

Notice of Meeting

ASSEMBLY

Wednesday, 19 February 2014 - 7:00 pm
Council Chamber, Town Hall, Barking

To: Members of the Council of the London Borough of Barking and Dagenham

Chair: Councillor A K Ramsay
Deputy Chair: Councillor E Kangethe

Date of publication: 11 February 2014

Graham Farrant
Chief Executive

Contact Officer: Margaret Freeman
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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 paragraph 12.3 of Article 1, Part B in relation to Council Tax arrears apply to the "Budget Framework 2014/15" report at item 8.
3. **Minutes - To confirm as correct the minutes of the meeting held on 4 December 2013 (Pages 3 - 10)**
4. **Death of former Councillor Mrs Patricia Northover (Page 11)**
5. **New Year's Honour List 2014 - Award of MBE to Jeremy West (Page 13)**
6. **Formation of UK Independence Party Group and Appointment to Committees (Pages 15 - 17)**
7. **Barking & Dagenham Youth Forum Annual Report 2012/13 (Pages 19 - 26)**
8. **Budget Framework 2014/15 (Pages 27 - 57)**
9. **Treasury Management Strategy Statement 2014/15 (Pages 59 - 97)**

10. **Pay Policy Statement 2014/15 (Pages 99 - 110)**
11. **Private Rented Housing Licensing Scheme (Pages 111 - 151)**
12. **Proposed Byelaw to Ban Skateboarding in Arboretum Place and Town Square, Barking (Pages 153 - 212)**
13. **Independent Persons - Extension of Engagement (Pages 213 - 217)**
14. **Constitution Review (Pages 219 - 244)**
15. **Motions**
16. **General Question Time**
17. **Any other public items which the Chair decides are urgent**
18. **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 Assembly, except where business is confidential or certain other sensitive information is to be discussed. The list below shows why items are in the private part of the agenda, with reference to the relevant legislation (the relevant paragraph of Part 1 of Schedule 12A of the Local Government Act 1972 as amended). ***There are no such items at the time of preparing this agenda.***

19. **Any 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 ASSEMBLY

Wednesday, 4 December 2013
(7:00 - 7:45 pm)

PRESENT

Councillor A K Ramsay (Chair)
Councillor E Kangethe (Deputy Chair)

Councillor S E Ahammad	Councillor S Alasia
Councillor J L Alexander	Councillor A Gafoor Aziz
Councillor S J Bremner	Councillor L Butt
Councillor E Carpenter	Councillor J Channer
Councillor J Clee	Councillor J Davis
Councillor R Douglas	Councillor C Geddes
Councillor D Hunt	Councillor M Hussain
Councillor A S Jamu	Councillor I S Jamu
Councillor E Keller	Councillor G Letchford
Councillor J E McDermott	Councillor M McKenzie MBE
Councillor M Mullane	Councillor E O Obasohan
Councillor J Ogungbose	Councillor B Poulton
Councillor C Rice	Councillor L Rice
Councillor D Rodwell	Councillor T Saeed
Councillor A Salam	Councillor L A Smith
Councillor S Tarry	Councillor D Twomey
Councillor G M Vincent	Councillor J Wade
Councillor P T Waker	Councillor J R White
Councillor M M Worby	

APOLOGIES FOR ABSENCE

Councillor S Ashraf	Councillor G Barratt
Councillor P Burgon	Councillor H J Collins
Councillor R Gill	Councillor M A McCarthy
Councillor D S Miles	Councillor T Perry
Councillor H S Rai	Councillor L A Reason
Councillor L R Waker	

35. Declaration of Members' Interests

There were no declarations of interest

36. Death of Warrant Officer Class 2 Ian Michael Fisher, 3rd Battalion the Mercian Regiment (Staffords) - 5 November 2013

The Chair made a statement regarding the tragic death of Warrant Officer Class 2 Ian Michael Fisher, who had been killed in action on 5 November 2013 when his vehicle had been subjected to an attack by a suicide vehicle-borne improvised explosive device on the final day of a two-day operation to disrupt insurgent activity in the vicinity of Kamparak, 25 miles north east of the provincial capital

Lashkar Gah in Helmand Province, Afghanistan.

Warrant Officer Class 2 Fisher, aged 42, leaves a wife, Emma, two sons, James aged seven and William aged five, and his parents, Simon and Helen.

The Assembly stood for a minute's silence as a mark of respect.

37. Minutes (2 October 2013)

The minutes of the meeting held on 2 October 2013 were confirmed as correct.

38. Appointments

Assembly agreed the following appointments:

- **Councillor Butt** as Lead Member of the Living and Working Select Committee;
- **Councillor Ahammad** as Deputy Lead Member of the Living and Working Select Committee
- **Councillor Lynda Rice** to the London Borough of Barking & Dagenham Fostering Panel

39. Corporate Parenting

Assembly received this report, introduced by the Cabinet Member for Children's Services, Councillor White, which provided an update on the Corporate Parenting arrangements in the borough, particularly in relation to the progress and outcomes of the Members' Corporate Parenting Group (MCPG).

Referring to the Members' Briefing that had taken place at 6pm in this Chamber, presented by Skittlz, the LBBDC Children in Care Council, Councillor White emphasised the responsibility on each of the Members of this Council for the children who were in corporate care. He stated that:

- there were over 450 children in corporate care;
- all Members have looked after children in their wards and must take the role of corporate parenting seriously, acting as parents and ensuring that the needs of those children were catered for;
- the children should be listened to and treated in the same way as we treat our own children.

The Chair of the MCPG, Councillor Letchford, reiterated Councillor White's comments and advised that Members also had a responsibility for care leavers.

He went on to outline the success of the Streetbase and Splash cards, Health Passports and the Pledge: Promises to our Children in Care, which had been developed in conjunction with Skittlz.

Referring to MCPG meetings, Councillor Letchford advised that the appropriate services and organisations were always represented, as in the event that a member was unable to attend, a substitute representative would attend in their place.

He advised that he had visited other Councils and that this borough is one of the

most advanced and progressive in terms of Corporate Parenting.

Assembly noted:

- (i) the roles and responsibilities of all Councillors as corporate parents to looked after children and care leavers;
- (ii) the progress being achieved by the Members' Corporate Parenting Group;

and agreed:

- (iii) to identify those areas falling within their remit, and that of other councillors, to be reviewed in order to support the work of the Members' Corporate Parenting Group;
- (iv) to endorse and sign the pledge promises to looked after children and young people.

40. Small Business Friendly Borough Award

Assembly received and noted this report introduced by the Cabinet Member for Regeneration, Councillor Geddes, which provided background to the Small Business Friendly Borough Awards run by the Federation of Small Businesses and London Councils.

Councillor Geddes had attended the awards ceremony on 5 September 2013 and had been delighted to accept on behalf of the borough the award for "Best all round small business friendly borough", which award commends councils for successfully implementing wide-ranging policies to support and develop the local micro and small business community.

Councillor Geddes noted his thanks to his predecessor, Councillor McCarthy, and to officers.

Members added their congratulations and thanks to officers for their support.

41. Constitution Review - Contract Procedure Rules

Assembly received this report, introduced by the Chief Finance Officer relating to the review and amendment of the Council's Contract Rules.

Assembly agreed:

1. the adoption and implementation of the proposed new Contract Rules (as set out in Appendix A to the report) in replacement for the current Contract Rules, Contracts Code of Practice and Contract Guidance Notes in the Council's Constitution.
2. to note the establishment of the corporate Procurement Board and the gateway processes which aim to embed a stronger compliance and governance culture across the Council.
3. to delegate authority to the Chief Executive, in consultation with the Head of Legal Services and Monitoring Officer, to make all necessary, procedural

and/or incidental amendments to the new Contract Rules in order to ensure their provisions reflect changes in the law and best practice and that the Rules dovetail with the rest of the Constitution;

4. to delegate authority to the Chief Executive, in consultation with the Head of Legal Services and Monitoring Officer, to make all necessary and/or incidental amendments to the Constitution in order to bring the new Contract Rules into effect.

42. Constitution Review - Financial Rules

Assembly received this report, introduced by the Chief Finance Officer relating to the review and amendment of the Council's Financial Regulations and Rules.

Assembly **agreed**:

1. the new Financial Regulations and Rules for full adoption across the Council (as set out in Appendix A of the report);
2. to authorise the Chief Finance Officer to vary the revised corporate limits set out in section 2 and Appendix B of the report where changes were considered to improve the efficiency of the Council's financial operations without unacceptably increasing risk; and
3. to authorise the Monitoring Officer to make the necessary amendments to the Council's Constitution.

43. Treasury Management Mid-Year Review

Assembly received this report, introduced by the Chief Finance Officer, updating Members on treasury management activities in the current year.

Assembly **agreed** to approve the following changes to the Treasury Management Strategy Statement 2013/14:

- (i) Remove the variable counterparty limit for Lloyds Bank, which is currently the higher of £40m or 40% of total investable cash, to a fixed limit of £50m;
- (ii) Allow the in-house treasury section to manage (hold and sell), but not purchase, UK government GILTS with maturities in excess of one year and up to a maximum maturity period of five years; and
- (iii) Allow the in-house treasury section to invest in non-UK banks that meet the minimum credit rating colour band up to a maximum of £10m per counterparty and up to a total limit of £30m for all non-UK banks.

44. Motions

1. Academy status consultation

Moved by Councillor Vincent and seconded by Councillor Wade:

"The Council notes that school governing bodies now have the authority to convert into Academies via an Academy Order. There is a legal duty to consult.

This Council believes that the consultation should be meaningful and that parents should have a say about the status of their children's school and education provider.

This Council recommends that any school consulting on whether or not to apply for an order so that it can become an Academy, undertakes a detailed consultation with parents and all interested parties. This could include holding a ballot with parents in a school affected prior to the making of an application in order for governors to be fully informed of parental wishes and before any application for an order is made."

In accordance with the provisions of paragraph 14.9 of Part B, Article 2 of the Council Constitution, the Chair exercised his discretion in allowing the Leader of the Council, Councillor Smith, to move the following amendment, which was seconded by Councillor Mullane:

In moving the amendment, Councillor Smith said that since the publication of the motion on this agenda, the situation had changed with more recent developments around pressure on local authority maintained schools to move towards academy status, and as a result was causing concerns for Members to the extent that the wording should be amended as follows:

"This Council notes that schools now have the power to convert into Academies with a minimum of consultation.

"This Council believes that parents should have the final say on the status of their children's schools, and so calls on any school consulting on whether or not to become an Academy – whether through choice or by direction – to hold a ballot of parents."

Members spoke in support of the amended motion.

Councillor P Waker recorded thanks to the Executive Head of Beam and Leys Primary School, Leigh Culyer, and the Head Teachers of Beam and Leys respectively, Tracey Whittington and Grant Krog, for the work that they had done in this connection.

In response, Councillor Vincent thanked Members for their support and confirmed his personal support of the proposed amendment as moved by Councillor Smith.

The amendment was put to the vote and was unanimously **carried**, thus becoming the substantive motion, which was then put the vote and unanimously **carried**.

2. Closure of the Broad Street Walk-in Centre

Moved by Councillor Mullane and seconded by Councillor Worby:

"This Council believes that the first port of call of all residents for healthcare should be their family doctor. We support the government view that care should be delivered 'closer to home'. We believe that A&E is not the place for routine healthcare or minor injuries. However, we believe there is a long way to go yet before access to GPs is as good as it needs to be, with people waiting too long for appointments and a lack of availability seven days a week and into the evening. Walk-in Centre services are vital for getting people fast and flexible access to the healthcare they need, fitting around busy working and family life. We therefore reject the Clinical Commissioning Group's move to close the Walk-in Centre at Broad Street in Dagenham, and urge them to think again about this decision."

In seconding the motion, the Cabinet Member for Health, Councillor Worby, referred to previous debates in this Chamber regarding the pressures on our local A&E Departments and stated that:

- ❖ we have no hospitals in this borough and were given two walk-in centres that over 25,000 people use each year;
- ❖ it had been proposed that GPs would provide additional appointments; however, they have put on only 2,000 extra appointments, which works out to three additional appointments a day;
- ❖ our GPs do not want to provide appointments in the evenings or at weekends;
- ❖ she had written to the Secretary of State on this subject but had not received a response;
- ❖ this Council was not being listened to and Members must continue to apply pressure.

In supporting the motion, Councillor AS Jamu made the following points:

- the closure would put extra pressure on the emergency services;
- there is a vast increase of older people going to A&E as a first port of call;
- he did not believe that doctors would be filling the gap left by the closure.

Councillor Alasia made the following points:

- ❖ the decisions made by the Clinical Commissioning Group were having a negative impact on our community;
- ❖ there are considerable health inequalities in our borough;
- ❖ there are high levels of shift workers who cannot take time off work to visit their GPs;
- ❖ a recent mystery shopper exercise had found it difficult to get a GP appointment in the same week;
- ❖ the closure will cause more people to go to A&E at Queen's Hospital, which is already struggling to cope;
- ❖ this will inconvenience our residents and lead to more health inequalities.

Councillor Hunt stated that she had had to attend A&E at Queen's hospital recently and had to wait for eight and a half hours before seeing a doctor. She spoke in support of the motion, adding that Broad Street Walk-in Centre was well used by the borough's residents who all get to see a doctor within a good time limit

The motion was put to the vote by way of a show of hands and unanimously **carried**.

3. Improving air quality through tackling vehicular emissions

Moved by Councillor McDermott and seconded by Councillor P Waker:

"Barking and Dagenham is designated as an Air Quality Management Area due to high levels of nitrogen dioxide and particulate matter. A major contributor to poor air quality is road traffic particularly on the borough's main roads. Of particular concern is air pollution from traffic on the A13 which the Mayor of London is responsible for. Data from Clean Air London shows that the A13 is one of the top five worst roads in London for fine particulate matter and nitrogen oxides and that EU legal limits are regularly breached. The Council's Joint Strategic Needs Assessment estimates that locally 120 deaths each year are attributable to air pollution in the borough and that people who reside or work near busy roads or spend a long time in traffic are at particularly high risk of exposure to the health harms of air pollution. Naturally as Councillor for Eastbury Ward I am very concerned by the potentially damaging impact that air pollution from the A13 is having on borough residents and I think more needs to be done to tackle this.

"One of the most effective ways to tackle vehicular emissions is the London Low Emission Zone but I am concerned that it does not go far enough. Currently all lorries, coaches and buses must meet Euro 4 standards for particulate matter. The Mayor of London's Air Quality Strategy had a target for extending this standard to nitrogen dioxide emissions in 2015. However the Mayor of London has decided that only Transport for London's bus fleet must do so and has exempted lorries and coaches. The explanation is that TfL are concerned about the effectiveness of the Euro 4 nitrogen dioxide standard for Heavy Goods Vehicles and the cost to businesses of compliance and that London buses are responsible for the majority of nitrogen dioxide emissions on many of London's roads. However London buses make up a very small proportion of the traffic that uses the A13 which experiences the highest flows of Heavy Goods Vehicle movements of any main road in London excluding the M25.

"I am very concerned that as it stands the Mayor of London is doing little to tackle the air quality issues on the A13 over and above existing standards. Just applying Phase 5 to TfL buses will make little difference to air quality along the A13. I therefore call on the Mayor of London to either reconsider his decision to exempt HGVs from London Low Emission Zone Phase 5 or clarify what alternative action he is taking to make sure EU air quality standards are met along the A13."

In seconding the motion, Councillor P Waker stated that as well as the A13, other roads in the borough were affected by vehicle emissions and that the effect on health had been underestimated.

In supporting the motion, the Leader of the Council, Councillor Smith stated that improved traffic flow on the A13 would help and this Council, together with the London Boroughs of Havering and Newham should prepare a joint paper to the Mayor of London proposing this.

Councillor IS Jamu spoke in support of the motion as well as the Leader's proposal and further proposed that the nearside lanes of the A13 be marked for local traffic.

The motion was put to the vote by way of a show of hands and unanimously **carried**.

The meeting closed at 7.45 pm.

ANNUAL ASSEMBLY

19 February 2014

Title: Death of former Councillor Patricia Northover	
Report of: Graham Farrant, Chief Executive	
Open	For Information
Wards Affected: None	Key Decision: No
Report Author: John Dawe, Group Manager Democratic Services	Contact Details: Tel: 020 8227 2135 E-mail: john.dawe@lbbd.gov.uk
Accountable Divisional Director:	Fiona Taylor Head of Legal and Democratic Services
Accountable Director:	The Chief Executive
<p>Summary:</p> <p>The Assembly is asked to note with deep regret that following a short illness, former Councillor Mrs Patricia Northover passed away on Saturday 25 January 2014 and was buried at Eastbrookend Cemetary on Wednesday, 5 February 2014.</p> <p>Mrs Northover was elected as Councillor for the Eastbury ward between 2006 and 2010. In addition to her appointment to various Council Committees, she served as a School Governor at Dagenham Park School and Thomas Arnold School.</p>	
<p>Recommendation/Reason</p> <p>The Assembly is asked to stand for a minute's silence as a mark of respect.</p>	

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ASSEMBLY

19 February 2014

Title: New Year's Honours List 2014 Award of MBE to Jeremy West	
Report of: The Leader of the Council	
Open	For Information
Wards Affected: None	Key Decision: No
Report Author: Margaret Freeman Senior Democratic Services Officer	Contact Details: Tel: 020 8227 2638 Email: margaret.freeman@lbbd.gov.uk
Accountable Divisional Director:	Fiona Taylor, Divisional Director Legal and Democratic Services
Accountable Director:	Chief Executive
Summary:	
<p>The Assembly is asked to note the award of MBE in the New Year's Honours List 2014 to Jeremy West for his professional and community work.</p> <p>Jeremy is dedicated to supporting the borough, in particular local young people, and was made an Honorary Freeman of the borough in 2009 in recognition of his outstanding contribution to the community.</p> <p>Along with Steve Thompson MBE, Managing Director of Dagenham & Redbridge FC, Jeremy is a founder of the Living the Dream Trust, an independent charity established in 2007 to help support the borough's young talented athletes.</p>	

1. **Options Appraisal** - n/a
2. **Consultations** - None
3. **Financial Implications** - None
4. **Legal Implications** - None
5. **Other Implications** - none

Background papers used in the preparation of the report – none

List of appendices - none

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ASSEMBLY**19 February 2014**

Title: Formation of UK Independence Party Group and Appointment to Committees	
Report of the Chief Executive	
Open Report	For Decision
Wards Affected: None	Key Decision: No
Report Author: Alan Dawson, Democratic Services Manager	Contact Details: Tel: 020 8227 2348 E-mail: alan.dawson@lbbd.gov.uk
Accountable Divisional Director: Fiona Taylor, Head of Legal and Democratic Services	
Accountable Director: Graham Farrant, Chief Executive	
<p>Summary</p> <p>This report advises the Assembly of the formation of the UK Independence Party (UKIP) Group with effect from 20 January 2014 and the allocation of seats to committees in accordance with the political balance requirements of Section 15 of the Local Government and Housing Act 1989.</p> <p>A verbal update will also be given at the meeting in respect of the appointment to the position of Lead Member of the Children's Services Select Committee (who shall also fill the vacancy on the Public Accounts and Audit Select Committee) and, if appropriate, the Deputy Lead Member position, which are to be considered by the Labour Group on 17 February 2014.</p>	
<p>Recommendation(s)</p> <p>The Assembly is recommended to:</p> <ul style="list-style-type: none"> (i) Note the formation of the UK Independence Party Group with effect from 20 January 2014; (ii) Approve the appointment of Councillor R Douglas as a member of the Living and Working Select Committee and Councillor G Letchford as a member of the Children's Services Select Committee; and (iii) Approve the nominations of the Labour Group regarding the appointment of Lead Member and, if appropriate, the Deputy Lead Member of the Children's Services Select Committee and to the vacancy on the Public Accounts and Audit Select Committee. 	
<p>Reason(s)</p> <p>The Assembly is required to make appointments to committees, having regard to the requirements of Section 15 of the Local Government and Housing Act 1989.</p>	

1. Introduction and Background

- 1.1 Political Groups on the Council are formed in accordance with the Local Government (Committees and Political Groups) Regulations 1990 when two or more councillors notify the Chief Executive, as Proper Officer, of their wish to be treated as a group.
- 1.2 Section 15 of the Local Government and Housing Act 1989 imposes a duty on the Assembly at its annual meeting, or as soon as possible after it, to review the allocation of seats on the committees of the Council between the political groups. The Assembly may carry out such a review at any other time and may do so if requested by a political group.
- 1.3 The following principles apply to the allocation of seats:
- (a) That not all the seats on the body to which appointments are being made are allocated to the same political group;
 - (b) That the majority of seats on each committee are allocated to a particular group if the number of persons belonging to that group is a majority of the authority's membership;
 - (c) That, subject to (a) and (b), when allocating seats to a political group, the total number of their seats across all the ordinary committees of the Council, must reflect their proportion of the authority's membership; and
 - (d) Subject to (a) to (c), that the number of seats on each committee is as far as possible in proportion to the group's membership of the authority.
- 1.4 The Local Government and Housing Act 1989 requires that once the Assembly has determined the allocation of committee places between the political groups it must then appoint the nominees of the political groups to the committees.

2. Proposal and Issues

- 2.1 Formal notification was received on 20 January 2014 that the three UKIP Council Members, Councillor D Hunt, Councillor R Douglas and Cllr G Letchford, had formed a group for the purposes of the Local Government (Committees and Political Groups) Regulations 1990. Councillor D Hunt has been chosen as the Leader of the UKIP Group.
- 2.2 In accordance with political balance requirements, the UKIP Group is entitled to six seats across the committees which are subject to proportional representation. Four of the six seats are already occupied by UKIP Councillors and the following nominations have been received to fill the vacancies on the Living and Working Select Committee and the Children's Services Select Committee:-
- Councillor R Douglas - Living and Working Select Committee
 - Councillor G Letchford - Children's Services Select Committee
- 2.3 The position of Lead Member of the Children's Services Select Committee is currently vacant following Councillor Letchford's resignation from the Labour Group and as a member of the Select Committee. Nominations to fill the Lead Member vacancy and, if appropriate, the Deputy Lead Member position, are to be

considered by the Labour Group on 17 February 2014 and will be verbally reported by the Labour Group Secretary at the meeting.

- 2.4 The person appointed as Lead Member of the Children's Services Select Committee shall also become a member of the Public Accounts and Audit Select Committee, in accordance with the membership arrangements for PAASC.

3. Options Appraisal

- 3.1 This is not applicable as the process and procedures are governed by legislation.

4. Consultation

- 4.1 The proposals within this report have been developed in consultation with the Labour Group Secretary and the Leader of the UKIP Group.

5. Financial Implications

Implications completed by: Jonathan Bunt, Chief Finance Officer

- 5.1 There are no financial implications arising from this report, except in relation to the Special Responsibility Allowances payable in respect of the positions of Lead and Deputy Lead Member of the Children's Services Select Committee which shall be met from the existing Members' Allowances budget.

6. Legal Implications

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

- 6.1 The legal implications are set out in the body of the report.

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

List of appendices: None

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ASSEMBLY

19 February 2014

Title: Annual Report of the Barking and Dagenham Youth Forum	
Report of the Divisional Director, Targeted Support	
Open Report	For Information
Wards Affected: All	Key Decision: No
Report Author: Sally Allen-Clarke	Contact Details: Tel: 020 8227 3297 E-mail: sally.allen-clarke@lbbd.gov.uk
Accountable Divisional Director: Christine Pryor	
Accountable Director: Helen Jenner	
Summary: This report is a summary of the work and achievements of the Barking and Dagenham Youth Forum during its January to December 2013 sitting.	
Recommendation(s) The Assembly is recommended to continue to provide member support for the Forum and its associated campaigns. Members who are School Governors to continue to encourage their schools to work in partnership with the BAD Youth Forum and aid schools to promote pupil voice through the provision of a robust school council. Members to support improvements suggested by young people around accessibility and quality of sexual health services, Personal, Social and Health Education (PSHE) lessons in schools and recommendations made by Young Inspectors through inspection. Minutes of the BAD Youth Forum to be sent to school council leads. Children's Services Select Committee to invite officers to respond to recommendations made by the BAD Youth Forum.	
Reason(s) The Barking and Dagenham Youth Forum is a borough-wide platform for young people to express their views and help shape services. Members of the Barking & Dagenham Youth Forum are democratically elected each January through schools and youth groups to represent their peers. Through their participation, young people develop youth-focussed campaigns based on topics most important to young people in Barking and Dagenham. The campaigns aim to raise awareness of the issues being tackled and to	

bring about change that will positively impact young people's lives. Through the fortnightly consultation sub-group, council officers and partner agencies have the opportunity to promote services, gather feedback about policies, strategies and services as well as gaining a youth perspective on how services can be improved and promoted to young people locally. In addition, a single member of the Forum sits on the Children's Services Select Committee as a co-opted member.

The Barking and Dagenham Youth Forum Young Inspectors sub-group provides local services with the opportunity to have their services inspected by trained, experienced youth inspectors. In 2013, the Young Inspectors sub-group successfully carried out inspections of ten pharmacies - offering feedback on their condom distribution scheme aimed at young people and an inspection of Becontree Leisure Centre and the L&Q Housing Association. This report was fed back directly to the Community Sports and Art Group Manager, Andy Knight. The Young Inspectors also attended the Subwise, where they inspected the young people's drop in clinic and fed back to the team leader who has compiled an action plan based on the recommendations made in the report. Young Inspectors wanted to inspect local general practitioners' surgeries; as a result they arranged to inspect Patient Participation Groups which act as steering groups.

The Barking and Dagenham Youth Forum members have gained many skills through their participation in the forum, including communication, leadership, negotiation, presentation and social skills, essential life skills which young people can utilise in a variety of settings.

1. Introduction and Background

- 1.1 In January 2013, 65 young people were elected to the Barking and Dagenham Youth Forum. The young people were elected from all secondary schools and Trinity School, which has two representatives and a key worker who supports the young people during sessions.
- 1.2 At the beginning of the forum year, all members attended two full forum sessions and debated current youth issues that the forum might tackle in 2013. As a result of this meeting two sub-groups were chosen, 'Education' and 'Media'. Two subsequent full forum meetings took place throughout the year in the Council Chamber. A question and answer session was held with senior council officers, Police and Health officials as well as, a full forum meeting with Jon Cruddas MP at the Houses of Parliament .
- 1.3 The Young Inspectors have continued as a sub group of the forum in order to sustain the programme. The transition from being an independent project within Integrated Youth Services to a sub-group of the Barking and Dagenham Youth Forum continues to be successful.
- 1.4 To further support the Youth Forum's drive to reach more young people a promotional DVD was filmed and edited by the young people. The final copy has been sent to all secondary schools and was shown at the School Council Summit in November.

1.5 The consultation sub-group continues to be used by officers, partners and external organisations to consult with forum members on one-off issues. The consultation sub-group also participates in a number of national online consultations. The group meets fortnightly and has been very successful with 25 distinct consultations undertaken with young people this year.

2. Proposal and Issues

Sub-groups' work outline

2.1 Education

The sub-group thought it was vital to improve the communication between the schools in our borough and the BAD Youth Forum, to help them all work together for young people to voice their views and make a difference.

The sub-group planned a schools' conference with All Saints School, for all 9 Secondary schools in the borough to come together and participate in workshops, discussions to help improve school councils. This conference was planned and delivered by the education sub-group in a young people friendly way. The conference ran a number of workshops and the pupils learnt about issues and resolutions, leadership within teams, picking roles within a council and strategic decision making.

The schools feedback their progress from the previous year's school council summit, what their main achievement had been and also the obstacles that they had faced.

Each school has been actioned as a result of their attendance to develop their Pupil Voice action plan, and their progress will be reviewed at next year's School Council summit.

The sub-group also focussed their attention on the content of PSHE/Citizenship lessons. They felt these lessons should include information on, for example, how to open a bank account, budgeting, CV writing, how to vote etc. The sub-group created a survey asking the schools to get a selected number of the young people from each year to fill it out. The PSHE survey results have been presented to Jo Caswell (Advisory Teacher for Heath).

2.2 Media

Through discussion, the members of the Media sub-group decided that one of their projects will be on stereotyping, as it is something many young people in the borough have issues with.

The Media sub-group met with Ken Baker from the Police to find out the facts about Stop and Search and to hear the statistics around this, as they felt the police are also stereotyped around the percentage of ethnic minorities that they stop and search in Barking and Dagenham.

The Media sub-group developed their project, which is a media based video clip raising awareness around stereotyping. The video filmed young people's reactions to a number of scenarios they were presented with, which were aimed at highlighting how the stereotyping affected their choice of answers. The recordings were of their reactions and

responses when they found out the actual answers. The video will be toured to various youth groups and shared with schools to make as many young people as possible in the borough aware of the effects of stereotyping. The aim of the video is to challenge people's negative stereotypes and get them to think differently as to how they view different groups of people in society.

2.3 Young Inspectors

Young Inspectors entered its second year as a Youth Forum sub-group.

The young inspectors have been trained to carry out Come Correct condom distribution site inspections and 10 pharmacies have been inspected to date to ensure that they are complying properly with the scheme.

The group completed an inspection of Becontree Leisure Centre. Two of the report's recommendations were:

- To ensure that the swimming pool facilities are kept clean and that wet floor signs are visible in the changing rooms.
- To consult with young people about fun days that they could be running during the school holidays to attract young people.

A review will be conducted in 2014.

Young inspectors successfully carried out four inspections in partnership with London & Quadrant Housing Association. The bid has secured an income for the service to the sum of £3300. Three young inspectors presented their findings to the L&Q funding panel in November.

Below is an extract of the different inspection recommendations:

Estate Observation

- 'We would also like to recommend that L&Q consult with their residents on a weekly or fortnightly basis about the quality of any repairs that have been conducted, and also to discern whether or not any further repairs are needed, this could be done through the medium of a suggestion box which is checked on the same time frame as above or through a consultative survey that is distributed to residents. This is important as, on one hand it will strengthen the cohesion between L&Q and their residents, and on the other it will allow the residents to make sure that their concerns are heard and dealt with subsequently'.

Telephone mystery shop

- Regular workshops and training given for the L&Q telephone Operatives, in order to keep them refreshed and up to date on the L&Q policies and information that their customers may need.

ASB Inspection

- More time needed to complete the notes as that would give the Neighbour Safety officer (NSO) more time to draw out key ideas and points from the cases and write the accurate information down.

Young inspectors conducted an inspection on the Subwize substance misuse service, after consulting with Simone James, the Service Manager of Subwize.

Young inspectors wrote a review of the Youth4Us website before the website was relaunched in September, providing guidance on the type of content that would be most valued by young people. In addition, a member of the Forum helped to build the site as part of his work experience programme.

Young inspectors are in the process of completing three PPG (Patient Participation Group) inspections, which is a patient forum for Doctors' surgeries. It is hoped that this will open more doors for the young inspectors to inspect GP surgeries in the near future. These inspections have secured £10,000 of funding for the service from the Barking and Dagenham Clinical Commissioning Group.

Young inspectors are currently planning and delivering consultation with the 14-19 Careers Service, to improve the way in which careers advice is provided in schools and to lower the numbers of NEET and Unknown young people.

As an acknowledgement of their hard work, Young Inspectors were short listed for the Mayor of London's Team London Awards 2013, in the 'My Community' category. Team London is the Mayor of London's volunteering programme for London.

2.4 Consultation

The following one-off consultations took place, in collaboration with council officers and external partners:

- Jackie Chamberlain (Children's Commissioning and Procurement) - Borough transport operation
- Shola Akala (Joint Strategic Needs Assessment Consultant) - Joint Health and Wellbeing Strategy & Health Strategies in the Borough - Elizabeth Winnett (LSCB Business Support Manager) - LSCB Website Feedback
- Kid space - Kid space Online Survey for Anti-Bullying
- Manisha Modhvadia (Healthwatch) - Pharmacy services offered in the Borough
- Simona Daniel (New Media Advisor) - Effectiveness of StreetBase Local Facebook page
- Chris O'Connor (OFSTED stakeholder Engagement Manager) - CAFCASS Online Survey
- Helen Oliver (Group Manager Safeguarding Adults) - DV 'Are you living in Fear' Poster
- Bobby Green (Community Safety Coordinator) – MOPAC (Mayor's Office for Police and Crime) event around the closure of local Police Stations & Feedback on London 5th Safety Plan
- Transport for London – TfL Online Survey School and Young Person Delivery Plan
- Justice Board - 'You be the Judge' Online Feedback on sentencing

- Phillippa Banister (Sustrans Coordinator) - DIY Streets Project in local community
- Florence Jane (Health Improvement Specialist) - Sexual Health Questionnaire: Relationship & Sex Education
- Chain Reaction – Spread The Word, teenage pregnancy prevention campaign
- Perdita (Young person) - Human Trafficking project
- Home Office public consultation on powers for stop and search
- Education Sub-group - Improving School Councils
- BAD Youth Forum – BAD Youth Forum format
- Young Minds - online survey improving the lives and wellbeing of young people
- Sex Education Forum – online Survey was your sex and relationships education good enough?

The results of each consultation have helped to shape service delivery.

2.5 UK Youth Parliament

In February, two members were elected to represent LBBD in the UK Youth Parliament. Known as Member of Youth Parliament (MYP) and Deputy Member of Youth Parliament (DMYP), they attended three conventions, the Annual Sitting at Leeds University and a national debate in the House of Commons during Democracy week.

2,300, a new record number of young people in Barking and Dagenham, were balloted regarding what they felt the UK Youth Parliament focus campaign should be for the following year. These votes were added to the ballots collected nationally and the UK Youth Parliament, has chosen 'votes at 16' as its national campaign for 2014. 'A curriculum to prepare us for life' was also chosen as the UKYP's priority campaign for England.

2.6 Children's Service Select Committee (CSSC)

The Chair of the BAD Youth Forum participated as a co-opted member of the CSSC. Following a presentation made by the co-opted member to the CSSC in 2012 around student voice, a full scrutiny review was commissioned from School Improvement and Integrated Youth Services. This saw a financial contribution from schools of £30k. The BADYF and the CSSC asked that all school councils be visited by a trained School Improvement Officer. They wanted an objective view of every school council so that each could have an individual snapshot of itself to see how it compared with others across the Borough. This work would also provide helpful evidence for schools as it would contribute to the student voice strand of the schools' own self-evaluation evidence. The CSSC was extremely pleased that the Schools' Forum agreed to set aside funding to allow all schools to have a student voice evidence gathering visit.

Evidence from visits to 50 of the 58 schools was included in School Improvement's report. The schools visited comprised of nine secondary schools, 39 primary schools, one special school, and one specialist alternative provision. The resulting final report and action plan is being monitored by the CSSC and includes actions for schools, governors and local authorities. The existence of the report also provided a framework for the School Council summit held by the Youth Forum in November 2013.

3. Options Appraisal - N/A

4. Consultation - See section 2 above

5. Financial Implications

Implications completed by: Patricia Harvey Interim Group Manager – Children’s Services Finance

- 5.1 There are no direct financial implications for future years arising from this report. It is highly probable that the work of the Youth Forum will have a positive financial impact for the Council (and other public sector organisations) through improving the effectiveness of services, but this cannot be quantified robustly.
- 5.2 Resources for the period of January to December 2013 have been contributions directly from schools and indirect support utilised from current existing resources.

6. Legal Implications

Implications completed by: Dawn Pelle

- 6.1 No specific legal implications arise from this report.

7. Other Implications

7.1 **Risk Management - No implications**

7.2 **Contractual Issues - No implications**

7.3 **Staffing Issues - No implications**

7.4 **Customer Impact**

The Council supports the BAD Youth Forum to provide a key channel for consultation and engagement with young people in the borough. Services across the borough are encouraged to bring relevant draft policies and strategies to the Forum to seek the views of young people, so that service design is informed by their feedback.

The Education sub-group has designed and delivered an entirely youth lead student voice conference. Young people facilitated the day and lead all four of the workshops. The work supports the recent CSSC review into student voice that called for greater collaboration between schools councils and the BAD Youth Forum. The recent study they undertook regarding PSHE lessons will strengthen the delivery of the subject.

Through the commissioned inspection with London and Quadrant (L&Q) Housing Association, Young Inspectors will be trained L&Q residents to carry out inspections. As a result of this process L&Q young people are able to assess services, have a greater influence on some of the future policies and procedures of the Housing Association and develop links with the Housing Association which will prove useful whilst a resident and a potential tenancy holder in the future.

The various inspections carried out by the Young Inspectors' group have had an impact on each of the services which have been inspected. The pharmacies have been able to identify training needs for staff, based on the young people’s experience and

comprehensive feedback including recommendations. The Subwise staff team are currently reviewing their operational hours to address the issues raised in the Young Inspectors' report and will be formally responding to the report young people completed as well as feeding back to the group the service changes that have been made.

The BAD Youth Forum held a development day to review its own practices and evaluate its impact amongst young people. As a result, a development plan has been created that will aid the Youth Forum in its engagement of all young people, and not just those that get elected on to the forum, extending the work of the Forum.

7.5 Safeguarding Children

The Young Inspectors' work in improving drug and alcohol services for young people has impacted on young people's ability to access safe, impartial and comprehensive advice on issues relating to substance misuse.

The Forum continues to work closely with Skittlz (our Children in Care Council) and the Progress Project (Disabled Children's Parliament), which raised safeguarding issues faced by these groups of vulnerable young people. In addition, Skittlz presented to Council members at a pre-assembly briefing on their experiences of coming in to care and how Barking and Dagenham can improve its role as corporate parents.

7.6 Health Issues - N/A

7.7 Crime and Disorder Issues

The Barking and Dagenham Youth Forum has maintained its positive relationship with the Police and continue to participate in the Stop and Search Monitoring Group.

The Media sub-group created a stereotyping awareness video, based on their own realisation of stop and search stereotypes regarding young ethnic minority males.

7.8 Property / Asset Issues - No implications

Background Papers Used in the Preparation of the Report: None

List of appendices: None

ASSEMBLY

19 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	
Summary	
<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> <p>The Cabinet is to consider this report at its meeting on 18 February 2014. Any matters arising from the Cabinet's consideration will be reported at the meeting.</p>	
Recommendation(s)	
<p>The Assembly is recommended to:</p> <p>(i) Approve a base revenue budget for 2014/15 of £165.3m, as detailed in Appendix A;</p>	

- (ii) 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) 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) 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) Approve the Council's draft Capital Programme for 2013/14 to 2015/16 as detailed in Appendix E; and
- (vi) 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 LBBB 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)
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Total Adjustments	(13,013)
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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
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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												
2826	512a Heathway - Conversion to a Family Resource	185,081			185,081	185,081							185,081
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	Colne & 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	Lawns & 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	Eyresore 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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ASSEMBLY

19 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>The Cabinet is to consider this report at its meeting on 18 February 2014. Any matters arising from the Cabinet's consideration will be reported at the meeting.</p>	
<p>Recommendation(s)</p> <p>The Assembly is recommended to:</p> <ul style="list-style-type: none"> (i) Adopt the Treasury Management Strategy Statement for 2014/15 attached as Appendix 1 to the report and, in doing so, to: <ul style="list-style-type: none"> (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; (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; (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; 	

- (d) Approve the Treasury Management Indicators and Prudential Indicators for 2014/15, as set out in Appendix 1B;
- (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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ASSEMBLY

19 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>The Cabinet is to consider this report at its meeting on 18 February 2014. Any proposed changes to the Pay Policy Statement arising from the Cabinet's consideration will be reported at the meeting.</p>	
<p>Recommendation(s)</p> <p>The Assembly is recommended 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.

- 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)

ASSEMBLY**19 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 presents proposals to introduce 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. 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 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 licence, 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> <p>The Cabinet is to consider this report at its meeting on 18 February 2014. Any proposed changes arising from the Cabinet's consideration will be reported at the meeting.</p>	
Recommendation(s)	
The Assembly is recommended to:	
(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) 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 1A 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 1B 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 LBD. 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 LBBDD 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 1A - Designation and Map for Selective Licensing
- Appendix 1B - Designation and Map for Additional Licensing
- 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)

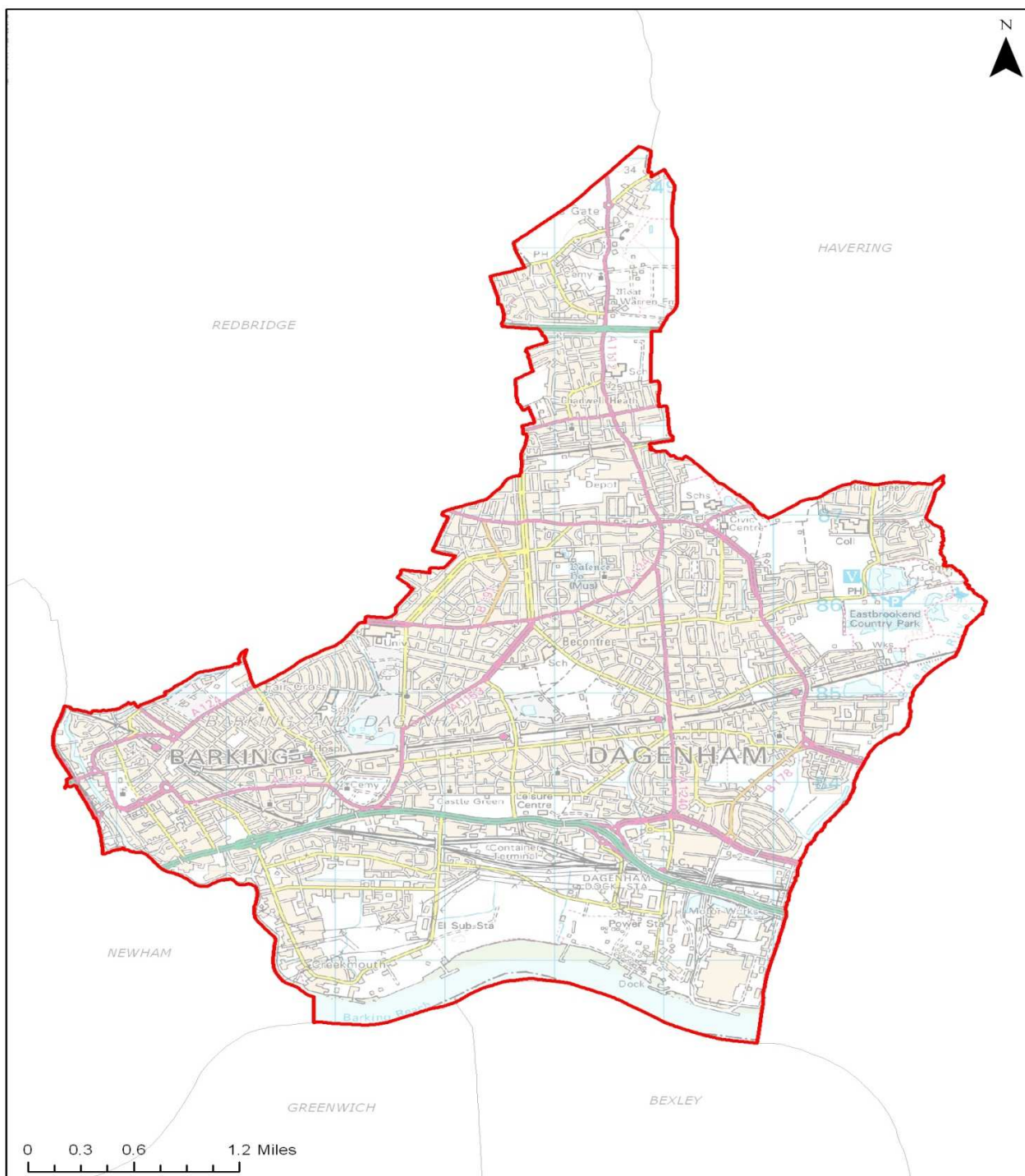
³ Section 79 (3) of the Act. For the definition of a Registered Social Landlord see Part 1 of the Housing Act 1996

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

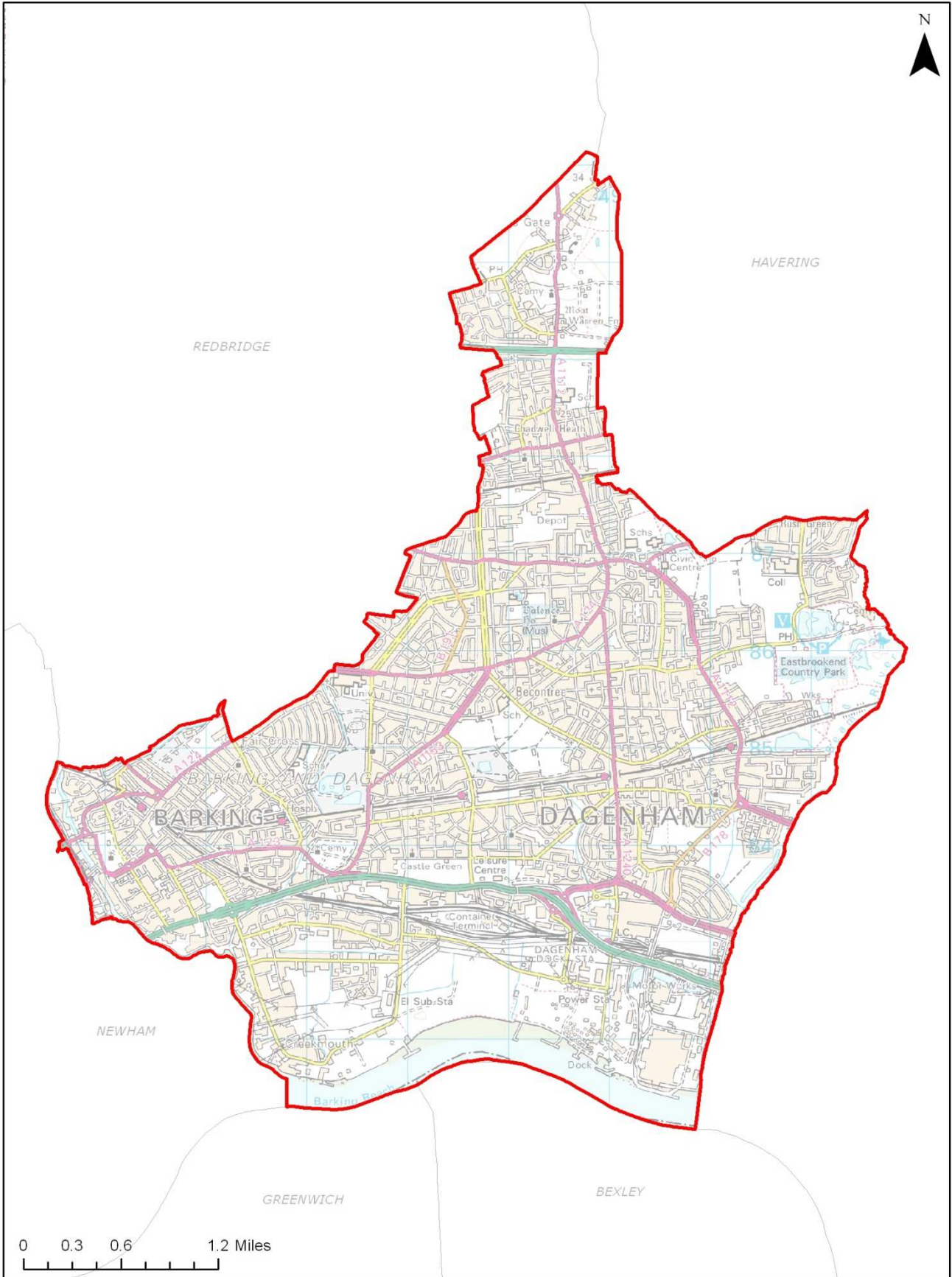
This designation falls within a description of designations in relation to which the Secretary of State has given a general approval.

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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ASSEMBLY

19 February 2014

Title: Proposed byelaw to ban skateboarding in Arboretum Place and the Town Square	
Report of the Director of Adult and Community Services	
Open Report	For Decision
Wards Affected: Abbey	Key Decision: Yes
Report Author: Katherine Gilcreest Anti-Social Behaviour Manager	Contact Details: Tel: 0208 227 2457 E-mail: katherine.gilcreest@lbbd.gov.uk
Accountable Divisional Director:	Glynis Rogers, Divisional Director Commissioning and Partnerships
Accountable Director:	Anne Bristow, Corporate Director of Adult and Community Services
Summary	
<p>A group of young people have been using Arboretum Place and the Town Square as an informal skateboarding park and residents consider them to be a danger to other users of the space and a considerable nuisance late into the night for residents who live in the flats which surround the area.</p> <p>The area is owned by the Council and as the land owner the Council has the power to ask people to leave. However, despite security services and the Police moving people on, the Council has continued to receive complaints about this issue. A number of other options have been investigated in order to resolve these issues, including engaging with the young people skateboarding in the area and considering alternative areas in which they could skate. These have not produced workable solutions to this issue.</p> <p>In November 2013, a consultation was undertaken with residents and users of the area regarding how they would like the Council to deal with this issue in the longer term. 61% of respondents said they supported a ban of skateboarding in the area.</p> <p>This report therefore asks Members to consider implementing a byelaw to ban skateboarding in this location.</p>	
Recommendation(s)	
<p>The Assembly is recommended to agree to support the proposal to put in place a byelaw stating that no person shall skate, slide or ride on rollers, skateboards or other self-propelled vehicles in such a manner as to cause danger or give reasonable grounds for annoyance to other persons in the area shown on the map in Appendix 1.</p>	

Reason(s)

To prevent skateboarding activity in Arboretum Place and the Town Square, as it contributes to the second priority set out in the Council's Corporate Plan 2013/14: assisting to 'build and support a place where people respect one another and enjoy safe and peaceful lives' (Corporate Plan 2013/14) and because residents have clearly stated that they are disrupted by the noise created by skateboarders and feel unsafe due to the activity and nuisance caused.

1. Introduction and Background

- 1.1 Arboretum Place and the Town Square are situated adjacent to the Barking Learning Centre (BLC) and Barking Town Hall. This area is seen as the focal point of the Town Square redevelopment, a place where people can sit and relax. They form a large open space which is used by the community for events throughout the year.
- 1.2 Since 2009, and particularly through the summer months in those intervening years, a small number of residents have consistently raised concerns about the noise caused and their perception of the danger caused by skateboarders. These issues have been dealt with at the time of complaint, with some success. However from May to August 2013 the problem re-rose and a significant number of residents complained consistently about the impact the noise of the skaters had on them, and their families, often late into the night.
- 1.3 The Council held public meetings, met with the skaters and tried to mediate between the two parties to find a resolution. This included an agreement around the skaters being able to use the space until 7.00 p.m. and the prospect of alternative venues being sought for their activities. The skaters however, did not abide by the agreement, would not limit the noise they caused and furthermore have stated that they identify themselves as street skaters. As a result they stated that they were unlikely to use any designated skate park, regardless of ongoing improvements to these areas.
- 1.4 As a result both the Police Safer Neighbourhood Team (SNT) and Council Security were tasked with moving the skaters on. Largely the skaters comply with this requirement though they return to the site the next day as there is no sanction in place to prevent them from doing so.
- 1.5 Advice has been received from a Police Crime Prevention Design Advisor and two private companies who manufacture anti-skating devices. Skating in this area mostly takes place on the flat, tiled walkway along the side of the BLC, not generally on the mounds or steps in the area. The only anti-skate measure which could be used on this surface are rumble strips, which would make it more difficult to push other wheeled vehicles (like pushchairs and wheelchairs) over them and could also make it more difficult for anyone with reduced mobility to use the area.
- 1.6 Public consultation around this issue took place in November 2013. A summary of this consultation is attached at **Appendix 2**, with the full results at **Appendix 3**. 92 people responded to the consultation. 82% of respondents felt that this issue had a

significant negative impact on them, and 61% of respondents said that they wanted the Council to apply for a byelaw to ban skateboarding in this location.

2. Proposal and Issues

- 2.1 It is proposed that Assembly supports the decision for the Council to put in place a byelaw under section 235 of the Local Government Act 1972 to prohibit any person from using a skateboard or other self-propelled vehicles in the designated area:

'byelaws made under section 235 of the Local Government Act 1972 by the London Borough of Barking and Dagenham for the good rule and government of the Borough and for the prevention and suppression of nuisances.' (Local Government Association)

Any person offending against these byelaws shall be liable on summary conviction to a fine not exceeding level 2 on the standard scale (i.e. no more than £500).

The area affected by the byelaw is shown in **Appendix 1**, the proposed byelaw would cover all public areas demarcated on this map.

- 2.2 Previous interventions have not reduced this noise. It is therefore felt that a byelaw banning this activity is the final option for the Council to address this issue and ensure residents and individuals using the area feel safe and can live peacefully.

3. Options Appraisal

- 3.1 Use the Environmental Protection Act 1990 as a means to addressing the noise nuisance:

- 3.1.1 Although noise monitoring has shown that the sound caused by the skateboarders constitutes a statutory noise nuisance, enforcement under this Act is only possible for individuals aged over 17. The majority of these skateboarders are aged under 17, so it would be difficult to enforce the Environment Protection Act.

- 3.2 Put in place a byelaw:

- 3.2.1 A byelaw would be put in place in line with point 26 of Byelaws for *Pleasure Grounds, Public Walks and Open Spaces* (model byelaw 2) of the DCLG model byelaws, stating that:

'No person shall skate, slide or ride on rollers, skateboards or other self-propelled vehicles in such a manner as to cause danger or give reasonable grounds for annoyance to other persons.'

- 3.2.2 This would allow the Council to ban skateboarding in the designated area (shown in **Appendix 1**) and individuals found skateboarding would be subject to a fine or community order (depending on their age and previous offending history).

- 3.2.3 This is a viable option, as it would deter individuals from using the area for skateboarding. It would also allow the Council to continue to allow 'skating' and similar activities as part of an organised event, for example, using the area for an

ice rink at Christmas. It would not criminalise legitimate or considerate use of other wheeled vehicles such as bicycles, scooters or wheelchairs.

- 3.2.4 However, there is a risk associated with the creation of a byelaw in the potential criminalisation of young people. In order to reduce this risk, sufficient advertising of the byelaw should be conducted so that individuals are fully aware of the consequences of using the area to skate. Further to this, the risk is somewhat minimised by previous compliance of young people, who have been willing to stop skateboarding when instructed to do so. A byelaw would ensure that sanctions to prevent skateboarding on a regular basis would be enforceable.

3.3 Do nothing:

Due to the large number of complaints that the Council has received regarding this matter and the length of time that the issue has persisted; if the Council were to do nothing to resolve the issue, public perception of the Council's willingness to respond to the concerns of residents may be negatively impacted.

4. Financial Implications

Implications completed by: Dan Herholdt

- 4.1 The potential cost of signage is £500 and this can be contained within existing budgets.

5. Legal Implications

Implications completed by: Paul Feild - Senior Governance Solicitor

- 5.1 Section 235 of the Local Government Act 1972 enables Councils to make byelaws for the good rule and government of the whole or any part of the district or borough and for the prevention and suppression of nuisances. This is subject to the principle that byelaws cannot be made under that section if provision for the purpose in question is made, or may be made, under any other enactment. The Secretary of State has produced model byelaws for control of skateboarding and like activities.
- 5.2 Many of the activities regulated by byelaws made under section 235 are not in themselves a danger or nuisance, but may be if conducted in certain areas or in a particularly hazardous or annoying manner. As an example, local authorities do not have the power under section 235 to make byelaws to prohibit activities such as skateboarding throughout the whole of the borough, but they do have the power to prohibit it in certain places. Therefore, a requirement of the byelaw making power will be that a specific area is identified in which skateboarding causes a particular danger or nuisance to others, or alternatively, to regulate the manner in which those activities can be conducted.
- 5.3 As pointed out in the implications section, the breach of the byelaw is a criminal offence and thus will subject predominately young people to the criminal justice process. This could have consequences for future employment of young people, so such methods for suppression of nuisances should be seen as the very last resort.

- 5.4 Since byelaws create criminal offences, they cannot come into effect unless they have been confirmed by the Secretary of State. In terms of procedure, if it is determined to proceed, it is recommended that the model byelaw is utilised. The Secretary of State would set out the steps to be taken and advise that they should be consulted before any resolution is made.
- 5.5 Therefore, if the Assembly agrees to the principle of making a byelaw, the next step will be the submission of a draft byelaw to the Secretary of State for consideration. Only when provisional approval has been given should the Council make, seal and advertise the byelaws. When the draft has been approved it will be presented to the Assembly for decision. Once the decision is made there are further steps to be taken, including statutory advertisements that the byelaw will be sent to the Secretary of State for their confirmation. They will consider any representation and if it is decided to confirm the byelaw, will set a date, normally at least a month after confirmation, as to when it takes effect.

6. Other Implications

- 6.1 **Risk Management** – There are three major risks associated with the ban of skateboarding in Arboretum Place and the Town Square; these are listed below with steps taken to mitigate them:

People may not abide by the byelaw resulting in increased criminalisation of young people. However, to date, young people have been mostly compliant when asked to move on or stop skating by security officers. It is felt that, provided the skaters are given enough information and guidance on the byelaw, they should comply with its ruling. Further to this, there are a number of out-of-court disposals, which can be used for young people who offend if it is a relatively low level offence, their first offence (except in certain circumstances) and they plead guilty. If a young person were to be convicted of skateboarding in Arboretum Place and the Town Square, breaking the byelaw, it is likely that they would be subject to an out-of-court disposal, as opposed to a higher level order. In most cases, this type of disposal would not affect later career opportunities, etc.

In addition to this, if the byelaw is put in place, members of the community may request similar byelaws in other areas. However, there have been minimal complaints from residents about sporting activities in other local areas and if the level of complaints received about the skateboarders in Arboretum Place and the Town Square were to be received about another area, the Council would be required to carry out a similar exercise to understand the extent of the issue and alternative options.

Imposing a byelaw may result in the potential displacement of skateboarders to other areas in which they may create a further nuisance. To date, when skateboarders have been moved on from the area, they have relocated to Abbey Green. Abbey Green is a large open space, removed from residential areas. It is felt that this is a positive alternative for skateboarders, as it allows them to skate in a safe, well-lit area, without disturbing residents. If the byelaw were to create displacement to other areas, this would need to be dealt with through further consultation and assessment of alternative options.

6.2 **Contractual Issues** - none

6.3 **Staffing Issues** - none

6.4 **Corporate Policy and Customer Impact** – The proposal has strong links to the Council's Corporate Plan (2013-2014), Community Strategy (2013-2016) and Community Cohesion Strategy (2012-2015)

A key priority of the Council's Corporate Plan (2013-2014) is 'Reduced crime and fear of crime'. One of the steps towards this is to:

Build and support a place where people respect one another and enjoy safe and peaceful lives through the delivery of the Cohesion Strategy (Barking and Dagenham Council's Corporate Plan 2013/14)

This is echoed in the Council's Community Strategy. If the proposal is agreed, it will directly support the enhancement of peaceful and safe lives for residents of the affected area.

Further to this, the proposal would enhance community cohesion. *Together: A Community Cohesion Strategy for Barking and Dagenham 2012 to 2015* states that according to a 2011 Residents Survey, 52% of residents in Barking and Dagenham feel that people from different backgrounds get on well together. The strategy outlines the need to increase this sense of cohesion. Respondents to the consultation expressed that they felt intimidated by the skateboarders and saw them as 'gangs'. This shows that the activity is causing users of the area to have negative perceptions of young people, which is detrimental to community cohesion.

6.5 **Safeguarding Children** – A large number of the responses from residents stated that the noise from skateboarders had a detrimental impact on the wellbeing of their children and several respondents raised concerns about their children being able to perform at school due to this. The proposal balances the needs of the children residing in Arboretum Place and the Town Square with the needs of the young people skating in this area as the area where skateboarding is to be banned is a very small area where there are high numbers of residential premises, but not to restrict this activity in areas where issues of noise are likely to have less of an impact.

6.6 **Health Issues** – If agreed, the proposal should improve the health of residents of Arboretum Place and the Town Square who have reported sleep deprivation and negative impact on health as a direct result of skating in the area.

However, there is also a risk that the proposal will have a negative effect on the health of young people using the area to skate as skating is a good form of exercise. However, the proposal will only prohibit skateboarding in a small area (see **Appendix 1**) In order to mitigate this, it will be ensured that young people are aware that they are not prohibited from skating outright and they will be signposted to other areas where they can skate freely.

6.7 **Crime and Disorder Issues** – Discussed in body of report

6.8 **Property / Asset Issues** – If the byelaw is agreed, there could be a positive impact on property in the area. Currently, there are a number of unoccupied shop units in Arboretum Place and the Town Square. This may be impacted by the skateboarding that is occurring directly outside of shop fronts, potentially dissuading businesses from leasing units. Responses to the consultation identified that young people skating leave litter in the area, which makes it an unattractive environment for those using it. It is therefore felt that the byelaw could increase selling and leasing potential of the area by reducing disruption and litter.

List of appendices:

- Appendix 1 – Map of affected area
- Appendix 2 – Public Consultation Summary
- Appendix 3 – Public Consultation Responses

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Title:
 Byelaw to ban
 skateboarding
 in Arboretum
 Place and the
 Town Square
 1:1,250 @ A4

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Public Consultation Summary

- 1.1 In November 2013, a consultation was conducted with residents and individuals using Arboretum Place and the Town Square. The Borough Anti-Social Behaviour team wrote to every resident of the area, posted signs in the Barking Learning Centre and Town Hall, sent text messages to all skaters for whom they had telephone numbers, communicated with businesses in the area, posted links on the Barking Learning Centre computers and e-mailed all Councillors inviting them to take part in the consultation.
- 1.2 In total, 94 individuals responded to the consultation; 84% were residents of Arboretum Place and the Town Square, 3% were users of the Town Hall, 3% were users of the Barking Learning Centre, 1% were individuals using the area for skateboarding, 3% were individuals working for a business in the area and 4% were individuals using the area for another reason. The following responses were obtained:
- 81% felt that skateboarding in Arboretum Place and the Town Square had a negative impact;
 - 67% felt that there had been no or very little improvement to the issue;
 - 61% felt that the use of skateboards, scooters, roller skates or other self-propelled toys should be banned in this location.
- 1.3 The main concerns expressed by those who felt that skateboarding had a negative impact in the area were surrounding:
- Noise levels – particularly after 7pm
 - Feeling unsafe and intimidated by skateboarders
 - Litter left by skateboarders
 - General anti-social behaviour perpetrated by skateboarders
- 1.4 The views of the Council Noise Team are set out at 3.1.1 in the main report.
- 1.5 A Crime Prevention Design Advisor was consulted on the possibility of introducing anti-skate measures to the area. This was not felt to be possible, for reasons set out at 1.3 in the main report. The advisor felt that the only anti-skate measure which could be used on the surface in the area would be rumble strips, which would make it more difficult to push other wheeled vehicles (like pushchairs and wheelchairs) over them and could also make it more difficult for anyone with reduced mobility to use the area.
- 1.6 Council security officers were consulted and felt that if a byelaw was imposed in this location the skaters would abide by this regulation.

1.7 Consultation was conducted with the relevant services. Where they were made, issues and comments are included below:

- Children's Safeguarding – it was noted that there is currently a working skate park in Barking that could be used as an alternative for skate boarders. However, as mentioned at 1.9, the skaters concerned have asserted that they are 'street skaters' and so are unlikely to use the designated park.
- Housing and Neighbourhoods - it was suggested that the area covered by the byelaw should be extended to include the pavement surrounding the Broadway Theatre. However, as the area surrounding the Broadway is not residential and the implementation of the byelaw is intended to address residential concerns about noise disturbances, this would not be an appropriate action at this stage. It was noted, however, that the original map did not take into account the Axe Street area, which is also residential and used by skateboarders, this has been included in a revised map of the affected area.
- Regeneration – it was noted that the Terazzo paving directly underneath Arboretum Place, which had previously been the main site for skateboarding, has recently been cordoned off due to leaking from the building above. It was anticipated that this may have deterred skateboarders from using the area, however skating has continued in other sections of the Town Square and thus remains an issue. Further to this, regeneration noted that Police staff are due to move into the Barking Learning Centre, which should assist in the deterrence of skaters.

Report Settings Summary

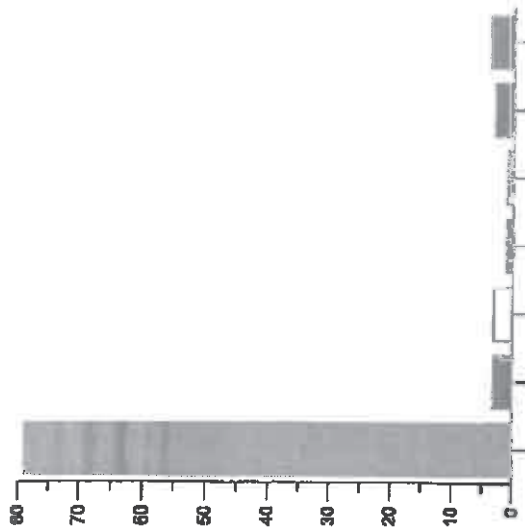
Event	Skateboarding in Arboretum Place
Total Responses	94
Total Respondents	4
Questions	Custom selection (see Table Of Contents)
Filter	(none)
Pivot	(none)
Document Name	Question Responses Only
Created on	2013-11-05 10:10:14
Created by	Edith Galliers

Respondent Info	3
Negative / Positive	4
Impact Scale	5
Further Info	6
Impact Times	23
Issue Reduced?	24
Options Available	25
Other Behaviours	26
Other Comments	36

Respondent Info

Question responses: 94 (100.00%)

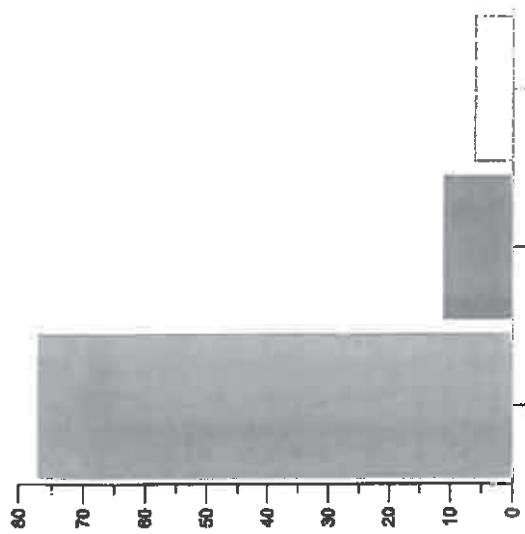
Respondent Info



	% Total	% Answer	Count
<input checked="" type="checkbox"/> A resident of Arboretum Place?	84.04%	84.04%	79
<input checked="" type="checkbox"/> A Barking Learning Centre user?	3.19%	3.19%	3
<input checked="" type="checkbox"/> A Town Hall user?	3.19%	3.19%	3
<input checked="" type="checkbox"/> Someone who uses the area for skating?	1.06%	1.06%	1
<input checked="" type="checkbox"/> A customer of a business in the area?	1.06%	1.06%	1
<input checked="" type="checkbox"/> Working for a business in the area?	3.19%	3.19%	3
<input checked="" type="checkbox"/> Someone who uses the area for another reason?	4.26%	4.26%	4
Total	100.00%	100.00%	94

Negative / Positive

Negative / Positive



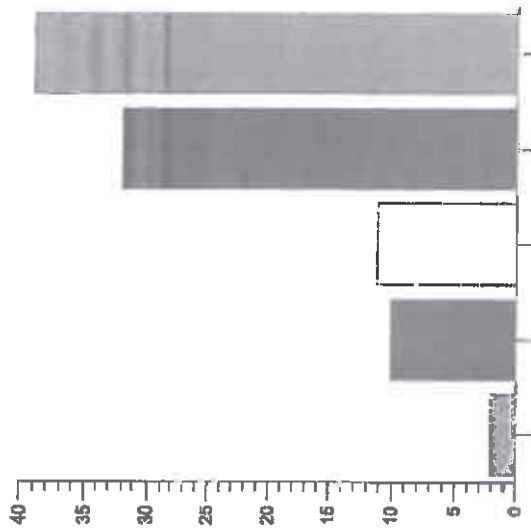
Question responses: 94 (100.00%)

	% Total	% Answer	Count
<input checked="" type="checkbox"/> Negative	81.91%	81.91%	77
<input checked="" type="checkbox"/> Neither negative nor positive	11.70%	11.70%	11
<input checked="" type="checkbox"/> Positive	6.38%	6.38%	6
Total	100.00%	100.00%	94

Impact Scale

Question responses: 94 (100.00%)

Impact Scale

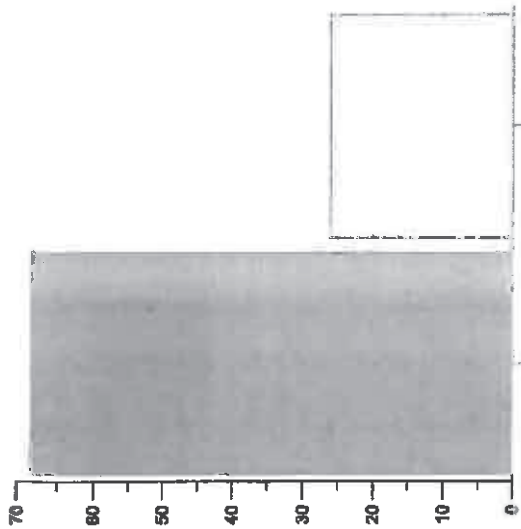


	% Total	% Answer	Count
1 - no impact	2.13%	2.13%	2
2 - very little impact	10.64%	10.64%	10
3 - some impact	11.70%	11.70%	11
4 - significant impact	34.04%	34.04%	32
5 - extreme impact	41.49%	41.49%	39
Total	100.00%	100.00%	94

Further Info

Question responses: 68 (72.34%)


Further Info



	% Total	% Answer	Count
<input checked="" type="checkbox"/> [Responses]	72.34%	100.00%	68
<input type="checkbox"/> [No Response]	27.66%	--	26
Total	100.00%	100.00%	94

ID	Consultee	Agent	Answer	Date	Version	Status	Type
1			I hear them when passing through the Town Square. The noise doesn't particularly bother me, but it is loud and I can imagine it annoys residents of the flats.	07/10/13 16:10	0.1	Submitted	web
4			it shows the area is being used by all age groups. There are very little safe areas for these young people to meet up. this area	08/10/13 14:12	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
5			not only has cctv but a variety of people walking past so to deter attacks, most skate parks are out the way and many young people are attacked in gangs and robbed. It feels unsafe to have skateboarders coming towards you at speed. They leave loads litter where they have. Snacks they do not leave the area while it's light and at 9.30pm it's dark and it feels very uncomfortable	08/10/13 14:15	0.1	Submitted	web
8			regularly affected by skateboarders - they DO NOT have any care for pedestrians. It is a pavement for walking NOT skateboarding	08/10/13 19:04	0.1	Submitted	web
10			The noise effect created does not allow us to sleep and it's having impact on my health.	09/10/13 18:15	0.1	Submitted	web
11			It's been too disturbing in evenings and at night while sleeping around 10pm as well	09/10/13 18:38	0.1	Submitted	web
12			It is noisy in the evenings and unsafe for other pedestrians and the skateboard users. They should play in a safe dedicated environment.	09/10/13 19:18	0.1	Submitted	web
13			It's promoting crowd building of young teens who generate lot of noise, litter the place, pose danger to residents and kids due to their speedy skateboarding. Many a times they also trespass building and	09/10/13 19:26	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
14			engage in wrongful activities. This is a residential area and people here should be allowed to leave in a peaceful and serene environment. Irritating noise and thinking of leaving this place because of this nuisance. There are many playing areas for grown-up kids and college students. Making fun and noise in front of well equipped residential area and Library must severely condemned	09/10/13 21:20	0.1	Submitted	web
16			Noise issue. Also I am worried about the safety as skating at high speeds can cause injury children and elderly people living in Arboretum	09/10/13 21:51	0.1	Submitted	web
17			People scream, abuse and do skating at odd hours and even as late as midnight. It is very disturbing for us and our house is just opposite where it all happens.	09/10/13 22:35	0.1	Submitted	web
18			The noise made by both the skateboarders and the skateboard while doing stunts are extremely disturbing. It echoes as the area is surrounded by tall buildings in 3 directions. The noise sometimes continue till late in the night and it feels like a gang culture growing up in the community, which make us feel unsafe to go it that direction in the evenings and nights. Me and my wife have even changed our evening walk route because we are now afraid of the number and attitude of skateboarders in this area.	10/10/13 05:45	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
19			<p>Earlier this week these guys were singing rap at the top of their voice after 10:30 which was extremely disturbing. There is lots more that I could write now.</p> <p>It is very noisy, the people coming for skateboarding are not just kids but grown up adults. They litter after they leave every day, have even seen one of the groups fighting with other hitting them with the skateboards. It sometimes goes on till midnight, and I have to close the windows to keep the noise off. It is all very painful and disturbing.</p>	10/10/13 08:40	0.1	Submitted	web
21			<p>It's becoming more and more noisy. People stopped from taking a stroll in the area. Some people are scary too. It almost feels like they are going to bump into people. The area is full of food and liqueur left overs and it stinks very badly.</p>	10/10/13 06:59	0.1	Submitted	web
22			<p>Pedestrians are scared to move around in this area because of the skateboarders. There is a large population of small kids in the age group 1 to 5 that uses the same area and they can be injured with the antics of the skateboarders. Also the skateboarders make the place very dirty, they leave behind all sorts of litter like cans and carry bags etc. When the council made the area not accessible by covering it then the skateboarders gathered in front of</p>	10/10/13 07:18	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
23			Ropeworks building's reception area causing disruption to all. 1) They come skating fast heading straight at my 2 year old and then move away laughing after scaring me and the child 2) My Husband was getting back from work at 6:30 PM, They came very near and screamed at him	10/10/13 07:49	0.1	Submitted	web
24			Very noisy even in the late night , Cannot take my children (infant) out for walk because of the fear of the skaters run over them . once they were about to hit me . Skaters damaged the mosaic flooring. Skaters make the surroundings dirty leaving food waste , empty food boxes , drink bottles , cigarette buds etc , on the floor.	10/10/13 08:31	0.1	Submitted	web
26			Enormous noise created which is disturbing	10/10/13 09:10	0.1	Submitted	web
27			1. The skateboarders are always in groups of 10-15 creating nuisance by screaming and banging the skateboards by trying to jump over it. 2. The area where they do this is completely enclosed and creates a lot of echo. Only place where that sound goes is in the flats facing the area. 3. They make the area dirty. They keep eating and drinking there and throw the rubbish in the open when they leave. 4. Friday and Saturday nights are especially worst because different groups come after drinking (I can say this by the way they	10/10/13 09:49	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
			scream and shout) 5. If you come and see for yourself they are very careless and always try to attend speed while doing skating. If somebody is not careful they may easily get hurt.				
30			Its very noisy, disturbing and annoying to the residents	10/10/13 11:00	0.1	Submitted	web
31			1. Noise pollution to the residents which is extending till mid night... 2. Not safe for the people walking down the corridors...	10/10/13 12:41	0.1	Submitted	web
32			The group of skaters many times have wondered into the Lemonade Building where I live and have caused damage to the lights, lifts, and communal areas. I have myself have had to confront them and ask them to leave the premises - they are very loud, and are extremely aggressive to any resident who approaches them. This has meant that all the residence have had to pay extra towards their service charge to hire a security guard through the night hours. During the summer all we can hear until the late hours of the day (sometimes until 11pm) is the noise from their skate boards.	10/10/13 12:47	0.1	Submitted	web
34			The area is all changed since this skating has started, no body goes through the paths where gangs are doing the skating.	10/10/13 13:11	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
35			The noise is unbearable and lasts until very late hours of the day. Cannot open windows for that reason.	10/10/13 13:37	0.1	Submitted	web
38			because of the skateboarders we have stopped using that walk way altogether for safety reasons. And they just portray a very antisocial image by sitting in large groups smoking and drinking.	10/10/13 17:50	0.1	Submitted	web
39			Skateboarding is a recreational activity that is popular with teenagers. It's a medium via which friends can spend time with each other, a fun activity for the skaters and also keeps them fit. I used to be a skater in my youth (the 2000s) and I can honestly say that myself and all my friends always respected members of the public. We knew that when we were not in the skatepark, those areas were not playgrounds and we were secondary priority for right of way. We always stopped to let people past safely. Then again, that was only one town and I can't speak for the nation. There will always be exceptions, and of course if the skaters are worrying and endangering the public as they try and get by them, then that is unacceptable. For this reason, I approve of your idea of monitoring. Watch them in their natural habitat, try and walk through! See how they react. On the subject of noise disturbance, I understand that skateboards do cause a lot of noise. However, I think it would be wrong to make a new, targeted	10/10/13 19:07	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
			<p>bylaw just for this particular group of kids when you could just enforce the already existing laws in the Noise Act of 1998, which prohibits noise at 'night' and defines night as 11pm-7am. To conclude, I think jumping to an outright ban of these kids would be an unwise choice. They should be given a chance to stick to restrictions first. Monitor them yourselves and see how they are really affecting the public. I'm worried that people filling out this survey will be prejudiced towards the skaters solely for who they are, just like you'd see judgement of other groups of society. They might all be a callous menace, they might all be really considerate. Only by monitoring them can the council find out, not by a general questionnaire. Looking forward to the decision and the reasons behind it.</p>				
41			<p>Kids skateboarding in the area usually seem decent people, also try to avoid disturbing people passing by. However, noise should be avoided at night.</p>	10/10/13 19:15	0.1	Submitted	web
42			<p>It is not just about the skateboarding, its what the kids do when they get together. Smoking, drinking and trashing the place with the filth they leave behind is a total turn off. It used to be a common alley-way. Now its an avoided part of the Arboretum place. There were also instances where the kids purposefully ran through by-standing groups of parents and kids, teasing or</p>	10/10/13 20:07	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
43			<p>scaring ladies with kids. They may not be anti-social on the outset, but they certainly are not a good example.</p> <p>Children are scared to play in the area and as a parent I don't want her to play there or socialise when they can get hurt by people running into them very easily. They leave lots of garbage behind and have seen them doing inappropriate things behind ladies walking by.. I have been considering moving away from this area now</p>	10/10/13 20:09	0.1	Submitted	web
44			<p>Skating brings vibrancy to the location. But people who are skating around Arboretum are proving to be trouble. Thrice I have seen guys calling some random numbers in door entry dial pad and swearing "F*** You", "M*****(a resident's young daughter) I love you" and "M***** F*****". If these skating kids behave themselves properly, there is no reason why we hate them. Skating is a beautiful skill.</p>	10/10/13 20:53	0.1	Submitted	web
45			<p>1. Walking doesn't feel safe in arboretum place because skate boarders smoke, rush fast into pedestrians. 2. They occupy the area completely make noise till late 3. They throw rubbish and make the place dirty 4. Mums n kids no longer like to walk in this place in evenings To make arboretum place safer and cleaner skate boarding must be banned, the young chaps can go to a different place but the whole population of</p>	10/10/13 21:02	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
46			arboretum place can't go find a new place to walk in the evenings. These lads used to skateboard in Arboretum Place whole summer up to late night hours like 1am - occasionally they were shouting and fighting with each other. I have approached them few and they kept promising that they will not stay there late but they failed to keep up to their promises.	10/10/13 21:36	0.1	Submitted	web
48			Besides de noise, it is common to see situations that may cause injuries to pedestrians near the skaters, as the skaters don't look all the time to the surroundings and it is also common to see the skateboard going out of control of the owner, wich may cause injuries to pedestrians or damage to the building itself.	11/10/13 10:30	0.1	Submitted	web
49			The noise is so bad. Also couldn't walk with kids .	11/10/13 11:05	0.1	Submitted	web
50			Skateboarding in a public area is a safety hazard and lots many times skateboarders have been seen performing stunts which could injure kids playing around.	11/10/13 12:59	0.1	Submitted	web
51			Small childrens will get hurt.	11/10/13 13:08	0.1	Submitted	web
53			Skating is really loud and teenagers tend to leave their rubbish in the Arboretum Area.	11/10/13 14:50	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
54			The teenagers using skateboards can accidently injure young children ageing between 2 - 10 who ride small scooters or bicycles.	11/10/13 15:33	0.1	Submitted	web
55			the noise even with the windows closed is unbearable, and the danger when one walks through the square, with those guys a high speed on their skates, and they sometimes stay until very late skating	11/10/13 15:49	0.1	Submitted	web
56			The loud banging noise of the skateboarding. The skateboarding area is a busy pedestrian pathway to the library.	11/10/13 17:14	0.1	Submitted	web
57			They indulge in Smoking and Alcohol drinking activities which makes the resident uneasy and also cause nuisance for the people taking walk around vicinity	11/10/13 17:16	0.1	Submitted	web
58			As pedestrian, with staker crowd around, feel worried and concerned while passing by as the probability of getting hurt is high. Kids get scared to pass by and cannot move around for playing. .	11/10/13 18:04	0.1	Submitted	web
60			Arboretum place is used for skateboarding not only by local residents, but also by people from elsewhere. This leads to reckless teenagers and young people skateboarding even in the tube stations and all along the road to Arboretum place. This almost constitutes traffic on the pedestrian streets, with dangerous swerves and	12/10/13 09:44	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
61			<p>near-misses, they do not regret the effect it has on pedestrians and even seem to enjoy it. Also a lot of these young people indulge in foul language and try to intimidate pedestrians.</p> <p>Strangers, including adults, are using skateboarding as a pretext to enter the area and cause problems.</p>	12/10/13 11:06	0.1	Submitted	web
62			<p>I live in Ropeworks Building. I am not against anybody skating however these youngsters for their own share of fun are troubling close to 400 families living here and also for people who passby. There are multiple issues I could see.... - Bad precedent : if these people wanted some place to have fun they could have taken council permission first and then used it however they did the opposite. - Dangerous - I have a 4 month old baby and I use pram, there has been couple of occasion I could have got hurt. Lot of families in Arboretum have small babies; they dont feel safe when they enter Arboretum.... these kids ride like mad and it could lead to possible accident. - Library - I have tried sitting in the library in the evening and study, you just cant study there... acute sound pollution - Residents gets disturbed- most of the family facing the arboretum find it too difficult to sleep and spend a peaceful evening after their long hard work day, its too noisy and very disturbing. It seems that council is</p>	12/10/13 11:58	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
63			<p>taking too too liberal view about this; we need to be democratic however we should not fix things when things come become too ugly and sour. The kind of reputation Arboretum place had is loosing because of this small thing. Solution : In the whole lot there would be kids who would be serious about this sports - council should provide them a separate place where they can practise and invest their valuable time in their hobby and who knows their passion.</p> <p>Evenings are horrible, especially walking with my family & young kids. The people using skateboards are not considerate and I have to walk away from them, they may not have intention to hurt but with the speeds you never know.</p>	12/10/13 13:19	0.1	Submitted	web
64			<p>It is blighting the area with music being played from portable music players, loud banging and intimidatingly large groups. The noise often goes on well into the night.</p>	12/10/13 15:21	0.1	Submitted	web
66			<p>Skateboarders cause lot of noise and many times during middle of night</p>	12/10/13 17:02	0.1	Submitted	web
67			<p>last year we had kids entering the building and messing with the fire extinguisher..not sure if these were the same kids who were skate boarding or otherwise..but the kids caused lot of problems last year in the public corridor</p>	12/10/13 18:29	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
68			Skateboarders often skate late into the night, and the noises have been very annoying	12/10/13 19:10	0.1	Submitted	web
69			Skateboarding is harmful and distressing for the public. Especially for people who reside in bath house or lemonade building and most of all cutmore ropeworks. Residents are not able to leave the building peacefully without any obstructions because of the skateboarding.	12/10/13 21:03	0.1	Submitted	web
70			Noise level is too high	12/10/13 21:16	0.1	Submitted	web
71			The people skateboarding not only produce loud noise and scream, but also make the residential area less safe to live in.	12/10/13 22:16	0.1	Submitted	web
72			Shouldn't be after certain time at night	13/10/13 07:43	0.1	Submitted	web
73			I've had kids almost run into me when skating outside. It is noisy (not so much the kids themselves but the skating).	13/10/13 09:09	0.1	Submitted	web
75			The teenagers doing skateboarding there litter the area, disturb the residents.	13/10/13 14:35	0.1	Submitted	web
77			noise till very late, antisocial behavior, danger for children playing in the square and for pedestrian	16/10/13 12:46	0.1	Submitted	web
78			At times one can hear the skateboarders outside our office space which does have an impact on our normal office working	17/10/13 13:52	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
80			<p>this is a residential area not a playground. the noise that the skateboarders make is extremely annoying and disturbing. often they skate in front of the main entrance to the building and we don't consider this safe for us let alone our children. In addition, there's a lot of rubbish left after they leave. we would like this activity to be banned so that we can feel peaceful and safe at our own home.</p>	17/10/13 21:19	0.1	Submitted	web
83			<p>encourages people to stay active. especially the young.</p>	18/10/13 12:05	0.1	Submitted	web
84			<p>extremely loud skateboards that crash against the marble tiled floor. They also shout and are extremely intimidating in large crowds. They hang around until the early hours.</p>	18/10/13 23:48	0.1	Submitted	web
85			<p>This has nothing but negative impact on the area these people have no respect for others. I have witnessed harassment from them and would like them banned ASAP. If there only argument is that they fell safe boarding here then they should consider boarding outside there own abodes then annoy there own parents.</p>	21/10/13 13:18	0.1	Submitted	web
87			<p>the noise from skateboard use is very unpleasant and annoying.</p>	24/10/13 13:17	0.1	Submitted	web
88			<p>There is lots of noise around the skateboarding area and it also causes</p>	26/10/13 09:32	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
89			<p>nuisance to kids and parents who gather at those areas. Especially it is not safe for kids as I usually see kids playing around those areas and now due to the skateboarding guys, the kids stay away from those places. It is not safe for kids to play around those areas and even for people who pass by. It is in fact very close to all three huge apartments and is regularly used by people..</p> <p>Those young people don't respect the people passing through the area. One time I used to pass through with my wife and new born baby and one of those skateboarding guys pushed his skate in front of my wife which makes me really angry.</p>	26/10/13 19:15	0.1	Submitted	web
90			<p>Very intermidating, feel sorry for the people living there, the noise is tremendous</p>	28/10/13 13:19	0.1	Submitted	web
91			<p>The noise at night can be a problem but I dont have a problem during the day they are not rude or destructive.</p>	29/10/13 18:14	0.1	Submitted	web
94			<p>noise issue - at times they could be very noisy while shouting and laughing during their activity. safety issue - foot path shall serve its purpose - pedestrian, at time most of us (pedestrians some are children and even infant in buggy) need to re-route to avoid collision, they can argue that they are careful, but safety shall always comes first.</p>	03/11/13 17:27	0.1	Submitted	web

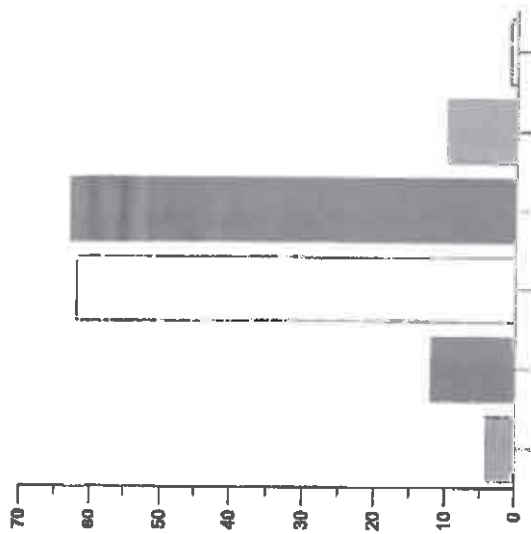
Further Info

ID	Consultee	Agent	Answer	Date	Version	Status	Type
			<p>hygiene issue - food waste were lying around after their activity where bins are provided not further than 200 yards, this simply shown their behavior towards the community.</p>				

Impact Times

Question responses: 93 (98.94%)

Impact Times



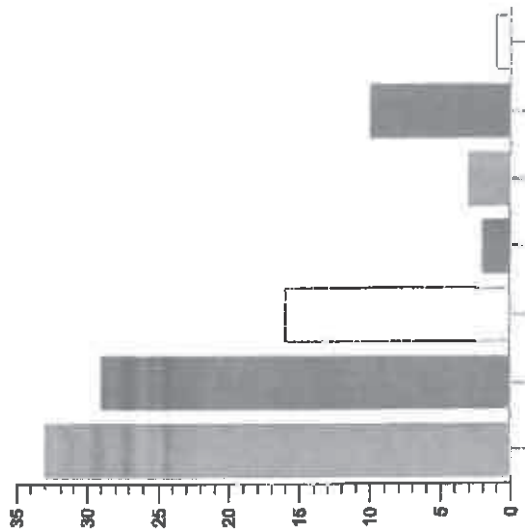
	% Total	% Answer	Frequency	Count
8am - Midday	2.63%	2.65%	4.26%	4
Midday - 4pm	7.89%	7.95%	12.77%	12
4pm - 8pm	40.79%	41.06%	65.96%	62
8pm - Midnight	41.45%	41.72%	67.02%	63
Not applicable	6.58%	6.62%	10.64%	10
[No Response]	0.68%	-	1.06%	1
Total	100.00%	100.00%	-	152

Issue Reduced?

Issue Reduced?

Question responses: 93 (98.94%)

Issue Reduced?

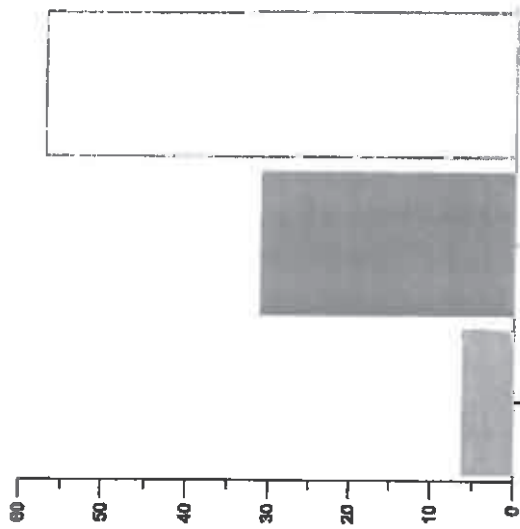


	% Total	% Answer	Count
1 - no improvement	35.11%	35.48%	33
2 - very little improvement	30.85%	31.18%	29
3 - some improvement	17.02%	17.20%	16
4 - significant improvement	2.13%	2.15%	2
5 - extreme improvement	3.19%	3.23%	3
Not applicable	10.64%	10.75%	10
[No Response]	1.06%	--	1
Total	100.00%	100.00%	94

Options Available

Question responses: 94 (100.00%)

Options Available

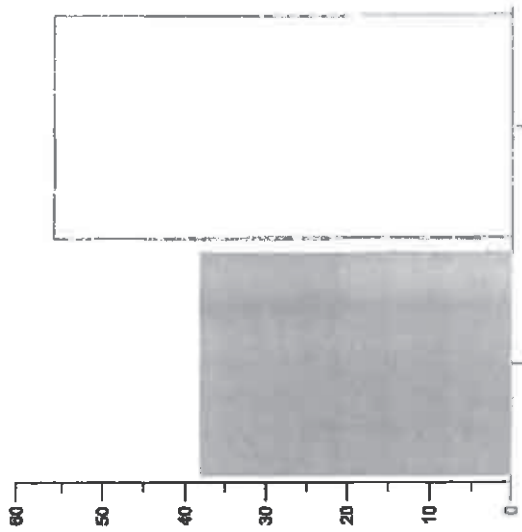


	% Total	% Answer	Count
<input type="checkbox"/> Let the skateboards skate at this location without any restrictions?	6.38%	6.38%	6
<input type="checkbox"/> Continue to manage skateboarding in the area and make sure it is quiet in the evenings?	32.98%	32.98%	31
<input type="checkbox"/> Ban the use of skateboards, scooters, roller skates or other self-propelled toys in this location?	60.64%	60.64%	57
Total	100.00%	100.00%	94

Other Behaviours

Question responses: 38 (40.43%)

Other Behaviours



	% Total	% Answer	Count
<input checked="" type="checkbox"/> [Responses]	40.43%	100.00%	38
<input type="checkbox"/> [No Response]	59.57%	--	56
Total	100.00%	100.00%	94

ID	Consultee	Agent	Answer	Date	Version	Status	Type
1			Occasionally see street drinkers, but very rarely and it doesn't particularly bother me.	07/10/13 16:10	0.1	Submitted	web
4			yes, unattended toddlers that are left with other primary aged children while parents are in the council buildings.	08/10/13 14:12	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
10			We have a black homeless male staying in the property who often break-in the building. This has been occurring since last year or so and we have on numerous time informed police about it. Police says it's council's responsibility. We have CCTV evidence of this guy breaking into property. Please help.	09/10/13 18:15	0.1	Submitted	web
12			Some youths also enter the surrounding buildings and cause damage to property. Other kids who kick footballs at the buildings also cause damage to windows and tiling.	09/10/13 19:18	0.1	Submitted	web
16			People shout at night. Early morning, the cleaning and delivery vehicles are creating more noise to the location	09/10/13 21:51	0.1	Submitted	web
17			People drink at the seating around the trees often on weekends. They create a lot of noise that time. They leave rubbish behind.	09/10/13 22:35	0.1	Submitted	web
18			There is a homeless guy which always try to break in to Bath house. After multiple complains by the building residents, the police finally nabbed him after he broke the entrance gate of the house and entered in. But they left him with a warning. He attempted to break into the apartment again and the security tapes are now submitted. We have not no update about it so far and sometimes it feels insecure. Also wanted to highlight the sound made by the	10/10/13 05:45	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
19			cleaning machines so early in the morning. Would appreciate if it was done a bit later in the morning allowing the residents to complete their sleep.	10/10/13 06:40	0.1	Submitted	web
21			No There is a homeless black guy trespassing into our apartment building. He eats, drinks and even smokes drugs in the apartment. He throws up on the elevator doors, on the walls and it smells a lot. He looks very scary and kids are frightened by his appearance. He even threatens not to come near him pointing towards his back indicating that he might have a dagger or something. This has been reported numerous time to the police. They warned him too but he still manages to sneak into the building. In the last one week he broke the main door of the apartment building too. This was recorded in the CCTV cameras as well. However the action taken by police or the building management is very negligible. This is turning out to be threat to the people living in Bath House building. The police have told to inform the council about this and it will be effectively taken care of. This problem has been there for over an year. Please do something. Thanks	10/10/13 06:59	0.1	Submitted	web
24			Very noisy even in the late night , Skaters damaged the mosaic flooring. Skaters make the surroundings dirty leaving food	10/10/13 08:31	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
26			waste , empty food boxes , drink bottles , cigarette buds etc , on the floor. A black guy forces himself into bath house and does damage to property and threatens people who try to evict him. When consulted police, we were told it is a council issue. Would be grateful if the council attends this problem	10/10/13 09:10	0.1	Submitted	web
29			No	10/10/13 10:31	0.1	Submitted	web
32			loud, rude, violent skaters causing damage to the building. Because of no patrols we have now homeless people sleeping in our buildings communal areas, smoking, urinating inside the building. Our contribution toward council tax should enable the council to better manage this area where a great number of families and professional people live. The lack of patrols and control in this area will unfortunately damage Barking's reputation of wanting to become a gateway for professional people who live in greater london but work within it.	10/10/13 12:47	0.1	Submitted	web
35			People using that area as a drinking point. It is very disturbing to witness drunk individuals or groups of people making the place look like a garbage.	10/10/13 13:37	0.1	Submitted	web
36			Smoking.	10/10/13 14:08	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
40			No.	10/10/13 19:11	0.1	Submitted	web
41			Some people, on random week days, stay in the area after heavy drinking for a while before reaching home, being extremely loud. Sometimes they stay for hours.	10/10/13 19:15	0.1	Submitted	web
42			There were also instances where the kids purposefully ran through by-standing groups of parents and kids, teasing or scaring ladies with kids.	10/10/13 20:07	0.1	Submitted	web
43			People skating at the entrance, and can easily run into anyone. I feel myself scared and forget about my family, my daughter doesn't play there anymore	10/10/13 20:09	0.1	Submitted	web
44			Controlling Kids behaviour is very important. We allow them to skate in a safe place, but they should behave properly to keep it.	10/10/13 20:53	0.1	Submitted	web
54			A month back or so, i saw a big group of boys and girls have a deadly fight near the clock house. It even went to the extreme that one boy took his skateboard and hit hard on other boy's head and he started bleeding. And in fraction of seconds they all vanished. It is very difficult to reside in such environment.	11/10/13 15:33	0.1	Submitted	web
56			Playing football in the Arboretum should be banned. It's not a common activity yet but I've seen it a few times.	11/10/13 17:14	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
57			No comments	11/10/13 17:16	0.1	Submitted	web
60			As mentioned, a lot of the skate boarders are young people who indulge in noisy behaviour and the use of foul language, which is inappropriate for the family environment at Arboretum Place. Also, the area is slowly turning into a congregation for young people, most of who are just relaxing. But there are several of these people who indulge in smoking and drinking in the colonnades surrounding Arboretum place. It looks to be only a matter of time before this develops into an area for more unsocial activities which could include the use of drugs.	12/10/13 09:44	0.1	Submitted	web
62			- Smoking and creating dirt- Most of the kids are under age, they smoke and drink over here in big group, also they are spoiling the whole floor.... Not sure but how can such small children smoke and take liquor; when they are done with smoking they make the whole place filthy. This looks like a soft gang culture. We need to educate them, talk to their families and try and bring them to right track.	12/10/13 11:58	0.1	Submitted	web
63			I absolutely want this to be banned in the evenings.	12/10/13 13:19	0.1	Submitted	web
64			Anti social behaviour of people getting drunk on the benches and arguing.	12/10/13 15:21	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
69			I havent experienced any nonsense behaviour from the youngsters. Just the noise levels and skateboarding all over the place is distressing. Youngsters need to be considerate about the public around them. I would be happy if there were no skateboarding after 8pm.	12/10/13 21:03	0.1	Submitted	web
71			Many trespassers around the area.	12/10/13 22:16	0.1	Submitted	web
76			Large groups of youth skateboarding, and occasionally misbehaving or inappropriate behaviour (showing off to others), makes me scared to take my child outside when they are outside. They sit, skate near flat entrances, many times skate fast into the area where children are playing. They mostly have fun and dont care about others, including small children. They also leave loads of trash behind	15/10/13 09:12	0.1	Submitted	web
77			they run very fast on their skateboards, wich is a danger for everyone, fighting between them,	16/10/13 12:46	0.1	Submitted	web
83			I	18/10/13 12:05	0.1	Submitted	web
85			The deliveries to the Tescos store which don't seem to be regulated, there are lorries turning up as early as 04.30 then trollies being dragged along the pavement at all hours surely there must be a local section 61 in place which will allow tenants to sleep a least throw the core hours..	21/10/13 13:18	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
87			skateboards are the main issue at the moment	24/10/13 13:17	0.1	Submitted	web
88			Skateboards and roller skates seems quite dangerous especially in a locality where there are numerous families with kids around. People normally stay away from that area due to these issues which seem to affect our freedom.	26/10/13 09:32	0.1	Submitted	web
90			Yes there are. One night I walking past the relish cafe, two dozens youths in the cafe chanting on their feet, was very intimidating and disturbing. Couldn't understanding what their were saying.	28/10/13 13:19	0.1	Submitted	web
93			As a resident who lives in Arboretum Place and whose flat over-looks the area, I have yet to see a skateboard hit or cause an injury to an individual. On the one occasion that I have seen a skateboarder go too near a pedestrian, they have apologised profusely. This is in complete contrast to the cyclists who race through the area with complete disregard for anyone. The younger children who play in the area are a much greater danger than the skateboarders (the skateboarders are happy for the younger children to play near them or have a go on their skateboards). I have lost count of the number of times that I have nearly been knocked over and had to come to a sudden halt because of a young child who does not have control	02/11/13 22:31	0.1	Submitted	web

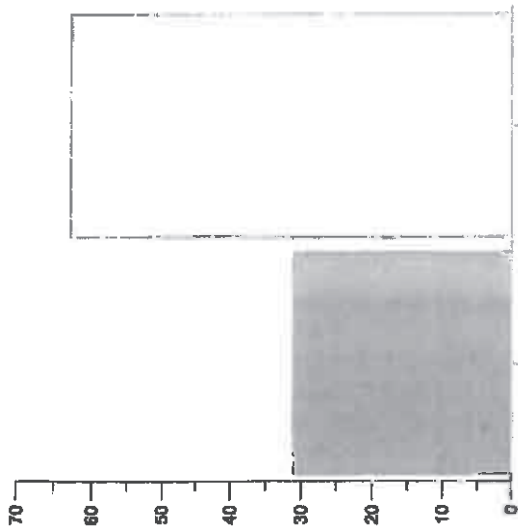
ID	Consultee	Agent	Answer	Date	Version	Status	Type
			<p>of their scooter/bike/football. I have never received an apology and likewise any parent/carer with them has never apologised. Parents also seem content to let their children run around and even swing on the trees in the fenced off areas - at times a branch has broken off because a child has been swinging on it. However, the worst behaviour and a major risk to public health, are parents allowing their children to urinate in the fenced off garden in front of the Lemonade Building. My flat overlooks this area, and as I live on the second floor I have clear sight of what is happening. The parent/carer has always been with the child when I have seen such an incident and the children involved are not tiny tots - one girl looked about 10 years old and was squatting under a tree. I can only hope that she was not defecating. Only last Sunday a man assited the child he was with to go to the toilet in the fenced off area - this is not something that you want to see whilst you are having breakfast. These incidents along with all of the others that I have seen have all occurred at a time when the library and shopping centre would have been open. There are free toilets in both of these buildings and they are only a 2 minute walk from the garden area. Over the past couple of months I have seen 5 such incidents take place at the weekend. I dread to think how</p>				

ID	Consultee	Agent	Answer	Date	Version	Status	Type
94			many other times parents let their children use the gardens as toilets. I would be grateful if the council could stop people from using the fenced off areas as a childrens play ground and toilet. none	03/11/13 17:27	0.1	Submitted	web

Other Comments

Question responses: 31 (32.98%)

Other Comments



	% Total	% Answer	Count
[Responses]	32.98%	100.00%	31
[No Response]	67.02%	-	63
Total	100.00%	100.00%	94

ID	Consultee	Agent	Answer	Date	Version	Status	Type
1			The kids seem well behaved and don't appear to trouble anyone other than the noise.	07/10/13 16:10	0.1	Submitted	web
4			if the complaints are from residents then i have to say what did they expect choosing to live there? Bussiness should be glad of the trade these young people generate let	08/10/13 14:12	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
5			<p>alone their future bussiness. Office/council workers, hard luck.</p> <p>We have tried to be tolerant but these people do not live in the area and show no regard for those that do. They may feel its fun skateboarding towards people but those of us over 60 are worried our broken bones won't mend properly, you feel unsafe. The litter left behind when they are gone is unacceptable, there are bins closeby. I cannot justify to residents that they should be tolerant towards these young people when they don't consider the young children sleeping in surrounding flats. We need to market our town as a good place to live if we want shops to survive, we need people to buy these flats to bring more money to the town, with this behaviour this won't happen. A noise nuisance has been identified and we have no choice but to deal with it</p>	08/10/13 14:15	0.1	Submitted	web
9			<p>I do not think that skateboarding has a negative effect in this area. I walk pass the skateboarders most nights - they have not displayed any anti-social behaviour. If a lot of them has occupied the walkway, I have a choice to walk on the outside of the walkway - plenty of spaces nears the trees & benches. I feel possitive for that the young people are gathering there because of a sport they are passionate about, not gathering to drink or smoke or take drugs</p>	09/10/13 01:00	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
			<p>etc. That walk way is a bright, clean area and under-cover - no wonder these young people feel safe to skateboard there. I have also seen some girls using the opposite side of the area - using the glass windows as mirror to practice their dance moves. I appreciate that it is appropriate to have a time restriction, e.g. no skateboarding after 9pm due to noise. Health & safety issues - as long as the skateboarding happens in the walkway, it is acceptable. I feel that the occasional bicycles/tricycles/ball games that happen in the middle of the space outside the town hall is more unpredictable and dangerous. I access the walkway at least twice a day almost 5 days a week - the skateboarders never once crashed towards me. My concern is, if the skateboarders can't skateboard in a not-too-quiet, safe, bright, under-cover environment - where else can they go? Will LBBDD promise to provide an alternative free venue for them to go to if they were banded in this area? Imagine, if you were parents of these young people, would you prefer them to 1) skateboard safely in the middle of Barking near the town hall, shops and police station, 2) or a quiet & dark park, probably outdoor area, or a street corner (and potentially get attached by robberies or gangs), or 3) give up skateboarding only because they cannot find anywhere safe to do it? Time</p>				

ID	Consultee	Agent	Answer	Date	Version	Status	Type
			<p>restrictions, or 'rules to use this area' can be set, so the youngsters can learn about rules and responsibility - follow the rules, otherwise you will be banned from using the area forever. Possibility of issuing 'skateboarder passes' - the youngsters can register to use the area by applying a pass; security guards have the right to check and send them away unless the young people are displaying their passes? Obviously this won't be easy (you can ask - what about other users - rollerskaters, trainers with wheels, bicycle, tricycles etc) but I believe most of the complains are directing towards the skateboarders because unfortunately they are the biggest group (and skateboarding creates most noise); any of the above sport/activities can be potential health&amp;safety hazzards purely because any of them can lose control and crash onto people. This is not too hard either - passes issuing can be organised by the library next door. Thank you for reading.</p>				
11			<p>It's been too annoying at nights when they are making too much noise at 10pm</p>	09/10/13 18:38	0.1	Submitted	web
13			<p>We have a black homeless male sleeping in the Bath House property who often break-in the building during evening time. This has been occurring since last year or so and we have on numerous time informed police about it. Police says it's council's</p>	09/10/13 19:26	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
19			<p>I am surprised that the council has no inputs from Library, I was in the library one afternoon and the first floor was filled with noise of those skateboarders from outside. Very surprised that the council and the library management did not consider stopping this activity, as this was disturbing the very fabric of a library environment, silence. It was constant bang bang that was echoing into the first floor, how is the management keeping a deaf ear to it is very surprising to me.</p>	10/10/13 06:40	0.1	Submitted	web
32			<p>If future of barking is to become a gateway as it was envisaged before the redevelopment more needs to be done. More investments should be contributed toward creating skateparks inside the many great parks surrounding the barking town centre thus providing a robust structure to manage them rather than leaving them to rot as it is being done now.</p>	10/10/13 12:47	0.1	Submitted	web
33			<p>The problem is that the council do not provide any alternatives for skateboarders. Yes, they are making noise, especially in the evenings, but only because they have no other places to skate. (maybe you</p>	10/10/13 13:06	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
40			<p>should invest and build some skating places for them near Barking Abbey?). I understand that some of my neighbours are really annoyed by skateboarders but a total ban would be a huge mistake. I dont have children but I see that in general the skateboarders in Barking are just nice kids who have no place to spend their free time. Criminalising them could really have a negative influence on their lives (you would ban what they like without giving them alternatives).</p>	10/10/13 19:11	0.1	Submitted	web
42			<p>Skateboarders appear to keep to themselves and are not a nuisance. If anything, they're less of a nuisance in the evening because there's less people about for them to get in the way of. Noise levels have never been a problem.</p>	10/10/13 20:07	0.1	Submitted	web
43			<p>There is a skateboarding rink at the Barking park that can be made available to the kids. Its not about depriving them of a recreation space. Its about them behaving a lot more responsibly.</p> <p>People sitting in large groups, playing before apartment walkways and scaring everyone including children.. I have seen some of there indecent behaviour skating while behind women. They sit for long hrs, eating drinking and leaving behind garbage etc... I am more concerned about them skating near the flat entrances than</p>	10/10/13 20:09	0.1	Submitted	web

Other Comments

ID	Consultee	Agent	Answer	Date	Version	Status	Type
52	[REDACTED]		<p>anything else... or, they should have a dedicated area downstairs where they can skate, and children can play elsewhere. Several times they skate very fast lay into area where kids are running around</p> <p>It is great that youngsters have a hobby that requires practice, concentration, skill and physical activity. They can make friends and exchange ideas in the safety of a public place. These young people should not be discouraged from passing their time positively. Of course they must be considerate of others; We do this by embracing them as part of society not by banishing them.</p>	11/10/13 14:18	0.1	Submitted	web
53			<p>As a resident of Lemonade Building skating is affecting me quite badly, during warm months when I need to have my windows and balcony open the noise is that loud that I have a feeling that skating is actually taking place in my living room. I don't even hear properly people on the phone or TV. Also I feel really sorry for people with young children who I can only imagine how hard is to put them to the bed with that noise outside of the building. Sometimes skaters are visiting Arboretum Plc during late evening hours or by midnight which cause sleepless nights for myself and my husband. I have already called police twice during those events. Also skaters are</p>	11/10/13 14:50	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
56			<p>leaving their rubbish around the Arboretum Pic which I think it's not acceptable.</p> <p>It maybe a good idea to take a survey onsite and ask the people who used pathway whether it affected them in anyway. I think the skateboarding noise also affecting the peace of the library users so their opinions may need to be considered as well.</p>	11/10/13 17:14	0.1	Submitted	web
57			No comments	11/10/13 17:16	0.1	Submitted	web
58			Suggestion: Improving the park play area behind the townhall with skateboard playing facility(like the one in barking park) and more play facility should help everyone	11/10/13 18:04	0.1	Submitted	web
60			It is important to maintain the family environment and for residents to be able to distinguish between locals and possible notorious elements loitering around. With this free-for-all skateboarding activity, this distinction is no longer clear and the space is becoming an open invitation to miscreants. MY MAJOR OBJECTION IS NOT TO THE SKATEBOARDING PER SE BUT TO THE CONVERSION OF A REGENERATED, VIBRANT DEVELOPMENT INTO AN ANTISOCIAL AND UNSAFE NEIGHBOURHOOD.	12/10/13 09:44	0.1	Submitted	web
61			We have a situation where the entry door into Bath House was broken a few days	12/10/13 11:06	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
62			back. The cause of this is some unknown stranger trying to break-in. I believe that a total ban on skateboard will ensure that the area is off-limits to strangers using as a pretext to gain entry into this place. I do agree that we need to ensure that young people don't get criminalised but I think the council should make arrangements at a common place for the community to enjoy skateboarding.	12/10/13 11:58	0.1	Submitted	web
64			The residents need to feel that we are a council where people are safe and nobody would be tolerated who would harm the ecosystem of this council.	12/10/13 15:21	0.1	Submitted	web
68			This area was sold to me as a place of regeneration. The council has allowed this area to be run down far too quickly and I feel my investment in the area is at risk.	12/10/13 19:10	0.1	Submitted	web
71			They have been very rude to residents when asked to reduce noise level.	12/10/13 22:16	0.1	Submitted	web
73			Thank you for considering our concerns.	13/10/13 09:09	0.1	Submitted	web
76			Can't somewhere else in Barking be provided as a safe place to skateboard? 1. They should have a dedicated area where they can do whatever they want to do. 2. They should not come into area near flat entrances or skate near it (dangerous for children and everyone) 3. They should	15/10/13 09:12	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
77			<p>stay away from area where children are playing, and should not skate while coming in or going out of that area 4. This area has become there sitting area for long hours. I am afraid, this would slowly evolve into a dangerous anti social behaviour area when loads of young people hang together</p> <p>I work night shift and the last months have been a nightmare, with those skateboarders, the noise when the jump with the skateboards is like living in the middle of a building site.</p>	16/10/13 12:46	0.1	Submitted	web
78			<p>It would be nice for the skateboarders to have a safe space to practice however I feel that the current situation is one that will lead to an accident which the council might have to address at a later date</p>	17/10/13 13:52	0.1	Submitted	web
83			<p>I'm shocked that this survey is even happening. pathetic really. its there only safe place where we can enjoy ourselves and people want to take that away. we cause no trouble we just want to skate.</p>	18/10/13 12:05	0.1	Submitted	web
90			<p>Whole issue with the skateboarders is demeaning to the area, especially the cafe which is being used for unknown reasons.</p>	28/10/13 13:19	0.1	Submitted	web
93			<p>I have been most impressed with the response to the complaints about the skateboarding. To have held two public meetings (the second such meeting saw</p>	02/11/13 22:31	0.1	Submitted	web

ID	Consultee	Agent	Answer	Date	Version	Status	Type
			<p>residents outnumbered by council officials, and there were only 4 officials there); to deliver letters about the meetings; to deliver a note of the original meeting; to deliver a record sheet for residents to log the times that the skateboarders caused them problems (none of the so called concerned residents bothered to complete these record sheets prior to the second meeting); to provide residents with the contact number for the noise and nuisance team (surely if someone had a real problem then they would have made the effort to find out this information themselves); to allow a resident to record the skateboarders (albeit if he took the recording from his balcony and the sound equipment was not left on over a period of time which would have given a balanced and more accurate account of the noise); to set up this consultation and to take action in order to try and solve any so-called problem has made me happy to pay my council tax. Unfortunately, I feel that the value for money that the council has achieved is poor. I am angry that so much money has been spent on an issue that is apparently a major concern for so many residents yet none of them came to the second public meeting and none of them had bothered to complete the record sheets which would have provided proof of an actual problem. I hope that those residents who have</p>				

ID	Consultee	Agent	Answer	Date	Version	Status	Type
94			<p>shouted so much yet done so little have their council tax bill increased in order to pay for the expense that the council has had to go to in order to try and manage the situation. This money could have been spent on something that was actually worthwhile. Due to a certain resident having whipped up a group of people for the original meeting, I hope that some caution will be applied to the anti-skateboarding comments.</p> <p>none</p>	03/11/13 17:27	0.1	Submitted	web

ASSEMBLY

19 FEBRUARY 2014

Title: INDEPENDENT PERSONS – THE LOCALISM ACT	
Report of: The Monitoring Officer	
Open	For Decision
Wards Affected: All	Key Decision: No
Report Author: Paul Feild Senior Governance Solicitor	Contact Details: Tel: 020 8227 3133 E-mail: paul.feild@lbbd.gov.uk
Accountable Head of Service:	Fiona Taylor, Head of Legal and Democratic Services
Accountable Director:	The Chief Executive
Summary:	
<p>This report relates to the requirement to appoint Independent Persons to carry out an advisory role as part of arrangements the Council must have in place to investigate and determine complaints regarding the Councillors' Code of Conduct as required by Section 28(6) (a) & (b) and 28((7) the Localism Act 2011(the Act).</p>	
Recommendation(s)	
<p>The Assembly is asked to agree:</p> <ol style="list-style-type: none"> 1. to confirm the retention of Mr Michael Carpenter and Mr Brian Little as Independent Persons in accordance with Section 28(7) of the Localism Act 2011 until the next Assembly meeting following the Annual Assembly in 2016; 2. that the Monitoring Officer be authorised to engage an additional Independent Person to be retained on the same terms as the current Independent Persons, for subsequent appointment by the Assembly. 	
Reason(s)	
<p>Section 28(8) (c) (iii) of the Act states that decisions of appointment of Independent Persons must be agreed by a majority of the whole number of Councillors.</p>	

1. Introduction and Background

- 1.1 From July 2012 The Localism Act introduced the principle that complaints against Councillors be dealt with at the local level and set the requirement that principal Councils such as district, county and London boroughs all adopt local codes of

conduct and establish the means to investigate and determine complaints. At the Assembly meeting on 11 July 2012, Members adopted a Code of Conduct in accordance with the Act, together also with procedures for investigating and deciding on allegations of breaches of that Code.

1.2 The Act further required that the Council appoints at least one Independent Person(IP):

(a) whose views are to be sought and taken into account by the Monitoring Officer on an allegation being considered for investigation, but before a decision to investigate is made; and

(b) whose views may be sought:

(i) by the Monitoring Officer on other matters relating to an allegation; and

(ii) by a member or co-opted member of the Council who has been complained about.

1.3 An external recruitment exercise for the position was undertaken and in due course a recommendation was made to the Assembly on 10 October 2012 to appoint Mr. Michael Carpenter and Mr. Brian Little as IPs for the Council as required by the new governance regime under the Localism Act 2011 with an allowance of £500 per annum. The Assembly agreed to the proposals and Mr. Carpenter and Mr. Little were duly appointed.

2. Proposals and issues

Extension of Engagement

2.1 In early 2014 it was considered timely to carry out a review of the role of the IPs and a training and consultation session with the IPs was conducted. The current IPs have held the role for just 18 months. All were advised that provisionally their initial period would terminate after Annual Assembly in 2014. During the review it was noted that the current picture is that the level of complaints against Members requiring the involvement of IPs has so far been at a low level.

2.2 Having reviewed the situation, the Monitoring Officer is of the opinion to recommend that to ensure a good return on the investment in austere times, rather than embark on a further recruitment exercise in summer 2014; that the engagement of the IPs is extended so as to continue to after the Annual Assembly meeting in 2016. This will afford time to provide further experience and enhance their skills and competencies.

Arrangements for Addition Support

2.3 Discussions with other authorities indicate that while there is a statutory minimum of one IP under the Localism Act, it is common agreement that one is not sufficient. For example last year when Thurrock Council lost an IP through an early death it took a number of months to recruit and place a replacement. During the vacant period it would not have been possible to manage complaints without conflicts of

interest arising. When Barking and Dagenham Council's scheme was established late 2012 a minimum number of two was proposed principally because of the risk of conflict of interest. Officers believe that recent experience indicates that to ensure resilience there needs to be an additional appointment.

Need to Avoid Conflicts of Interest

- 2.7 The conflict of interest arises because the legislation requires the IP to take on three specific tasks:
- *firstly* to give a view that must be taken into account before an authority makes a decision on an allegation that it has decided to investigate;
 - *secondly* to be available to give a view to a member whose behaviour is subject to an allegation; and
 - *finally* to give a view about allegations which have not yet reached the stage of determination such as at a subcommittee hearing.
- 2.8 While it may be possible for the IP to assist with giving a view on allegations, it would create a conflict if they were then consulted by the Member. For example if they took the view that the Member was probably guilty of the accusation because they had been consulted by the authority and told the facts so far then it would be difficult for them to give a view to the Member without disclosing at least in part what they might have been told by the authority. For the same reason if they were consulted by the Member and then were asked for a view by the authority they face the dilemma, for how do they put aside what they have learnt from the Member? This conflict means that the process cannot function satisfactorily unless there are at least two IPs readily available because one cannot give a view to Members and the authority at the same time.
- 2.9 Furthermore even with two IPs there is the risk of an absence of one effectively preventing the whole process from functioning, as the procedure creates an entitlement for the Member to have an IP to consult and an obligation for the authority to consult before it makes a decision. If a Member does not have an IP to consult it will mean that unless they waive their right, the process will come to a halt pending availability.

Need for Further Appointment

- 2.10 For the above reasons it is the Monitoring Officer's firm recommendation that further capacity be made to establishing a compliment to be maintained if required of three IPs. The allocation of roles in terms of the practices of the IPs would be in accordance with best practice utilising a rota arrangement ensuring that all had experience in the various stages of the complaints process.
- 2.4 Officers concern was reported to the Standards Committee as an information item in September 2013. The Committee endorsed the proposal to build more resilience and endorsed the recommendation.

3. Options Appraisal

- 3.1 The appointment of at least one IP is a statutory requirement of the Act.
- 3.2 It is recommended that the Council agrees to building more resilience to enable an additional IP to cover risk of absence or unavailability and to avoid a conflict of interest should the views of that person be sought by both the Monitoring Officer and a Member or co-opted Member, who may be the subject of an allegation.
- 3.3 As a potential cost effective option the use of additional support of an existing IP of another authority to be used as and when is necessary. This arrangement is not unique; a similar arrangement works well in Suffolk County Council between the County and its District Councils. If the Assembly agree to the additional IP proposal officers will explore this option further. The decision to appoint remains however for this Assembly to decide.

4. Consultation

It is a statutory requirement that Assembly is consulted and approves the appointments.

5. Financial Implications

Implications completed by: Olufunke Johnson
Telephone and email: olufunke.johnson@lbbd.gov.uk 020 7227 2485

- 5.1 The allowance and expenses required to fund these posts will be funded from existing budgets within Democratic Services.

6. Legal Implications

Implications completed by: David Lawson, Deputy Head of Legal

Telephone and email: 020 8227 2309 David.Lawson@bdtlegal.org.uk

- 6.1 The body of this report sets out the legal framework and as explained the Council is required to have a minimum of one IP though this should be considered to be unsatisfactory as there are circumstances where statutory obligations such as the right for a Member to consult with an IP and the need for consultation by the Monitoring Officer and a Sub-Committee means that two IPs is the bare minimum but such an arrangement provides for no resilience if an IP is not available.

7. Other Implications

7.1 Risk Management

The Council has a duty to promote and maintain high standards of conduct. Failure to appoint IPs puts the Council at risk of not being able to fulfil these duties in accordance with the Act

7.2 **Contractual Issues** - none

7.3 **Staffing Issues** – none

7.4 **Customer Impact**

Residents of the borough must be confident that the Council will continue to promote and maintain high standards of conduct through the implementation of the statutory requirements of the Act

7.5 **Safeguarding Children** - none

7.6 **Health Issues** – none

7.7 **Crime and Disorder Issues** – none

7.8 **Property / Assets Issues** – none

Background Papers Used in the Preparation of the Report:

The Localism Act 2011

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ASSEMBLY

19 February 2014

Title: Constitution Review	
Report of the Chief Executive	
Open Report	For Decision
Wards Affected: None	Key Decision: No
Report Author: Alan Dawson, Democratic Services Manager	Contact Details: Tel: 020 8227 2348 E-mail: alan.dawson@lbbd.gov.uk
Accountable Divisional Director: Fiona Taylor, Head of Legal and Democratic Services	
Accountable Director: Graham Farrant, Chief Executive	
<p>Summary</p> <p>As part of a comprehensive review of the Council's Constitution, the Employees' Code of Conduct and the Protocol for Councillor/Employee Relations, which are components of Part E of the Constitution, have been updated and are presented for the Assembly's approval.</p> <p>This report also proposes the inclusion within the Chief Executive's Scheme of Delegation (Section P of Part C of the Constitution) of a new 'Emergency Action' provision which would allow the Chief Executive to maintain the normal business of the Council in extreme circumstances such as a civil emergency or during a void in political leadership.</p>	
<p>Recommendation(s)</p> <p>The Assembly is recommended to:</p> <ul style="list-style-type: none"> (i) Adopt the Employees' Code of Conduct as set out at Appendix 1 to the report; (ii) Adopt the Protocol for Councillor/Employee Relations as set out at Appendix 2 to the report; and (iii) Approve the inclusion within the Chief Executive's Scheme of Delegation (Section P of Part C of the Constitution) of the following provision: <ul style="list-style-type: none"> • "in exceptional circumstances, such as a civil emergency, during a void in political leadership or to maintain the efficient and effective governance of the Council, to take any decision on behalf of the Council (after consultation with the Leader where feasible)" 	
<p>Reason(s)</p> <p>To ensure that the Council Constitution is reviewed and updated in line with the requirements of the Local Government Act 2000.</p>	

1. Introduction and Background

- 1.1 The Council Constitution was adopted by the Assembly in 2000 and although it has been continually maintained and updated since that time to reflect new legislation, changes to the Council's rules, procedural amendments etc., it has never undergone a full, cover-to-cover review.
- 1.2 With that in mind, a comprehensive review was initiated early last year with a view to bringing it more into line, particularly in terms of its structure and design, with the 'model' Constitution that is widely followed across local authorities. The comprehensive review also provides the opportunity to 'challenge' the Council's rules and protocols to ensure that they reflect modern ways of working.
- 1.3 It has been possible to present 'stand alone' elements of the new Constitution as they have been completed, such as the Contract and Financial Rules that were adopted by the Assembly at the last meeting. However, the intention is to present the new, complete document to the Assembly in June 2014 (the new Council).
- 1.4 The Constitutions of Thurrock Council and London Borough of Enfield have been used as the main comparative documents for the review exercise.

2. Proposal and Issues

- 2.1 Two further documents are now in a position to be presented for adoption:
 - Employees' Code of Conduct (**Appendix 1**)
 - Protocol for Councillor/Employee Relations (**Appendix 2**)
- 2.2 The Employees' Code of Conduct was updated using Thurrock's version as the template as it had a better structure and was generally a more comprehensive document. Specific LBBB requirements were incorporated into the new document.
- 2.3 In contrast, LBBB's Protocol for Councillor/Employee Relations was considered to be the stronger document so was used as the template, with appropriate elements/ wording from Thurrock's version incorporated where appropriate.
- 2.4 A further issue came to light during the review work which has been brought forward to this meeting. Under Thurrock's Scheme of Delegation, the Chief Executive has an additional power which allows him "in cases of urgency or emergency, to take any decision on behalf of the Council (after consultation with the Leader)."
- 2.5 Thurrock officers have clarified that this provision is intended only for the most exceptional circumstances, such as a civil emergency, during a void in political leadership (typically following elections) or to implement arrangements which are required to maintain the efficient and effective governance of the Council.
- 2.6 There is already provision within the LBBB Constitution which enables the Chief Executive to deal with matters which cannot otherwise be presented for decision to the relevant committee (see the "Urgent Action" clause at paragraph 17, Article 1, Part B).

- 2.6 However, it is considered that the LBBD Constitution would benefit from an additional, similar provision within the Chief Executive's Scheme of Delegation and it is proposed that the following clause be added at Section P of Part C:

“in exceptional circumstances, such as a civil emergency, during a void in political leadership or to maintain the efficient and effective governance of the Council, to take any decision on behalf of the Council (after consultation with the Leader where feasible)”.

3. Options Appraisal

- 3.1 This is not relevant to this report.

4. Consultation

- 4.1 The draft Code was considered by the Officer Policy Review Group before being presented to the Trade Unions for comment. Several amendments were made to the Code as a result of the Unions' feedback.
- 4.2 The proposals have also been endorsed by the Corporate Management Team and the Leader of the Council.

5. Financial Implications

Implications completed by: Jonathan Bunt, Chief Finance Officer

- 5.1 There are no financial implications arising from the proposals in this report.

6. Legal Implications

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

- 6.1 The Local Government Act 2000 requires Councils to produce, maintain and review the Constitution document which sets out the rules, codes, protocols and schemes by which the Council operates.

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

List of appendices:

- Appendix 1 - Revised Employees' Code of Conduct
- Appendix 2 - Revised Protocol for Councillor/Employee Relations

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Part E – Employees’ Code of Conduct

1. Introduction

1.1 The public is entitled to expect the highest standards of conduct from all employees of Barking and Dagenham Council.

1.2 This Code aims to describe what is and is not acceptable behaviour so that standards are maintained. In particular, all Council employees are required to adhere to the seven ‘principles of public life’ identified by the Nolan Committee and endorsed by the Committee on Standards in Public Life:

SELFLESSNESS: Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

INTEGRITY: Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

OBJECTIVITY: In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

ACCOUNTABILITY: Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

OPENNESS: Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

HONESTY: Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

LEADERSHIP: Holders of public office should promote and support these principles by leadership and example.

1.3 This Code applies to all employees of Barking and Dagenham Council, as well as those engaged at the Council as part of a strategic partnership agreement, interim and agency arrangement; on a voluntary basis; or via another organisation to provide services on behalf of the Council. It is recommended to schools with delegated authority for staffing matters, as “Best Practice”.

1.4 Adherence to the Code and its provisions is a condition of employment and any breach of the Code may result in action being taken under the Council’s Disciplinary Procedure.

1.5 This Code is not an exhaustive list as it is impossible to provide a definitive list of what is or is not acceptable behaviour.

2. General standards

2.1 Employees are expected to give the highest possible standard of service to the public and, where it is part of their duties, to provide appropriate advice to Councillors and fellow employees with impartiality.

2.2 Employees are also required to act in accordance with the Council's scheme of delegation, legislation, the constitution and all relevant codes, protocols, standing orders, policies and procedures.

2.3 Employees are expected to undertake all mandatory and other training provided relevant to their roles and responsibilities.

2.4 The following sections of this code describe how the above principles can be demonstrated by Council employees or people working on behalf of the Council during their day-to-day work, and how they can be enforced by management.

2.5 If there are any doubts or queries about what is acceptable conduct, or about anything else in this Code, employees should raise them with their manager.

3. Protocol for reporting concerns

3.1 Employees are expected, through agreed procedures and without fear of recrimination, to bring to the attention of the appropriate manager, any significant shortcomings in the provision of an agreed service, or any impropriety, fraud or breach of procedure.

NOTES: i) The "appropriate level of management" may vary depending on the particular situation and could be any of the following: Line Manager; Service Manager; Divisional Director/Head of Service, Divisional Director of Human Resources and Organisational Development, Chief Officer or Chief Executive.

ii) Where necessary, employees may by-pass their own management structure.

3.2 The Council has a Whistle-blowing Policy which explains how to report matters of concern, who to and how they will be dealt with. This includes protecting the identity of employees who report concerns.

3.3 Any employee who, in the public interest, reports an impropriety, breach or suspected breach of the Code, may do so without fear of consequence.

3.4 Equally however, employees are reminded that allegations or accusations which are deemed to be malicious may be subject to investigation under the Council's Disciplinary Procedures.

4. Attendance and timekeeping

- 4.1 Employees are expected to adhere to their contractual hours. They are required to know and comply with start and finish times (or adhere to flexible working arrangements, including home working) and operate time recording as required. Absence without leave (AWOL) is a disciplinary offence.
- 4.2 If employees are unable to attend work for any reason they must adhere to the procedure for reporting absence as detailed in the "Sickness Absence and Reporting Arrangements". Employees on sickness absence must not undertake any other work, or carry out activities that could hinder their return to work, without prior authorisation from their Head of Service.
- 4.3 Employees are expected to adhere to the requirements of the Sickness Absence Policy and to attend occupational health appointments as required.

5. Appearance and presentation

- 5.1 The manner in which employees present themselves at work directly affects the Council's image, colleagues and the service. Employees' appearance, including personal hygiene, should reflect this responsibility and emphasise their respect for the people they work with and the service they are providing; Working or attending Council premises whilst under the influence of drugs (unless on prescribed medication) or alcohol is a serious disciplinary offence.

6. Integrity

- 6.1 Employees are expected to conduct themselves in a manner that reflects well on the Council at all times. Unreasonable language, acts of violence, threatening behaviour or verbal abuse to colleagues, managers, service users, the public or elected Councillors will not be tolerated.
- 6.2 Employees must not deceive the Council by withholding information, giving false information, or destroying, damaging or altering any records or documents without prior authorisation.

7. Disclosure of information

- 7.1 The law requires that certain types of information must be available to Councillors, auditors, Government departments, service users and the public: employees must be clear about which information may be disclosed, in which circumstances, and must act accordingly.
- 7.2 Employees must not use any information obtained in the course of their employment for personal gain or benefit, nor pass this on to others who might use it in such a way. Any particular information received by an employee from a Councillor which is personal to that Councillor and does not belong to the Council must not be divulged by the employee without the prior approval of that Councillor, except where such disclosure is required or sanctioned by law.

7.3 The Data Protection Act 1984 places a legal requirement on all employees to refrain from disclosing, or making use of for their private advantage, or the advantage of any third party, any information held on a computer and not available to the public which they may acquire during the course of their employment with the Council.

7.4 Employees should check, with their manager, what sort of information can and cannot be given openly and without specific authority.

8. Confidentiality

8.1 Employees must treat all information about employees, customers and service users with the utmost confidentiality and in accordance with the Data Protection Act 1998. This information must not be passed to anyone who is not authorised to receive it unless proper authority has been sought and granted.

8.2 Employees must take all reasonable steps to protect and safeguard confidential documents, particularly if they need to be taken outside the usual workplace.

8.3 Employees must not communicate directly with the media about their work, or matters concerning the Council, unless specifically authorised to do so in line with the Council's "Social Media Policy" and "Rules for staff on the use of social media sites".

8.4 Employees must seek the agreement of the appropriate Head of Service before any information concerning tendering/procurement or best value exercises is released.

9. Use of Council property and facilities

9.1 Council property should only be used for Council business and according to instructions. It must not be misused in any way that could undermine public confidence.

9.2 Employees should only remove Council property from Council premises if they are authorised to do so in accordance with any local procedure in operation, e.g. seeking prior permission, logging items out, signing for them.

9.3 Council property must be safeguarded while it is in employees' care, with any theft, loss or damage reported immediately.

9.4 Employees must adhere to the Information Governance Policies and Procedures and other policies covering the standards expected of computer users. Some examples of misuse are:

- installing or downloading unauthorised software, including screensavers;
- attaching any item or equipment without authorisation from ICT;
- surfing the internet for prolonged periods of time for non-work related items;
- accessing internet sites which could bring the Council into disrepute – this could lead to both disciplinary and criminal action.

9.5 Employees must not make frequent or lengthy private telephone calls using either Council or private telephones. It is recognised that sometimes it is necessary to

make occasional private telephone calls at work, but it is expected that this should normally be in exceptional situations.

10. Bribery Act 2010

10.1 It is a serious criminal offence for employees corruptly to receive or give any gift, loan, fee, reward or advantage for doing, or not doing, anything or showing favour, or disfavour, to any person in their official capacity. If such an allegation is made it is for the employee to demonstrate that any such rewards have not been corruptly obtained.

11. Criminal convictions, cautions and misconduct outside work

11.1 All (external and internal) applicants for jobs within the Council must declare any criminal convictions and cautions where this is a requirement for the post they are applying for. The Council's Recruitment Policies set out further details.

11.2 If an individual is arrested or convicted of a criminal offence or given a caution while employed at the Council this may or may not have a bearing on their employment status, depending on the nature and circumstances of the incident and the type of work they do.

11.3 Employees must notify their manager or Human Resources of any legal action being taken against them, regardless of whether the alleged act took place during or outside working hours.

12. Recruitment and other employment issues

12.1 All selection, appointments and promotions throughout the Council's service are made purely on clear and justifiable job related criteria. In order to avoid any possible accusation of bias, employees who are related to, or have a close personal relationship outside work with, an applicant, must not take part in the process.

12.2 Similarly, employees must not be involved in decisions relating to discipline or pay adjustments for any other employee who is a friend, partner or relative.

12.3 Employees must not canvass the support of colleagues for the appointment of a candidate and should resist any attempt by others to canvass themselves.

13. Hospitality

13.1 Employees should only accept offers of hospitality if there is a genuine need to impart information or represent the Council at a particular event.

13.2 Offers to attend purely social or sporting functions must be accepted only when they are for the benefit of the Council or in connection with a civic or courtesy visit.

13.3 All gifts and hospitality offered, whether accepted or not, with a value of £50 or more must be recorded in a register of gifts and hospitality. For officers at or above the level of team manager, a register is maintained by the monitoring officer. For all other officers a register is kept by the relevant Director.

- 13.4 When hospitality has to be declined, those making the offer must be courteously but firmly informed of the procedures and standards operating within the Council.
- 13.5 Employees must not solicit or accept personal gifts, other than ones of a token value such as pens and diaries. Any firm or individual who wishes to make a gesture of goodwill to the Council or its officers should be redirected to the Mayor's Charity Fund.
- 13.6 When receiving authorised gifts or hospitality employees must be particularly sensitive to timing in relation to any decisions which the Authority may be taking in connection with those providing the gift or hospitality. Hospitality which may compromise an officer's impartiality or have the perception of doing so must be declined.
- 13.7 Acceptance of hospitality at conferences and courses is acceptable where (i) it is clear that the hospitality is corporate rather than personal, (ii) the employee's manager gives consent in advance, and (iii) the employee's manager is satisfied that any purchasing decisions are not compromised.
- 13.8 Where authorised visits are required to inspect equipment, meet with prospective service providers etc, officers must ensure that the Council meets the cost of such visits to avoid jeopardising the integrity of subsequent purchasing decisions.

14. Sponsorship

- 14.1 Where an outside organisation wishes to sponsor a Council activity, whether by invitation, tender, negotiation or voluntarily, the basic conventions concerning acceptance of gifts or hospitality apply. Particular care must be taken when dealing with contractors or potential contractors.
- 14.2 Where the Council wishes to sponsor an event or service neither an employee nor any partner, spouse or relative must benefit from such sponsorship in a direct way without there being full disclosure to an appropriate manager of any such interest.
- 14.3 Similarly, where the Council, through sponsorship, grant aid, financial or other means, gives support in the community, employees must ensure that impartial advice is given and that there is no conflict of interest.

15. Political neutrality

- 15.1 Employees serve the Council as a whole. It follows that employees must serve all Councillors and not just those of the Majority Group, and must ensure that the individual rights of all Councillors are respected.
- 15.2 Employees may be required to advise Political Groups. They must do so in ways which do not compromise their political neutrality. Information communicated to an employee by a Political Group in confidence should not be communicated to other Political Groups.

- 15.3 Employees must follow every lawful expressed policy of the Council and must not allow their own personal or political opinions to interfere with their work.
- 15.4 Employees must not use their workplace to promote/further personal political issues and must not demonstrate their personal political allegiances in carrying out their duties, nor display any party political literature in or on Council premises or equipment, Council vehicles etc.
- 15.5 Employees must not raise personal matters concerning their employment directly with councillors or make claims or allegations about other employees directly with councillors.
- 15.6 Employees must be aware of the political restrictions imposed by the Local Government and Housing Act 1989 on certain posts, and how the Council's constitution might affect their work.

NOTE: The above requirements do not apply to political assistants appointed in accordance with the Local Government and Housing Act 1989.

16. Other employment

- 16.1 Employees are required to obtain written consent from their manager before undertaking additional work with other employers. Employees may not:
- undertake such work if it conflicts with the Council's interests;
 - use Council equipment, property or contacts in any such work;
 - do any private work during your working hours with Barking & Dagenham Council;
 - undertake any private commitments or activities which may bring the Council into disrepute;
 - opt out from the Working Time Regulations 1998, unless this is agreed with an appropriate manager and Human Resources.
- 16.2 Any goods or services of value which are produced as a result of an individual's employment with Barking & Dagenham will remain the property of the Council.

17. Conflict of interest

- 17.1 Employees should not be involved in any matter in which they may be able to influence the outcome or decision and where they, or their family, friends or close associates, could gain financial or other material benefits. To do so would be a conflict of interest and may result in action being taken under the Council's Disciplinary Procedure.
- 17.2 As soon as it becomes apparent that there is, or could potentially be, a conflict of interest, employees must advise their manager in writing and have no further involvement in the matter. In the event that the manager agrees that there is, or could potentially be, a conflict of interest he/she must reallocate the task and notify the Monitoring Officer for record keeping purposes.
- 17.3 Any manager who is at all uncertain should seek advice from the Monitoring Officer.

18. Register of interests

- 18.1 JNC Officers (e.g. Divisional Director / Head of Service level and above) are required to provide written notification, via a Register of Interests form, of any personal and financial interests which could bring them into conflict with the Council's interests. This should be submitted to the Council's Monitoring Officer annually or within 28 days of becoming aware of any new personal or financial interest or change to any personal or financial interest. The Monitoring Officer maintains a register for this purpose.
- 18.2 Other employees may also be required, at the request of their manager, to complete a Register of Interest form in line with the requirements set out above.

19. Relationships

- 19.1 Mutual respect between colleagues is essential to good local government. Close personal familiarity between colleagues can damage working relationships and prove embarrassing to others.
- 19.2 In view of this, close personal relationships within the workplace must be declared to an appropriate manager where they may be a potential conflict of interests.
- 19.3 The Council has a separate protocol for Councillor/employee relations within this Constitution. Employees who have, or expect to have, contact with councillors should read and understand this protocol.

20. Procurement

- 20.1 Managers/procuring officers must follow the Council's Contract Rules at all times when considering tendering and throughout the procurement process. It is the manager/procuring officer's responsibility to ensure they understand the Council's Contract Rules and take advice if required on the process to follow before commencing procurement.

Contractors

- 20.2 Orders and contracts must be awarded on merit in accordance with the Council's Financial and Contracts Rules and no special favour must be shown to businesses run by, for example, former colleagues, friends, partners or relatives in the tendering process. No part of the local community must be discriminated against.
- 20.3 Employees who engage or supervise contractors or have any other official relationship with contractors and have previously had or currently have a relationship in a private or domestic capacity with the contractors, must declare that relationship at the earliest opportunity to their manager in line with the 'Conflict of Interest' requirements.

Separation of roles during tendering

- 20.4 Employees involved in the tendering process and who deal with contractors must be clear about the separation of client and contractor roles within the Council. Senior employees who have both a client and contractor responsibility must be aware of the need for accountability and openness.
- 20.5 Those employed in contractor or client units must exercise fairness and impartiality when dealing with all customers, suppliers, other contractors and sub-contractors.
- 20.6 Employees who are privy to confidential matters on tenders or costs for either internal or external contractors must not disclose those matters to any unauthorised party or organisation.
- 20.7 Employees contemplating a management buyout must, as soon as a definite intent has been formed, inform the appropriate manager and withdraw from the contract awarding processes.

21. Equality Issues

- 21.1 All employees have a duty to ensure that policies relating to equality issues, as agreed by the Council, are complied with in addition to the requirements of the law. All members of the local community, service users and colleagues have a right to be treated with respect, fairness and equality. The Council's Equal Opportunities Policy and Procedure provides further information.
- 21.2 In particular, employees are reminded that discrimination against or harassment of an employee, a prospective employee, a client or member of the public, on any of the grounds set out in the Council's Equal Opportunities in Employment Policy, will incur action under the Council's Disciplinary Procedure.

22. Breach of the Code

- 22.1 Any breach of this Code may be regarded as a disciplinary offence and will be dealt with under the Council's Disciplinary Policy and Procedure.

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Part E – Protocol for Councillor / Employee Relations

1. Introduction

- 1.1 The aim of this protocol is to describe the relationships, roles and behaviours which should exist between elected Councillors and employees in a modern, well run local Council. The protocol provides guidance on how the complementary but very different roles of Councillors and employees should work. Equalities, natural justice and reasonableness are strong underlying intentions throughout.
- 1.2 This protocol is not intended to be definitive and should be read alongside other relevant documents such as the Code of Conduct for Councillors, the Code of Conduct for Employees, conditions of service, the whistle blowing procedures and the Council's Scheme of Delegation.
- 1.3 This Protocol is adopted Council policy and applies to all Councillors and, where relevant, statutory co-opted members, and to all employees of the Council. The protocol has a serious objective which may have significant consequences for those who choose not to follow these principles.
- 1.4 It is also intended that the Protocol should apply to any consultants, contractors or agency personnel working on behalf of the Council and it is the responsibility of the employing manager to ensure that this protocol is brought to the attention of such individuals at the beginning of their employment.
- 1.5 This protocol does not apply to schools unless they have specifically chosen to adopt it.

2. The Distinctive Roles of Councillors and Employees

- 2.1 The primary role of both Councillors and employees is to serve the local community to the best of their abilities.
- 2.2 To do this most effectively, Councillors and employees need to work together in a manner which combines their essential skills, knowledge and experience in a way which produces the best outcomes for individuals and communities and which is fair, sustainable and responsive.
- 2.3 It is important that both Councillors and employees respect their distinctive roles in order for relations to be clear and appropriate.

Councillors:

- (i) Councillors are elected democratically. It is their policies, ideas and decisions that people vote for.
- (ii) It is their role to:
 - (a) Represent the local community and ensure that its best interests are considered during policy making

- (b) Set the Council's strategic direction, the policy framework, corporate goals, overall priorities and targets
- (c) Develop policy proposals with professional advice from employees
- (d) Monitor the implementation and effect of their decisions
- (e) Add a political dimension when appropriate

Employees:

- (i) Employees are employed by the Council to undertake an organisational role. It is their job to:
 - (a) Deliver services to the community according to the policies and requirements set by the Council
 - (b) Draft policy proposals which accord with the overall framework set by Councillors
 - (c) Give impartial, professional advice in the course of policy development
 - (d) Manage the organisation

- 2.4 Put simply, Councillors are responsible for determining policy and the Council's strategic direction; employees are responsible and accountable for suggesting and implementing policy, and delivering services.
- 2.5 Given these roles, employees are employed to work within and pursue Council policies and priorities, unaffected by personal inclinations.
- 2.6 Employees are accountable to their managers and, ultimately, the Chief Executive. They work to the instructions of their manager, and not to individual Councillors - whatever office a Councillor might hold. Councillors should not interfere with matters that are properly the responsibility of employees.
- 2.7 It follows that Councillors should not get involved in any operational situations. If a Councillor considers that something is seriously of concern, they should report the matter to the relevant Corporate Director or Divisional Director and leave it with them to sort out as necessary. Councillors should not engage with staff on the ground regarding what they perceive to be a problem, nor must they inflame any such problem by engaging with any customers who may be in the vicinity at the time.
- 2.8 The Council's Scheme of Delegation (Part C of the Constitution) explains in more detail where specific responsibilities lie.

3. What Councillors Can Expect of Employees

- 3.1 Councillors can expect employees:
 - To do their job effectively and efficiently
 - To strive to provide services which offer best value
 - To behave in a manner which accords with the standards set by the Council
 - To be helpful, respectful and courteous to Councillors

- To assist Councillors in carrying out their role in connection with Council business (employees cannot, however, assist with party political or campaigning activity, or with private business)
- To deal with Councillors' enquiries fairly and efficiently, in accordance with agreed protocols and timescales
- To be open and honest with Councillors. To tell the whole story, giving any bad news as well as the good.
- To keep Councillors well informed
- To work with all Councillors equally and fairly
- To act lawfully
- To give advice or recommendations based on reasoned options
- To ensure that Councillors have all the information necessary to make informed judgements in a timely fashion and presented in a way which is easy to understand in accordance with Plain English guidance wherever practicable
- To maintain confidentiality where it is proper for them to do so
- Not to canvass Councillors or otherwise seek to gain favour from them for personal or career advantage
- To have regard to social hours and generally to be sensible about contacting Councillors at potentially inconvenient times, unless in an emergency or otherwise agreed
- Not to raise personal issues related to their employment with Councillors.

4. What Employees Can Expect of Councillors

4.1 Employees can expect Councillors:

- To accept that employees are accountable to their Manager
- Not to become involved in the day to day management of the Council
- To fully consider advice and recommendations for the purpose of making informed judgements
- Not to ask employees to breach Council policy or procedures, or to act unlawfully, or outside the terms of their job
- Not to exert influence or pressure, or request special treatment, because they are a Councillor
- Not to request unauthorised access to resources or information held by the Council
- Not to attempt to intervene in case management nor attempt to delve into the personal details of individuals and families
- To accept that employees act independently of political bias
- To treat employees in a reasonable manner and with respect
- To be open and honest with employees
- To act lawfully
- To maintain confidentiality when appropriate to do so
- To respect that employees have private lives and not to contact them outside normal working hours or at home (unless the employee is officially working from home), except in an emergency, or if otherwise agreed.

5. Political Neutrality and Impartiality of Employees

5.1 The National Code of Conduct for local government employees states:

“Employees serve the Authority as a whole. They must serve all Councillors and not just those of the controlling group, and must ensure that the individual rights of all Councillors are respected”.

5.2 Councillors should understand that employees will generally operate in a politically neutral capacity. By law, some posts are specifically designated as “politically restricted”, meaning that they cannot be filled by employees who are linked to a political party or group, either through direct involvement or by, for example, canvassing on their behalf. These are mainly posts at a senior level within the organisation or where the post-holders are regularly involved, as part of their work, in advising Councillors.

5.3 Councillors should not discuss party politics with employees nor must they assume that there is an allegiance to a particular party. Councillors should not place employees in an embarrassing situation where, for example, they feel they have to agree with a particular political line, whether this be nationally or locally based, although employees must follow the overall objectives of the Council and must not work against them.

5.4 Within the framework of a formal meeting, however, it is natural that Councillors will make political statements. Employees should have a general awareness of the Council’s political direction and acknowledge that at a strategic level this is bound to have an influence. But, it is not for employees to challenge such direction and they will co-operate with it – unless it is illegal.

5.5 It is not improper that employees may sometimes wish to seek political guidance in framing policy proposals. However, when they write reports or give advice they have a duty to give professional advice and to make Councillors aware of all the options available.

6. Political Groups and Officers

6.1 It is common practice for party groups to give preliminary, informal consideration to Council business in advance of the formal decision making process. Whilst it is not normal practice, employees may be asked to attend party group meetings to brief Councillors in a professional capacity. However, this is seen as happening rarely, not regularly, and attendance may only occur with the express permission of the Chief Executive. Such attendance will be on the understanding that other party groups will be similarly served should they so request. The political neutrality of any employee attending a group meeting must be respected.

6.2 Employees will respect the confidentiality of any party group discussions at which they are present and, in particular, not relay any such discussion to another group.

6.3 All requests for an employee to attend a party group meeting should be made through the Chief Executive, who will judge which employee is the most appropriate to attend. This avoids any danger of an individual employee being identified with

the party concerned. The employee will be at senior (usually Corporate Director or Divisional Director/Head of Service) level.

- 6.4 Employees must not attend political group meetings in a private capacity without the express permission of the Chief Executive.
- 6.5 Employees may also be asked to give support in other ways such as briefing Chairs or spokespersons prior to a formal meeting. Again, whilst in practice such support is likely to be in most demand from whichever party group is in control of the Council, such support is available to all groups.
- 6.6 In all these instances it is important that Councillors and employees understand the following:
- employee support cannot extend beyond providing information and advice in relation to Council business – employees cannot be involved in party business. Where possible, this rule can be assisted if employees are not present when party business is being discussed – thought should be given to the way in which the business for the meeting in question is structured
 - party group meetings cannot make Council decisions and any conclusions reached cannot be interpreted as such or acted upon
 - where employees provide information and advice to a political group this cannot act as a substitute for providing all necessary detail to a formal meeting.
- 6.7 Employees' attendance at Group Meetings will usually take place in the presence of London Borough of Barking and Dagenham Councillors only. Special care is needed where employees are involved in providing information or advice to a party group which includes non-Councillors. Such people are not bound by the Councillors' Code of Conduct (in particular the provisions concerning declaration of interests and confidentiality). Employees may not, therefore, be able to provide confidential detail as they would to a Councillors' only meeting.
- 6.8 Any cases of particular difficulty or uncertainty in relation to employee advice to party groups should be raised with the Chief Executive.

7. Councillors' Enquiries

- 7.1 Councillors are free to approach any Council department for any information, explanation or advice that they need to assist them in carrying out their role as a Councillor.
- 7.2 Contact between Councillors and employees should be via the relevant Corporate Director or Divisional Director/Head of Service with the exception that all case work should be channelled through a Members' Casework officer, the contact details of whom will be provided to Councillors. The other exceptions are Members' Support and Democratic Services officers for day to day general support and matters relating to meetings.

- 7.3 Councillors should always contact the Corporate Director or Divisional Director/Head of Service, or the Council's Monitoring Officer, regarding anything very serious or sensitive.
- 7.4 Care must be taken to ensure that a complaint, as opposed to an enquiry, on behalf of a constituent is put through the official complaints procedure.
- 7.5 Details of an appropriate contact employee should be given in all written communications with Councillors.
- 7.6 Councillors are required to ensure that Members' Services are provided at all times with an address for the delivery of any hard copy correspondence. As far as possible, however, written communications will be through email. Electronic communications with Councillors will only be via recognised council email addresses.
- 7.7 Where an enquiry imposes a disproportionate burden on employees' work, this should be explained and discussed with the Councillor concerned and senior management should agree an alternative deadline and/or response.
- 7.8 This Councillors' enquiry procedure supplements and does not replace Councillors' statutory and common law rights to information as referred to in the "Summary of Councillors' Rights of Access".
- 7.9 Meetings which take place between Councillors and employees in relation to enquiries are effectively private meetings to discuss Council-related business. Councillors should not therefore invite external visitors such as party officials or workers, commercial representatives or local residents to such meetings without the prior agreement of the employee.

8. Roles on Outside Organisations and Groups

- 8.1 It is natural that some Councillors and employees will be members - in their own right - of organisations or groups (political, voluntary or otherwise), within the community. Some Councillors and employees may work for such bodies.
- 8.2 It is essential that Councillors and employees do not use their Council position to obtain preferential treatment for the organisation or group concerned in a way that a non-Councillor or non-employee could not. To do so would be totally improper. In particular it would make it very awkward for staff who might find it difficult to suggest that a Councillor should use the proper channels when they are clearly not carrying out constituency work.
- 8.3 If a Councillor or employee has a role on an outside organisation or group, whether it be in a personal capacity or as a result of a position held on the Council, it is important to be aware that this could create a conflict of interest. A Councillor can act in the interest of the external body but must recognise the need not to take part in any Council decisions that affect the organisation or group - whether they be nominated by the Council or not - or to take part in any work associated with the organisation or group which could place them in a situation whereby they might be asked to make a judgement on a Council action.

8.4 Councillors and employees should remove themselves from any potential conflict of interest. Where there is doubt, it is always wise to err on the side of caution.

9. Familiarity, Friendships and Relationships

9.1 Close personal familiarity, in the office or at meetings, between individual Councillors and employees should be avoided as this can damage working relationships and prove embarrassing to colleagues on both sides. In particular, it could bring into question an employee's ability to deal impartially with other Councillors, and vice-versa.

9.2 However, it is recognised that personal, family or business relationships or friendships will exist between some Councillors and employees (for which there are procedures set out elsewhere in the Constitution for the registering of such relationships).

9.3 Persons engaged in such friendships or relationships should take special care not to seek, or be seen, to influence their positions through their respective friend or partner. Name dropping to seek advantage is totally unacceptable. People should also go out of their way to ensure that colleagues are not placed in an awkward or embarrassing situation as a result of a friendship or relationship.

9.4 Certain informal gestures in a formal work setting may be innocently made but could be perceived by the recipient to be unwelcome or embarrassing. Such gestures should always be avoided. Similarly, jokes or pranks should be avoided.

9.5 A Councillor involved in a relationship or otherwise associated with an employee should declare an interest if, on any occasion, they are involved in decision-making directly related to the employee concerned, or the service in which they work. Where appropriate, they should seek to avoid being a member of a related meeting.

9.6 Councillors must be careful never to become engaged in any matter related to an individual's employment (except through formal meetings when these are relevant). Any employee attempting to raise such issues with Councillors should be advised to take the matter up with their manager and/or their trade union representative, and the Councillor should take no part in any discussion.

9.7 Councillors should not invite or encourage employees to partake in unofficial social activities, irrespective of whether this is outside normal working hours. This could be perceived by the recipient to be unwelcome and may result in them feeling obliged to become involved.

10 Appointment or Dismissal of Employees

10.1 Councillors should take no part in the appointment or dismissal of an employee nor should they seek to influence in any way the appointment or dismissal of a particular person to a post, other than where this is explicitly provided for in the Constitution (e.g. the recruitment of certain statutory chief officer posts).

11. Employees' Personal Life

- 11.1 Many employees live in the Borough and may wish to attend local events or public meetings in a personal capacity - for example, a Ward Surgery. Councillors should respect this and not regard the individual concerned as an employee at such times.
- 11.2 Anything raised or discussed by an employee (in confidence or otherwise) as a resident at such events should be so respected by the Councillor and not discussed in the workplace.
- 11.3 At public meetings and the like, an employee, as a resident, may wish to voice concerns about certain services or facilities in the area, or to ask questions or make suggestions. This is natural and acceptable to a certain degree. However, that person should not maliciously undermine the Council by adverse or negative comments. At all times, employees must observe the standards set out in the Code of Conduct for Employees. Also, any employees who hold politically restricted posts are generally prohibited from speaking publicly with the apparent intention of affecting support for a political party.
- 11.4 The area in which an employee lives should have no bearing on their employment and Councillors should not, at any time, show favour to those who live in the Borough or those who originated from the area. Employees should not publicly demonstrate support for a political party in carrying out their duties.

12. Councillors and the Use of Council Services as a Resident of the Borough

- 12.1 There will be many times when Councillors use Council services as a resident - sometimes the service may be of a sensitive, confidential or personal nature (e.g. a social service, financial benefits etc.) and there may be some awkwardness or embarrassment on either side.
- 12.2 In all instances, the employee providing the service will maintain full confidentiality where this is appropriate and will treat the Councillor concerned in the same way as any other customer. The Councillor will not seek or expect any preferential treatment.

13. Trade Unions

- 13.1 The Council has traditionally welcomed and recognised trade union membership and the important role that trade union involvement and participation offers. Relations are generally very good.
- 13.2 The Employee Joint Consultative Committee provides a forum for effective communication and consultation between employee representatives and the Council. This meeting is represented on the Council side by Councillors and on the employee side by trade union officials. It provides an opportunity to promote and foster good employee relations, and prevent or remove any friction or misunderstanding.
- 13.3 Trade union representatives may sometimes express views on behalf of their union which may be critical of the Council as an employer. This is acceptable in this

context and a normal part of trade union negotiations or discussions. The fact that a representative may speak out in this way on behalf of colleagues should not be held against that person in their personal employment.

14. Conduct at Meetings and Events

- 14.1 Councillors and employees should observe the degree of formality in behaviour that is appropriate to the event.
- 14.2 A formal approach should generally be applied in open meetings although the use of first name terms is acceptable if there is a consensus. The important issue is that the audience should be able to identify who is speaking or being addressed.
- 14.3 Such formality between Councillors and employees is not usually necessary at social events. However, any event attended as a result of the Councillor or employee's role with the Council should have regard to the fact that close personal familiarity might embarrass others or damage external relationships, and therefore should be avoided. Where there is doubt, a more formal approach is potentially less damaging than a casual one.
- 14.4 Councillors and employees should not undermine each other at meetings or in any public forum, as this would be likely to damage working relationships as well as the public image of the Council.

15. Documents and Information - Accessibility and Confidentiality

- 15.1 Information and documents should be made available on request by officers to Councillors unless:
 - a) there is a clearly and properly justifiable reason for declining access, and
 - b) the Councillor in question cannot establish a legal right to the information or documentation.
- 15.2 Councillors are entitled on a "need to know" basis to receive documents and information on request where it is clear that the Councillor concerned requires the documentation or information because of their position within the Council or by virtue of their membership of a Committee or Sub-Committee.
- 15.3 However, if information is requested which is not readily available, or will require significant resources to produce, officers are advised to seek guidance from their respective Director, before providing the information.
- 15.4 Access to information will not be granted if the information is prepared as part of a briefing or is in draft or is deliberative, for example, for the Cabinet or at the request of an opposition group.
- 15.5 In addition all Councillors have a separate statutory right to inspect documents relating to matters which are to be the subject of a decision by the Council, the Cabinet, a Cabinet Member or a Committee or Sub-Committee, provided that the documents are within the possession of the Council.

- 15.6 Councillors will only be entitled to receive such information and documents under their statutory right if it is not exempt or confidential in accordance with the provisions of the Access to Information legislation. However, they may nevertheless be entitled under their common law “need to know” rights.
- 15.7 Access to personal data (information about a living individual) is governed by the Data Protection Act. Personal data can be released to Councillors in specific circumstances, such as when they are acting on behalf of a resident. In such cases, the Council does not generally have to obtain the consent of the individual to disclose their personal information to a councillor, as long as:
- The councillor represents the ward in which the individual lives; and
 - The councillor makes it clear that they are representing the individual in any request for their personal information with the Council; and
 - The information is necessary to respond to the individual’s complaint/enquiry.
- 15.8 There is no general right of access to personal data held by the Council.
- 15.9 More details of Councillors’ rights of access to information can be found in the Access to Information Procedure Rules in Article 13, Part B of the Constitution.

16. Correspondence

- 16.1 Correspondence (hard copy or email) between an individual Councillor and an employee will not normally be copied (by the employee) to another Councillor. Where the employee feels that this is appropriate, it will be made clear to the original Councillor. Clearly this will not apply to any correspondence which is marked 'Confidential' unless there are justified reasons which will be discussed with the originating Councillor.
- 16.2 A Cabinet Member has no special right of access to copies of correspondence passing between another Councillor and an employee which relates to the Cabinet Member’s portfolio.
- 16.3 When writing to a Councillor, or group of Councillors, the correspondence will clearly indicate the names of any others who have been sent the same correspondence, including any who have been copied in for their information. This is in the spirit of openness and to avoid any surprises or later allegations around ‘silent copies’.

17. When Things Go Wrong: Dispute Resolution

- 17.1 The Council’s experience is that Councillors and Officers work well together in the main. However, it is still necessary to have a clear process to deal with matters when they are not going well.
- 17.2 The key principle for dispute resolution is that both Councillors and officers are committed to informal, non-adversarial solutions. Where a dispute arises, the first step should be for both parties to seek to resolve any differences informally between themselves or, where necessary, with the assistance of a manager.

17.3 When an informal resolution is not possible, the processes referred to below will apply.

Complaints by Councillors about employees

17.4 All formal complaints should be marked "private and confidential" and made to the individuals referred to in the following paragraphs, who will determine how best to deal with the matter. The recipient of the complaint may consult with others, as considered appropriate, such as the Chief Financial Officer regarding any matters of financial control or fraud or the Divisional Director of Human Resources and Organisational Development where procedural advice is necessary.

- A complaint by a Councillor about an employee should be made to the Corporate Director of the service in question.
- A complaint by a Councillor against a Corporate Director should be made to the Chief Executive.
- A complaint by a Councillor against the Chief Executive should be made to the Leader of the Council, copied to the Monitoring Officer.
- A complaint by a Councillor against an employee (at any level) **and** the Chief Executive should be made to the Leader of the Council, copied to the Monitoring Officer.
- A complaint by a Councillor against an employee (at any level) **and** another Councillor should be made to the Monitoring Officer.
- A complaint by a Councillor about a former employee should be made to the Corporate Director of the former employee's department.

17.5 Councillors have a right to know if action has been taken to correct a matter, but they must not either:

- (i) insist, or suggest to insist, that an employee is disciplined; or
- (ii) influence the level of any disciplinary action which might be taken against an employee.

17.6 The matter will be investigated and the Councillor will be informed of its progress and outcome but has no entitlement to detailed information about any disciplinary hearing or its conduct.

17.7 The decision to take formal action against an officer and the action taken is the sole responsibility of management. A Councillor's evidence will be considered but the Councillor must:

- (i) respect the confidentiality of the investigation and disciplinary process;
- (ii) not seek to improperly influence the action taken against an employee;

(iii) accept the management decision.

17.8 Where a Councillor has had reason to question, criticise or complain about the actions of a particular employee, once the issue has been dealt with through appropriate mechanisms, irrespective of the outcome, professional behaviour is expected from both parties - there must be no grudge to bear on either side. To do so openly or behind the scenes will only fuel continued unrest and is not in the Council's interests. Any such difficulties should be referred by the employee to their Corporate Director, or in the case of a Corporate Director to the Chief Executive, or by the Councillor to their respective party group leader.

Complaints by Employees

17.9 Any complaints by an employee about a Councillor or a former Councillor should be discussed confidentially in the first instance with the employee's Divisional Director or Corporate Director who, in turn, will discuss with the Monitoring Officer the best course of action. However, where a breach of the Councillors' Code of Conduct is alleged, the complaint must be in writing using the form available on the website at the link below and must be sent to the Monitoring Officer, marked "private and confidential":

<http://www.lbbd.gov.uk/CouncilandDemocracy/Complaints/Pages/CouncillorComplaint.aspx>

Complaints by Councillors about Councillors

17.10 A complaint in relation by a Councillor about another Councillor should be made in writing marked "private and confidential" to the Monitoring Officer. If the complaint alleges a breach of the Councillors' Code of Conduct the complainant should use the form available for this purpose on the web link above.

18. Breaches of the Protocol

18.1 Relevant Sections offer advice as to how to deal with any difficulties around or breaches of this Protocol. It is hoped that these routes will successfully and quickly resolve any issues.

18.2 A breach of the Protocol by a Councillor may be reported to the Monitoring Officer, who will decide how the matter should be dealt with. Where a breach of the Protocol constitutes a breach of the Councillors' Code of Conduct, the Monitoring Officer will investigate the matter and, if appropriate, refer the matter to a Standards sub-committee.

18.3 The Monitoring Officer will acknowledge receipt of the complaint within five working days and give an indication of how it is proposed to deal with it.

18.4 In instances of a breach of the Protocol by an employee, the matter will be dealt with through the Council's disciplinary or other relevant employee related procedures.