by complying the requirements of paragraphs (a) to (i) below:

- (a) The Licence holder must not ignore or fail to take action, if he has received complaints of anti-social behaviour (ASB) that concern the visitors to or occupiers of the premises or result from their actions.

- (b) Any letters, relation to anti-social behaviour, sent or received by the licence holder, or agent of the licence holder, must be kept for 3 years by the licence holder.
- (c) The licence holder must ensure that written notes are kept of any meetings or telephone conversations or investigations regarding anti-social behaviour for 3 years.
- (d) If a complaint is received, or anti-social behaviour is discovered, the licence holder must contact the tenant within 14 days. The tenant must be informed of the allegations of the anti-social behaviour in writing and of the consequences of its continuation.
- (e) The licence holder shall from the date of receipt of the complaint of anti-social behaviour, monitor any allegations of anti-social behaviour and whether it is continuing.
- (f) Where the anti-social behaviour is continuing after 28 days from receipt of the complaint, the licence holder, or his agent must within 7 days visit the premises and the tenant with a warning letter advising them of the possibility of eviction.
- (g) Where the licence holder or his agent has reason to believe that the anti-social behaviour involves criminal activity the licence holder shall ensure that the appropriate authorities are informed.
- (h) If after 14 days of giving a warning letter the tenant has taken no steps to address the anti-social behaviour and the ASB is continuing the licence holder shall take formal steps under the written statement of terms for occupation, e.g. the tenancy agreement or licence and which shall include promptly taking any legal proceedings to address the anti-social behaviour.
- (i) Where the licence holder is specifically invited they shall attend any case conferences or multiagency meetings arranged by the Council or Police.

3. Property Management

Gas

The licence holder shall ensure that all gas installations and appliances are in a safe condition at all times. The licence holder have available a current valid gas safety certificate obtained within the last 12 months. This must be provided to the Council within 28 days on demand.

Electricity

The licence holder shall ensure that all electrical appliances provided in the property are in a safe condition. The licence holder must submit to the Council, for their inspections, an electrical appliance test report in respect of all electrical appliances that are supplied by the landlord to the Council within 28 days on demand.

Refuse Storage and disposal

No refuse shall be kept in the front or rear garden other than in an approved storage container for that purpose.

Pest Control

Where the licence holder becomes aware of a pest problem or infestation at the property he shall take steps to ensure that a treatment program is carried out to eradicate the pest infestation. Records shall be kept of such treatment programs and these must be provided to the Council within 28 days on demand.

Fire Safety

The licence holder shall install and maintain in good working order appropriate smoke alarms, compliant with current British Standards, in the property and shall submit to the Council, upon request, a declaration by him as to the condition and positioning of such alarms.

Where appropriate to the system installed and the use of the property i.e. HMO, the licence holder shall ensure that any fire fighting equipment and fire alarms are maintained in good working order. The licence holder must submit to the Council, for their inspection, a copy of all periodical inspections report/test certificates for any automatic fire alarm system, emergency lighting and fire fighting equipment provided in the property. These must be provided to the Council within 28 days on demand.

The licence holder shall ensure that furniture made available in the property is in a safe condition. All upholstered furniture and covers and fillings of cushions and pillows should comply with current fire safety legislation. A declaration as to the safety of such furniture must be provided to the Council within 28 days on demand.

Thermal insulation

The Licence holder shall ensure the provision of structural thermal insulation and the insulation of water tanks where applicable.

Property Exterior

The licence holder shall ensure that properties are maintained in such a manner so as not to be detrimental to the amenities of the neighbourhood.

- Gutters and downpipes must be kept clear and be securely fixed
- Boundary walls and fences must be maintained to ensure security of the premises
- Windows and doors must be securely fixed to prevent unauthorised entry and kept in good repair and painted (where appropriate)
- Walls and roofs must be maintained to protect the integrity of the premises.
- Gardens, yards and footpaths within the curtilage of the property must be kept tidy and litter free
- Any footpath crossings must conform to current Council policies

4. Documents to be displayed or provided within a tenants pack by the landlord

Having regard to relevant regulations;

The licence holder shall provide or display a copy of the licence to which these conditions apply in the common parts of the property.

The licence holder shall provide or display a notice with the name, address and emergency contact number of the licence holder or managing agent in the common parts of the property.

The licence holder shall provide or display a copy of the current gas safety certificate in the common parts of the property.

The licence holder shall provide or display an Energy Performance Certificate (EPC) for all accommodation for which EPCs are applicable at the end of the existing tenancy at the time the licence was dated and issued.

Where documents are provided within a tenant pack a copy of such pack and evidence stating the date issued to a tenant shall be provided to the Council with 28 days on demand.

5. General

The licence holder must advise the Council's Property Licensing Team in writing of any proposed changes to the construction, layout or amenity provision of the house that would affect the licence or licence conditions.

The licence holder must arrange for access to be granted at any reasonable time and must not obstruct council officers carrying out their statutory duties including the surveying of the property to ensure compliance with licence conditions and any relevant legislation.

The licence holder shall if required by written notice provide the Council with following particulars as may be specified in the notice with respect to the occupancy of the house:

- The names and numbers of individuals/households accommodated specifying the rooms they occupy within the property.
- Number of individuals in each household

The particulars shall be provided to the Council within 28 days on demand.

The licence holder shall inform the Council of any change in ownership or management of the house.

The licence holder shall ensure that whilst any alteration or construction works are in progress, the work is carried out to ensure that safety to all persons occupying or visiting the premises.

The licence holder shall ensure that on completion of any works, the property shall be left in a clean tidy condition and free from builders' debris.

For planning and building regulations queries please refer to the planning pages on the Council's website telephone or contact

- Planning Service, Town Hall, 1 Town Square, Barking IG11 7LU
- Telephone 0208 227 3933

Failure to comply with any licence condition may result in proceedings including fines up to £5,000 per infringement and loss of the licence.

The property licence and conditions do not imply or grant by inference or otherwise any approval or permission for any other purposes including those for Building Control, Development Control and under The Regulatory Reform (Fire Safety) Order 2005. Conversely compliance with any of those requirements does not confer or imply compliance with the requirements of the Housing Act 2004 including property licensing.

Any requirements relating to the licence and conditions are without prejudice to assessments and appropriate actions including enforcement actions under the Housing Act 2004. This includes actions to deal with category 1 and category 2 hazards as may be identified under House Health and Safety Rating System (HHSRS) and does not preclude such action.



Private Rented Property Licensing Schedule of Fees and Charges

- | | |
|--------|--|
| Page 2 | 1. Initial Licence Fees Applicable |
| Page 2 | 2. Renewable Licence Fees Applicable |
| Page 2 | 3. Variation Application Licence Fees Applicable |
| Page 3 | 4. Other Application Licence Fees Applicable |

1. Initial Licence Fees Applicable

- 1.1 All fees are applicable on application for a licence. All Licences will expire on the 31st August 2019 unless the London Borough of Barking and Dagenham has issued an annual licence.

The proposed fee and licence duration structure is set out below:-

Applicants who apply before the commencement date of the licensing designations	£180.00 for duration of the scheme
Applicants who apply before the commencement date of the licensing designations and are landlords with previous management contraventions or are of concern*	£500 for a one year licence
Applicants who apply after the commencement date of the licensing designations	£500 for the duration of the scheme
Applicants who apply after the commencement date and are of concern*	£500 for a one year licence

- 1.2 Where the London Borough of Borough of Barking and Dagenham has had to take enforcement action, the licence may be revoked or varied by LBBDD and require a new licence to be applied for.

2. Renewal

- 2.1 The renewal fee shall be the same as a new applications (full rate)

3. Variation Application Licence Fees Applicable

Proposed Licence Variation	Variation Application Fee
Change of address details of any existing licence holder, manager, owner, mortgagor, freeholder, leaseholder etc	No fee
Change of mortgagor, owner, freeholder, and leaseholder (unless they are also the licence holder or manager)	No fee
Reduction in the number of maximum occupiers and/or households for licensing purposes	No fee
Variation of licence instigated by the Council	No fee
Change of licence holder	£500.00
Change of manager (unless they are also the licence holder)	No fee
Increase in the number of maximum occupiers and/or households for licensing purposes, through increasing the number of habitable rooms, change in room sizes, and/or amenity provision	No fee

4. Other Fees and Charges Applicable

4.1 These fees are applicable as appropriate in relation to licensing applications, or where properties are licensed.

Action	Applicable Fee
Revocation of licence	No fee
Application to licence following revocation of licence	£500.00
Application refused by the Council	Application fee with no refund
Application withdrawn by the applicant	Application fee with no refund
Application made in error	No fee, and a refund will be made

*A Person of concern is a person who has or is being investigated for fraud relating to tenancies or is subject to enforcement action or prosecution relating to contraventions under the Housing Acts and associated regulations

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