

Notice of Meeting

CABINET

Tuesday, 2 June 2015 - 7:00 pm
Council Chamber, Town Hall, Barking

Members: Cllr Darren Rodwell (Chair); Cllr Saima Ashraf (Deputy Chair) and Cllr Dominic Twomey (Deputy Chair); Cllr Laila Butt, Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr Lynda Rice, Cllr Bill Turner and Cllr Maureen Worby

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Chief Executive

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AGENDA

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

In accordance with the Council's Constitution, Members are asked to declare any interest they may have in any matter which is to be considered at this meeting.
3. **Minutes - To confirm as correct the minutes of the meeting held on 24 March 2015 (Pages 3 - 12)**
4. **Revenue and Capital Provisional Outturn 2014/15 (Pages 13 - 47)**
5. **Review of School Places and Capital Investment - Update June 2015 (Pages 49 - 59)**
6. **Proposed Establishment of an Additional Resource Provision at Eastbury Primary School (Pages 61 - 66)**
7. **Procurement of Various Children's Centre Nursery Services (Pages 67 - 77)**
8. **Review of Pre-Application Fees and Planning Charges (Pages 79 - 90)**

9. **North East London Strategic Alliance (NELSA) (Pages 91 - 144)**
10. **Debt Management Performance and Write-Offs 2014/15 (Quarter 4) (Pages 145 - 166)**
11. **Any other public items which the Chair decides are urgent**
12. **To consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

Private Business

The public and press have a legal right to attend Council meetings such as the Cabinet, except where business is confidential or certain other sensitive information is to be discussed. The list below shows why items are in the private part of the agenda, with reference to the relevant paragraph of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended). ***There are no such items at the time of preparing this agenda.***

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



Our Vision for Barking and Dagenham

One borough; one community; London's growth opportunity

Encouraging civic pride

- Build pride, respect and cohesion across our borough
- Promote a welcoming, safe, and resilient community
- Build civic responsibility and help residents shape their quality of life
- Promote and protect our green and public open spaces
- Narrow the gap in attainment and realise high aspirations for every child

Enabling social responsibility

- Support residents to take responsibility for themselves, their homes and their community
- Protect the most vulnerable, keeping adults and children healthy and safe
- Ensure everyone can access good quality healthcare when they need it
- Ensure children and young people are well-educated and realise their potential
- Fully integrate services for vulnerable children, young people and families

Growing the borough

- Build high quality homes and a sustainable community
- Develop a local, skilled workforce and improve employment opportunities
- Support investment in housing, leisure, the creative industries and public spaces to enhance our environment
- Work with London partners to deliver homes and jobs across our growth hubs
- Enhance the borough's image to attract investment and business growth

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MINUTES OF CABINET

Tuesday, 24 March 2015
(7:02 - 8:55 pm)

Present: Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr Lynda Rice, Cllr Bill Turner and Cllr Maureen Worby

Also Present: Cllr Josephine Channer and Cllr Irma Freeborn

Apologies: Cllr Laila Butt and Cllr James Ogungbose

108. Declaration of Members' Interests

The following declarations of non-pecuniary interests were made:

- Councillor Ashraf - items 10 (Proposed Expansion of Jo Richardson Comprehensive School, Gascoigne Primary School and Marsh Green Primary School) and 11 (Review of School Places and Capital Investment) - Council-appointed Governor of Gascoigne Primary School;
- Councillor Carpenter - item 11 (Review of School Places and Capital Investment) - Council-appointed Governor of the Adult College;
- Councillor Worby - item 7 (Future of Barking Enterprise Centre) - Employee of East Thames Group which has an interest in The Foyer building.

109. Minutes (16 February 2015)

The minutes of the meeting held on 16 February 2015 were confirmed as correct.

110. Budget Monitoring 2014/15 - April to January 2015 (Month 10)

The Cabinet Member for Finance introduced the report on the Council's capital and revenue position for the 2014/15 financial year, as at 31 January 2015.

The General Fund showed a projected end of year spend of £166.6m against the total approved budget of £165.3m, an improvement of £300,000 on the previous month's position. The Cabinet Member advised that he remained confident that a balanced budget would be achieved by the year end but added that the measures that had helped to turn the position around, such as the freeze on all non-essential expenditure, should not be seen as long-term solutions. Following on from that point, the Leader advised that he would like senior officers to give presentations to Cabinet Members over the coming months on the key budget issues and pressures relating to their services.

The Housing Revenue Account (HRA) was showing a predicted breakeven position while capital budgets continued to show some significant underspends in several areas, including the Housing New Builds and Decent Homes programmes.

Officers clarified issues regarding VAT refunds and, in respect of the HRA, the projected revenue contribution to capital of £35.7m. The Corporate Director of

Children's Services also responded to issues relating to the in-house fostering service, pointing out that it had the highest placement level across all London authorities, and the overspend within the department. In respect of the latter, the Corporate Director undertook to provide Cabinet Members with the report presented to the Public Accounts and Audit Select Committee earlier in the year on the steps being taken to mitigate the overspend and achieve a balanced budget going forward.

Cabinet **resolved** to:

- (i) Note the projected outturn position for 2014/15 of the Council's General Fund revenue budget at 31 January 2015, as detailed in paragraphs 2.1, 2.4 to 2.10 and Appendix A of the report;
- (ii) Note the progress against the agreed 2014/15 savings at 31 January 2015, as detailed in paragraph 2.11 and Appendix B of the report;
- (iii) Note progress against the agreed 2014/15 HRA savings as detailed in paragraph 2.12 and Appendix B of the report;
- (iv) Note the overall position for the HRA at 31 January 2015, as detailed in paragraph 2.12 and Appendix C of the report;
- (v) Note the projected outturn position for 2014/15 of the Council's capital budget at 31 January 2015, as detailed in paragraph 2.13 and Appendix D of the report; and
- (vi) Approve the inclusion in the 2015/16 Capital Programme of the additional schemes totalling £2m as detailed in paragraph 2.14.2 of the report.

111. Corporate Delivery Plan 2014/15 - Quarter 3 Update

The Leader introduced the performance report for the third quarter period ending 31 December 2014 in respect of the priority projects and performance indicators agreed as part of the Corporate Delivery Plan.

Arising from the discussions, the following issues were highlighted:

- **NEETS (ref. no. 27)** - The Cabinet Member for Education and Schools advised that the reduction in the proportion of 16 to 18 year olds not in education, employment or training was encouraging but the issue would continue to be one of her main priorities going forward. She referred to improvements in data collection and confirmed that the latest information for February 2015 showed that the level of 'unknowns' amongst the NEET data set was now lower than the averages for neighbouring Boroughs and also the London and England averages.
- **Looked After Children with up-to-date Health Checks (ref. no. 32)** - The Cabinet Member for Adult Social Care and Health commented on the poor performance and undertook to raise the issue with Health partners and, if necessary, at the Health and Wellbeing Board.
- **Housing Re-lets (ref. no. 36)** – The Director of Housing advised on the reductions to the specification which had brought the current turnaround of void

properties to an average of 35 days.

- **Complaints and Members' Enquiries (ref. no's. 50 and 52)** – It was noted that the services were going to be the subject of a full review.
- **Barking Riverside (Priority Project)** - The Cabinet Member for Regeneration asked for reference to a new railway station to be included.

The Cabinet Member for Children's Services and Social Care reiterated his wish for a review of the presentation of the performance information and suggested that there should be enhanced narrative, particularly for areas of underperformance, to give a greater understanding of issues and trends.

Cabinet **resolved** to:

- (i) Note the revised schedule of key performance indicators; and
- (ii) Note the performance for the priority projects and KPIs as at 31 December 2014, as set out in Appendices 1 and 2 to the report.

112. Barking Riverside Transport Infrastructure

The Cabinet Member for Regeneration presented a report on a successful bid to the Greater London Authority (GLA) for up to £10m funding towards infrastructure delivery at Barking Riverside.

The funding would deliver 1.2 kilometres of road network which would kick-start the development of approximately 18.7 hectares of brownfield land for new housing, a school campus and retail and leisure developments. The Cabinet Member also outlined the terms of the proposed funding agreement and repayment arrangements between the Council, the GLA and Barking Riverside Limited.

The Leader took the opportunity to report on the MIPIM conference, the world's largest property event, which he, the Cabinet Member for Regeneration and the Council's Group Manager, Economic Development and Sustainable Communities, had recently attended in France. The conference had provided a platform to showcase the plans and aspirations for Barking and Dagenham and had proved so successful that over 120 potential investors, developers and other organisations were to be invited to a Council-run event later in the year.

Cabinet **resolved** to:

- (i) Agree the £10m loan from the GLA on the terms set out in the report and delegate authority to the Chief Executive, in consultation with the Head of Legal and Democratic Services, to negotiate and conclude the Grant Funding Agreement;
- (ii) Agree to join and enter into a call off contract under the framework agreement established by the London Highways Alliance Contract (LoHAC);
- (iii) Authorise the Chief Executive, in consultation with the Cabinet Member for Regeneration, the Head of Legal and Democratic Services and the Chief Finance Officer, to negotiate and award the contract and complete the

necessary legal agreements associated with the delivery of the new road;
and

- (iv) Delegate authority to the Divisional Director of Regeneration, in consultation with the Head of Legal and Democratic Services, to enter into a deed of variation to the Section 106 Agreement with Barking Riverside Limited on the terms set out in the report.

113. Future of Barking Enterprise Centre

The Cabinet Member for Regeneration presented a report on the proposed future of the Barking Enterprise Centre (BEC) which provided accommodation for around 50 small businesses as well as a base for the Borough's business start-up and support service for the local community.

The Cabinet Member explained that the BEC, located in Cambridge Road, Barking, had proved very successful since opening in November 2011, to the extent that there was now a waiting list for the small business units. An assessment of options to enable the BEC to continue to develop while placing it in a self-funding position had identified the opportunity to expand into space within The Foyer building in Wakering Road, Barking, and to establish a Social Enterprise which would run the services from the two locations.

Discussions with Agilisys, the current provider of the business support services and facilities management at the BEC, had been positive and arrangements agreed in principle regarding the continued involvement of Agilisys until the new Social Enterprise venture was up and running.

The Leader spoke in support of the BEC initiative and the Cabinet Member for Regeneration took on board the suggestion that an all-Member briefing be provided on the BEC and the Dagenham Business Centre.

Cabinet **resolved** to:

- (i) Agree the proposed establishment of a Social Enterprise to run the Barking Enterprise Centre and Foyer annexe;
- (ii) Delegate authority to the Chief Executive, in consultation with the Cabinet Member for Regeneration, the Head of Legal and Democratic Services and the Chief Finance Officer, to agree the final details of the establishment of the Social Enterprise;
- (iii) Agree to the Foyer Annexe being used for small business space under the management of the Barking Enterprise Centre; and
- (iv) Agree to utilise New Homes Bonus Top Slice funding to meet the cost of the fit out work for the Foyer annexe and for Agilisys' revenue costs for associated business support between April 2015 and the start of the new service.

114. Procurement of Electricity and Gas Supplies

The Cabinet Member for Finance introduced a report on proposals relating to the procurement of gas and electricity supplies to the Council in anticipation of the expiry of the existing contractual arrangements with LASER in 2016.

The Cabinet Member explained that an options appraisal had identified the appointment of a specialist energy broker, procured through an open tender process, as the most economically advantageous route. The new contractual arrangements would also give the Council access to additional expertise in respect of the plans to create an energy services company (Minute 115 below).

The Leader spoke in support of the proposals and asked officers to look into the possibility of utilising grant funding from the Department of Energy and Climate Change towards the project.

Cabinet **resolved** to:

- (i) Agree to the procurement and appointment of an energy broker and to proceed via the broker to procure the Council's gas and electricity supplies in accordance with the proposals set out in the report;
- (ii) Delegate authority to the Chief Finance Officer, in consultation with the Cabinet Member for Finance, the Director for Housing, the Director of Children's Services and the Head of Legal and Democratic Services, to negotiate terms and agree the contract documents to fully implement and effect the project for the term, including any options to extend; and
- (iii) Delegate authority to the Director of Housing, in consultation with the Chief Finance Officer and Head of Legal and Democratic Services, to award and execute all of the legal agreements, contracts and other documents on behalf of the Council in accordance with the strategy set out in the report.

115. Establishment of a Council-owned Energy Services Company

Following on from Minute 114 above, the Cabinet Member for Regeneration presented outline plans for the creation of a Council-owned Energy Services Company (ESCO) specifically for the purposes of producing and supplying renewable energy, energy efficiency and related services across the Borough.

The Cabinet Member referred to the key objectives of an ESCO and sought approval to a commitment of £250,000 from the Invest to Save contingency to support the development of the proposals, which would come forward to Cabinet later in the year. It was also noted that the further report would explore the need for a Shadow Board to oversee any new arrangements.

Members spoke in general support of the proposals, particularly the involvement of the Borough's schools in the plans, while it was also acknowledged that any plans needed to be 'future proof' in view of the long-term investment that would be required.

Cabinet **resolved** to:

- (i) Approve the principle to establish an Energy Services Company (ESCO) specifically for the purposes of producing and supplying renewable energy, energy efficiency and related services to schools, the corporate estate, housing and the community subject to detailed business planning and due diligence;
- (ii) Approve the interim mission and objectives of the ESCO to frame detailed business planning as follows:
 - a) The mission of the ESCO is to help deliver the Council's energy and carbon reduction objectives;
 - b) The proposed objectives of the ESCO will be to:
 - generate savings and surpluses;
 - create and deliver energy related benefits for the corporate estate, housing and schools;
 - identify and deliver affordable energy projects;
 - reduce fuel poverty;
 - reduce carbon emissions;
 - create wider social and economic benefits for the community;
 - develop local energy expertise to support local economic development.
- (iii) Note that a further report would be submitted to Cabinet later in the year setting out a detailed business case prior to the establishment of the ESCO;
- (iv) Approve the allocation of £250,000 from the Invest to Save budget to fund detailed investment programme feasibility studies, business planning and financial and legal advice as set out within the report;
- (v) Approve, subject to satisfactory detailed feasibility studies and availability of satisfactory funding, the procurement of the following investment projects for direct delivery by the Council and potentially through an ESCO, as detailed in paragraph 2.2.3 of the report:
 - a) Street lights LED replacement programme (borough-wide);
 - b) Photovoltaic (PV) enabled street columns programme (borough-wide);
 - c) Wind turbines programme (subject to Cabinet's agreement to the locations);
 - d) River Roding water turbine scheme;
 - e) Barking Town Hall renewable energy and energy efficiency works;
 - f) Gascoigne renewable energy and combined heat and power facility;
 - g) Photovoltaic panel energy programme (corporate estate and initial HRA dwellings);
 - h) Combined Heat and Power programme and associated energy efficiency works to Housing Revenue Account properties subject to HRA financing restrictions;
 - i) Children's centres photovoltaic panel programme;
 - j) Heat, power and energy services to the borough's schools.

116. Proposed Expansion of Jo Richardson Comprehensive School, Gascoigne Primary School and Marsh Green Primary School

The Cabinet Member for Education and Schools introduced a report on proposals to formally expand a number of schools to help meet the projected growth in demand for school places in the Borough.

Cabinet **resolved** to:

- (i) Approve the expansion of Jo Richardson Secondary School from 8 to 10 forms of entry from 1 September 2015;
- (ii) Approve the expansion of Gascoigne Primary School from 5 to 7 forms of entry from 1 September 2016; and
- (iii) Approve the expansion of Marsh Green Primary School from 1 to 2 forms of entry from 1 September 2015.

117. Review of School Places and Capital Investment - Update March 2015

Further to Minute 124 (30 June 2014), the Cabinet Member for Education and Schools presented the latest report in respect of the progress of various school expansion projects aimed at addressing the demand for school places in the Borough, together with details of the funding allocations from the Department for Education (DfE) and the proposed projects to which the resources would be allocated.

The Cabinet Member gave an update on the latest pupil population projection figures, which included reference to additional pressures as a result of 230 late applications for Year 7 places from September 2015 being received since the national offer date of 1 March 2015. A number of steps were being taken to mitigate the situation and discussions would continue with Headteachers and Governing Bodies to ensure that the programme of expansions was maintained.

With regard to funding issues, the Cabinet Member referred to the proposed allocations which included the reallocation of previously agreed funding to enable adjustments, agreed with the DfE, to be made to the extent and/or timing of some projects. The proposals also covered issues such as the relocation of the Adult College, the potential provision of a loan to enable the Riverside School expansion to be delivered on time and the creation of suitable places for two-year olds.

A general discussion ensued regarding the allocation of the DfE grant funding to Academy / Free Schools and whether it was appropriate to, in effect, direct public money to private bodies. The Cabinet Member for Education and Schools referred to a Memorandum of Understanding that had been entered into with all schools in the Borough which sought to address the borough-wide need for additional school places and the Corporate Director of Children's Services commented that the allocation of funding from the DfE was on the basis that it would be used to support projects across the school estate and not just community schools. The Corporate Director also clarified issues in relation to the proposed transfer of the Fanshawe site to Sydney Russell School for the provision of a primary school and the proposed relocation of the Adult College to land adjacent to the main Sydney

Russell School site, which would continue to be a Council asset.

The Leader acknowledged the concerns expressed by several colleagues regarding the principles associated with Academy / Free Schools and called for a short adjournment, which commenced at 8.33pm before the meeting resumed at 8.50pm.

On reconvening, the Leader suggested that the shorter-term school expansion plans should proceed to enable the immediate demand pressures to be met but that it would be prudent to review some of the longer-term plans, particularly those to the east of the Borough and primarily in Chadwell Heath and Eastbrook wards to ensure that extra capacity was being delivered to the areas experiencing the highest demand.

Cabinet **resolved** to:

- (i) Approve the Future Planning Programme to meet Basic Need (including SEN places) 2014 to 2020 as set out in section 2 and Appendix A to the report, subject to a review of the need for additional school places in the eastern areas of the Borough, particularly covering Chadwell Heath and Eastbrook wards, in relation to the projects from September 2017 onwards;
- (ii) Approve the reallocation within the Capital Programme of £11.2m Targeted Basic Need Programme funding to support expansion projects at All Saints, Jo Richardson and Robert Clack secondary schools as set out in section 3 of the report, and to reallocate Basic Need grant previously allocated to the All Saints and Jo Richardson projects towards the Robert Clack project;
- (iii) Approve the inclusion in the Capital Programme of the DfE grant allocations for 2015/16 as detailed in section 4 of the report;
- (iv) Approve an additional allocation of Basic Need funding of £5.7m for the purchase of land associated with the expansion of Robert Clack School and other increased project costs for inclusion in the Capital Programme for 2016/17, as set out in section 5 of the report;
- (v) Agree the inclusion of £850,000 in the Capital Programme to support the provision of nursery places for two year olds in accordance with the DfE approval, as detailed in section 6 of the report;
- (vi) Note the anticipated funding via the DfE Priority Schools Building Programme towards the projects at Eastbury Community School and Eastbrook Comprehensive School as set out in section 7 of the report, and authorise the Chief Finance Officer to make the appropriate provision within the Capital Programme once confirmation of the allocation is received from the DfE;
- (vii) Agree the principle of a loan to Partnership Learning Trust, which runs Riverside School, to support the building of the school in the timescales needed by the Council to meet demand, and to authorise the Chief Finance Officer, in consultation with the Cabinet Member for Finance, the Cabinet Member and Education and Schools and the Corporate Director of

Children's Services, to agree the final terms of a loan, as referred to in section 8 of the report;

- (viii) Note the transfer of the management of the community facilities at Castle Green to Jo Richardson Community School in accordance with Minute 124 (vi) (30 June 2014);
- (ix) Agree, in principle, to the relocation of the Adult College from the Fanshawe site to the site adjacent to Sydney Russell School in Parsloes Avenue and confirm that the shared facilities at Fanshawe should be developed for primary school facilities and the Community Music Service, with the school facility to be operated by Sydney Russell School, as referred to in section 10 of the report;
- (x) Approve the reprofiling of projects within the Capital Programme to reflect appropriate adjustments to schemes, as detailed in section 11 of the report;
- (xi) Agree the procurement principles as set out in section 16.2 of the report and authorise the Corporate Director of Children's Services, in consultation with the Cabinet Member for Education and Schools, the Chief Finance Officer and the Head of Legal and Democratic Services, to award the respective project contracts; and
- (xii) Request the Corporate Director of Children's Services to present a further paper to Cabinet in June which provides further detail on demand, financial planning and options for all school building projects due to open from September 2017 onwards.

118. Whalebone Lane North and Ballards Road Highway Improvement Schemes

Further to Minute 36 (24 September 2013), the Cabinet Member for Regeneration introduced a report on proposed highway improvement works at two major road networks to the north and south-east of the Borough.

The Cabinet Member outlined the extent of the proposed works to the Whalebone Lane North and Ballards Road areas which had a combined value of £550,000. The report also referred to the proposed allocation of the remaining £100,000 from the Transport for London Local Implementation Plan allocation for 2015/16 to support further feasibility work in connection with downgrading / narrowing of the A1306 New Road and further improvements to the Ballards Road area.

Cabinet **resolved** to:

- (i) Approve the draft proposals for highways improvements to Whalebone Lane North and Ballards Road as set out in the report;
- (ii) Agree the programme of community consultation and engagement with relevant stakeholders in respect of the proposals;
- (iii) Authorise the Divisional Director of Regeneration, in consultation with the Cabinet Member for Regeneration, to agree and implement the final schemes following the public consultation; and

- (iv) Authorise the Divisional Director of Regeneration to refine the outline plans to reconfigure / simplify the Ballards Road/New Road junction and to ascertain the potential for and costs of downgrading the A1306 New Road, in preparation for the submission of a Major Scheme bid to Transport for London in September 2016.

119. Future Provision of Vehicle Maintenance Stores and Tyres

Further to Minute 73 (16 December 2014), the Cabinet Member for Environment introduced a report on the proposed procurement of two contracts to support the in-house Vehicle Maintenance service.

Cabinet **resolved** to:

- (i) Agree the procurement of a contract for Vehicle Workshop Stores, to be delivered via a tender process in line with EU Procurement Regulations and in accordance with the strategy as set out in the report;
- (ii) Agree the procurement of a contract for the Provision of Tyres and Associated Services, to be delivered through direct appointment using an EU compliant framework contract and in accordance with the strategy as set out in the report; and
- (iii) Authorise the Corporate Director of Adult and Community Services, in consultation with the Cabinet Member for Environment, the Head of Legal and Democratic Services and the Chief Finance Officer, to conduct the procurement and award the contracts to the successful bidders in accordance with the strategy set out in the report.

CABINET**2 June 2015**

Title: Council's Provisional Revenue And Capital Outturn 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 8227 3497 E-mail: kathy.freeman@lbbd.gov.uk
Accountable Director: Jonathan Bunt, Chief Finance Officer	
<p>Summary:</p> <p>The Council's revenue outturn (subject to final accounting entries) is a net spend over budget of £0.07m against a net revenue budget of £165.3m (0.04%). The final position is provisional pending the full closure of the Council's accounts, as the Statement of Accounts is to be drafted and then subject to external audit.</p> <p>The 2014/15 net spend above budget of £0.07m, together with the budgeted use of £1m of balances has resulted in the GF balance decreasing from £27.1m to £26.03m, representing a very slight deterioration in the Council's financial position.</p> <p>This balance is still well above the £15m General Fund balance target identified in the report to Assembly in February 2014 on the Budget for 2014/15 by the Chief Finance Officer.</p> <p>The revenue outturn figures have been calculated after taking into account roll forward requests contained in Appendix D of the report.</p> <p>The Housing Revenue Account (HRA) broke even and the HRA balance (which is ring-fenced) remains at £8.7m as at 31 March 2015.</p> <p>Capital spend of £128.9m was incurred in 2014/15 against the revised capital budget of £143.1m. Underspends on capital projects are requested to be rolled forward and are included in Appendix E of the report.</p>	
Recommendation(s)	
The Cabinet is recommended to:	
<ul style="list-style-type: none"> (i) Note the provisional outturn position for 2014/15 of the Council's revenue budget as detailed in paragraphs 2.1 to 2.10 of this report and in Appendix A; (ii) Note the provisional outturn against the 2014/15 savings targets in paragraph 2.11 of this report and in Appendix B; 	

- (iii) Note the provisional outturn position for the HRA as detailed in paragraph 2.7 of the report and in Appendix C and the transfer of the commercial properties to the General Fund, as approved by the Council's external auditors;
- (iv) Approve the requests to roll forward revenue budgets into 2015/16 and the resulting budget amendments contained in appendix D of the report;
- (v) Note the provisional outturn position for 2014/15 of the Council's capital budget as detailed in paragraph 2.12 of the report and Appendices E and F;
- (vi) Approve the requests to roll forward slippage and re-profiled spend in capital projects to 2015/16 as contained in Appendix E; and
- (vii) Consider whether an allocation should be made to fund the external evaluation of the Council's office accommodation report as requested by the Public Accounts and Audit Select Committee, as set out in paragraph 2.13 of the report.

Reason(s)

As a matter of good financial practice, the Cabinet should be informed of the final outturn and performance of the Council's Revenue and Capital resources. Knowledge of the variances from planned budgets and effective financial management supports priority of "growing the borough" by enabling Members in making sound decisions.

1 Introduction and Background

- 1.1 This report provides a summary of the Council's General Fund (GF), Housing Revenue Account (HRA) and capital provisional outturn positions for 2014/15. Good financial management in the face of a number of budget pressures has meant that the General Fund balance has remained above forecast at £26.03m. This position includes the achievement of £8.2m of in-year savings targets that represented a significant challenge for the Council.
- 1.2 For comparison with 2013/14, the Final Outturn report to Cabinet on 30 June 2014 reported that, as at 31 March 2014, General Fund balances stood at £27.1m. This was an increase of £9.7m on the position at 31 March 2013.
- 1.3 It is important that the Council monitors its revenue and capital budgets regularly to ensure good financial management. This involves monitoring the Council's financial results on a monthly basis through briefings to the Cabinet Member for Finance and monthly monitoring reports to Cabinet. This ensures Members are regularly updated on the Council's overall financial position and enables the Cabinet to make sound financial and operational decisions.
- 1.4 This report is based upon the core information contained in the Oracle general ledger system supplemented by examination of budgets between the budget holders and the relevant Finance teams. In addition, there is an extensive capital monitoring process to ensure capital outcomes are met. The position in this report may be subject to change as the Council finalises the entries required to produce the statutory Statement of Accounts, and that Statement will be subject to review by external audit over the summer.

2 Overall Outturn Position

- 2.1 The Directorate revenue outturn is a net spend above budget of £0.07m at the end of the financial year 2014/15. This has resulted in the Council's General Fund (GF) balance remaining above the target of £15.0m. The Chief Finance Officer has a responsibility under statute to ensure that the Council maintains appropriate balances.
- 2.2 The last Budget Monitoring Report for 2014/15 was presented to Cabinet on 24 March 2015 covering the period April 2014 to January 2015. It projected an overall overspend of £1.3m, which combined with a budgeted drawdown of £1m from reserves resulted in a projected reduction of the General Fund balance from £27.1m to £24.8m as at 31 March 2015. The reduction in the projected overspend is due to the introduction of the in-year spend freezes applied across the Council.

In the report to Assembly regarding the setting of the 2014/15 annual budget and Council Tax, the Chief Finance Officer, after consideration of the factors outlined in the CIPFA guidance on Local Authority Reserves and Balances 2003, set a target GF reserves level of £15.0m. The General Fund balance at 31 March 2014 was £27.1m and the current balance for the end of the financial year is £26.03m.

The outturn position for 2014/15 across the Council for the General Fund is shown in the table below.

Council Summary	Net Budget £'000	Provisional Outturn 2014/15 £'000	Over/(under) Budget £'000
<u>Directorate Expenditure</u>			
Adult and Community Services	55,308	54,025	(1,283)
Children's Services	62,467	67,359	4,892
Housing	3,578	3,417	(161)
Environment	19,744	19,687	(57)
Chief Executive	19,245	18,716	(529)
Central Expenses	4,978	2,186	(2,792)
Total Service Expenditure	165,320	165,390	70

The GF outturn is shown by Service in Appendix A, after taking into account roll forwards requested in Appendix D of the report.

The report to March Cabinet showed a forecast overspend of £1.331m. Whilst Children's Services have recorded an increased overspend, other directorates recorded more favourable outturns and the council-wide position is only slightly above budget, a variance of less than 1%. Of particular note are the outturns for Adult and Community Services (£0.571m improvement) due to the early implementation of 2015/16 savings and Central Expenses (£1.241m improvement) due to increased commission on the agency contract and reduced contributions to bad debt provisions for Council Tax and temporary accommodation which had been flagged in the narrative of the most recent reports.

The Council's net budget is unchanged since the last report to Cabinet, but there have been changes between services primarily due to reserve transfer adjustments. These changes do not impact on the services' controllable budgets.

At the 31 March 2015, the HRA broke even, leaving the HRA reserve at £8.7m.

	Balance 1 April 2014 £'000	Balance 31 March 2015 £'000	Target Balance 31 March 2015 £'000
General Fund	27,138	26,024	15,000
Housing Revenue Account	8,736	8,736	8,269

The HRA outturn is shown by statutory categories in Appendix C.

2.3 Directorate Performance Summaries

The Directorates' outturn performances are outlined in the paragraphs below.

2.4 Adult and Community Services

	Outturn 2013/14 £'000	Budget 2014/15 £'000	Provisional Outturn 2014/15 £'000	Variance	
	£'000	£'000	£'000	£'000	%
Net expenditure	55,191	55,308	54,025	(1,283)	(2.3)

The Adult and Community Services directorate achieved an overall underspend of £1.283m for 2014/15 as a result of the council-wide spending restraints introduced during the year and a review of funding options for specific services. Of the overall underspend, £0.714m reflects the decision to charge Substance Misuse and Drugs and Alcohol Abuse Treatment (DAAT) services as well as sports development to the Public Health grant. The Public Health grant, which contributes towards the Council's preventative agenda by promoting healthy outcomes for adults and children was £14.213m for 2014/15 and at year-end there was an underspend of £978k, which it is requested be carried forward into 2015/16.

Other savings were achieved by the early implementation of agreed savings for 2015/16, especially within Commissioning and Partnerships.

The net budget included the full allocation of £4.185m social care funding transfer from NHS England; this is allocated by local Section 256 agreement and is part of our Better Care Fund (BCF) as agreed by the Health and Wellbeing Board (H&WBB) in March 2014.

A savings target of £2.438m was built into the 2014/15 budget; these savings are detailed in appendix B below and were almost fully achieved, the sole exception being an ambitious income target for heritage venues.

2.5 Children's Services

	Outturn 2013/14	Budget 2014/15	Provisional Outturn 2014/15	Variance	
	£'000	£'000	£'000	£'000	%
Net expenditure	65,016	62,467	67,359	4,892	7.8

Overall the provisional outturn for the service is an overspend of £4.892m, an increase of £945k from the position reported to Cabinet in March. This figure takes into account the use of the Children's Services reserve of £1.500m. This increase is despite cross Directorate work to reduce spend, including the spending freeze and giving up all potential carry forwards. The overspend is entirely within the Complex Needs and Social Care division. The main reasons for the increased overspend are an increase in the number of placements, higher No Recourse to Public Fund and Unaccompanied Asylum Seeker costs, and the continued need to employ a higher than anticipated number of agency personnel. It should be noted that a priority initiative to increase the number of permanently employed staff is currently underway.

In recognition of the demographic pressures affecting Children's services, £3m growth will be applied to the Complex Needs budget in 2015/16.

Dedicated School Grant (DSG)

The DSG is a ring fenced grant to support the education of school aged pupils within the borough. In 2014/15 a DSG allocation of £228.0m was received. Final closure of the schools accounts is underway and the figure shown in Appendix A for allocation between services may change. However, there will be no effect on the overall figure for Children's Services and the Council's overall net spend, as any surplus or deficit will be transferred or charged to the DSG reserve.

2.6 Housing General Fund

	Outturn 2013/14	Budget 2014/15	Provisional Outturn 2014/15	Variance	
	£'000	£'000	£'000	£'000	%
General Fund - net expenditure	2,530	3,578	3,417	(161)	(4.5)

Housing General Fund

The final outturn shows an underspend position of £0.161m. The main risk to the position throughout the year has been the level of temporary accommodation placements, particularly the numbers within Bed and Breakfast, and the level of arrears. Spend on Bed and Breakfast accommodation for the year was below expectation and has more than offset unbudgeted pressures within the service.

There were 51 Bed and Breakfast placements at the end of March 2015 bringing the average for the year to 71. Placements typically fluctuate but the service has

actively worked to minimise Bed and Breakfast placements by utilising decanted stock and incentivising private sector landlords.

The status of arrears has moved over the year with a greater proportion now categorised as former tenants. Total arrears have increased by £0.297m. Former tenant arrears require a larger bad debt provision due to the reduced likelihood of collection. Targeted intervention and additional collection resource have been deployed to further improve arrears management.

The benefit from reduced Bed and Breakfast placements has more than offset the need for a greater bad debt provision and realised an underspend in 2014/15 . Bed and Breakfast placements and movements in arrears continue to be closely monitored in 2015/16 as does the impact of welfare reform.

2.7 **Housing Revenue Account (HRA)**

The HRA has delivered a breakeven position with HRA balances remaining at £8.7m

Income

Income underachieved budget by £484k. Income streams that exceeded target included leasehold service charge income, commission on water charges, additional rental income from the use of decanted stock for temporary accommodation and additional interest received on HRA cash balances. Pressure on garage income due to higher than expected voids was managed within this position. The transfer of the commercial shops portfolio to the General Fund took place in March 2015 resulting in a reduction in income of £1.5m, as agreed by the Council's external auditors. Leaseholder service charges are initially based on estimated cost and subsequently revised in line with the previous year's actual cost.

Expenditure

Expenditure underspent by £484k. This is primarily due to pressure from the delayed delivery of savings and pressure within the repairs and maintenance service being offset by a lower than budgeted bad debt provision requirement.

The service achieved delivery of £4.8m of the £6.1m saving requirement resulting in a shortfall of £1.3m. This is primarily due to delays in implementing restructures, the partial delivery from an ongoing review of communal energy billing and the lower than expected income from Reside for the provision of housing landlord services and repairs and maintenance services.

The position includes the second payment required to equalise TUPE transferred R&M staff within the Council's pension fund. Confirmation of the amount required was provided through actuarial valuation and included in the HRA Business Plan. This is to be funded over a 3 year period 2013/14 to 2015/16.

The outturn includes a revenue contribution to capital of £35.3m.

2.8 Environment

	Outturn 2013/14	Budget 2014/15	Provisional Outturn 2014/15	Variance	
	£'000	£'000	£'000	£'000	%
Net expenditure	22,425	19,744	19,687	(57)	(0.3)

The Environmental Services outturn for 2014/15 provides an underspend of £0.057m. This assumes a £0.047m DEFRA flood risk grant roll forward and establishing a £0.050m bad winter weather reserve to mitigate against future additional costs associated with bad winter weather.

The position represents a £0.195m movement from the position previously reported primarily as a result of additional income received and the impact of spend restraints within the service. Over the course of the year the service has absorbed pressures of £1.3m primarily due to the under achievement of savings targets and pressure on income. A significant element of these pressures were outside of the services direct control, however, the delivery of mitigating action has enabled the overall position to be managed.

A savings target of £1.129m was built into the 2014/15 budget, however, delivery under achieved by £0.470m. This was mainly as a result of delays in determining the future use of 2 and 90 Stour Road (£0.295m) and the loss of income generating assets affecting the Parking service alongside improved payment behaviour (£0.175m). Parking income levels were impacted due to a larger percentage of PCN's being paid on time at the discounted rate suggesting greater compliance.

Mitigating actions put in place to manage pressures included utilising one off grants, benefiting from a refund received for street lighting electricity, holding posts vacant, ensuring recharges and income collection were up to date and maintaining expenditure restraint across the service.

2.9 Chief Executive

	Outturn 2013/14	Budget 2014/15	Provisional Outturn 2014/15	Variance	
	£'000	£'000	£'000	£'000	%
Net expenditure	18,196	19,245	18,716	(529)	(2.8)

The Chief Executive department has underspent against its budget by £0.529m. The position incorporates a budget roll forward of £0.150m in respect of the Carbon Reduction Commitment. The outturn represents an increase in the underspend of £0.142m compared to the previously reported position mainly due to the impact of spend restraint.

The department managed pressures against income targets as a result of the under-recovery of school buybacks, a reduction in citizenship ceremony income and the under-recovery of the court cost income. A savings target of £1.2m has been achieved.

The outturn position is primarily due to savings from treasury management contracts, tighter controls on expenditure against supplies budgets as a result of the expenditure freeze, an underspend against the Members allowance budget due to the employers contribution to the pension scheme for Councillor's no longer being required and vacancies being held across the department to support the early delivery of 2015/16 savings.

2.10 Central Expenses

	Outturn 2013/14	Budget 2014/15	Provisional Outturn 2014/15	Variance	
	£'000	£'000	£'000	£'000	%
Net expenditure	4,382	4,978	2,186	(2,792)	(56.0)

Significant savings were achieved against the budget for interest payments, a refund of previously paid VAT and the centrally held contingency. The outturn position includes a budgeted contribution to reserves of £1.0m, to fund projects that will give future revenue savings and in addition there is £0.5m contributed towards refurbishment of the Broadway Theatre in 2015/16. As mentioned in paragraph 2.7, the commercial shops portfolio previously held in the HRA was transferred to the General Fund in 2014/15 resulting in additional income of £1.5m for the General Fund. After deducting running costs, a net figure of £1m was available and has been used towards financing the capital programme to enable ongoing revenue savings in the future.

2.11 2014/15 In-Year Savings Targets

The delivery of the 2014/15 budget was dependent on meeting a savings target of £8.7m. Directorate outturns are summarised in the table below.

Directorate Summary of Savings Targets	Target £'000	Outturn £'000	Shortfall £'000
Adult and Community Services	2,438	2,398	40
Children's Services	2,964	2,964	-
Housing and Environment	1,129	659	470
Chief Executive	1,219	1,219	-
Central Expenses	971	971	-
Total	8,721	8,211	510

The reason for any savings shortfalls have been included in the Directorate outturns set out in sections 2.4 to 2.10 above and it should be noted that all shortfalls have been managed within existing budgets. A detailed breakdown of savings is provided in Appendix B.

2.12 Capital Programme

The Capital Programme had a £14.3m net spend below budget due largely to slippage on various schemes. The table below shows the summary position:

Directorate Summary of Capital Expenditure	Revised Budget £'000	Outturn 2014/15 £'000	Variance £'000
Adult & Community Services	10,451	9,487	(964)
Children's Services	27,632	29,953	2,321
Housing & Environment	5,492	3,887	(1,605)
Chief Executive's	9,139	6,995	(2,144)
Sub-total - GF	52,714	50,322	(2,392)
HRA	90,439	78,544	(11,895)
Total	143,153	128,866	(14,287)

A new build housing scheme at Abbey Road commenced in 2014/15, funded by borrowing from the European Investment Bank. The scheme will provide 138 houses plus commercial space. To take advantage of the external funding, the scheme has been accounted for outside of the HRA. The total value of the scheme is £22.3m and expenditure of £16.9m was incurred in 2014/15. In 2015/16 it will be incorporated into the main GF capital programme.

A detailed capital outturn by scheme together with roll forward requests is included in Appendix E. The appendix also shows the budgets for capital projects in 2015/16.

Major scheme variances by area are summarised below, with more detailed explanations for variances over £0.100m given in appendix F:

Adult & Community Services

- Barking Leisure Centre - (£0.719m) underspend

Children's Services

- Schools - £1.307m overspend
- Other schemes - £1.013m overspend

Housing & Environment

- Housing Revenue Account - (£11.895m) underspend
- Environmental Services – (£1.605m) underspend

Chief Executive's

- Asset Strategy – (£0.568m) underspend
- ICT - (£0.875m) underspend
- Regeneration - (£0.700m) underspend

2.13 Civic Centre petition

Whilst this report is essentially to advise Members of the provisional outturn for the 2014/15 revenue and capital budgets, this section relates to a reference to Cabinet from the Public Accounts & Audit Select Committee (PAASC) to consider a request for funding.

At its meeting on 16 December 2014 (Minute 78 refers), Cabinet agreed a proposal to rationalise the Council's corporate office portfolio in order to make budget savings. As a result of that decision, the Council was presented with a petition

which was considered by PAASC on 25 March 2015. The petition called upon the Council to repeal the decision to convert the Civic Centre into a school, on the basis the current decision endangered the quality and accessibility of good public services for the residents of Dagenham.

PAASC queried the financial evaluation of the options in the Cabinet report so, before the committee could reach a decision, requested that an independent external evaluation be carried out of the costs and valuations involved in each option, including those not originally shortlisted.

As there is no budget available to do this work the Cabinet is being asked to consider whether to support the Select Committee's proposal and provide the necessary funding to commission the evaluation. An allocation from the Council's reserves would need to be made to cover the cost.

2.14 Financial Control

At the end of 2014/15 all key reconciliations have been prepared and reviewed. There were no major reconciling items unexplained.

3 Options Appraisal

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

4 Consultation

- 4.1 The report has been circulated to appropriate Corporate Directors for review and comment on the elements relating to their Directorates. Individual Directorate elements will be subject to scrutiny and discussion at their respective Directorate Management Team meetings. This will occur between production of this report and the Cabinet meeting.

5 Financial Implications

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

6 Legal Issues

- 6.1 There are no legal implications.

Background Papers Used in the Preparation of the Report

Budget Framework 2014/15; Assembly 19 February 2014.

List of Appendices:

- Appendix A – General Fund Outturn
- Appendix B – Savings Targets Outturn
- Appendix C – Housing Revenue Account Outturn
- Appendix D – Revenue Roll Forward Requests
- Appendix E – Capital Outturn
- Appendix F – Explanations for Variances on Capital Projects

GENERAL FUND REVENUE MONITORING STATEMENT PROVISIONAL OUTTURN 2014/15

Directorate	Outturn 2013/14	Revised Budget	Provisional Outturn	Provisional Variance
	£000	£000	£000	£000
<u>Adult & Community Services</u>				
Adult Social Care	45,354	31,195	31,072	(123)
Commissioning & Partnership		11,267	10,084	(1,183)
Culture & Sport	6,822	6,102	6,429	327
Mental Health	3,803	3,599	3,956	357
Public Health	(786)	785	785	-
Management & Central Services	(2)	2,360	1,699	(661)
	55,191	55,308	54,025	(1,283)
<u>Children's Services</u>				
Education	6,576	5,183	4,660	(523)
Complex Needs and Social Care	39,205	36,467	42,564	6,097
Commissioning and Safeguarding	9,607	9,638	9,166	(472)
Other Management Costs	9,628	11,179	10,969	(210)
	65,016	62,467	67,359	4,892
<u>Children's Services - DSG</u>				
Schools	169,101	176,960	176,960	-
Early Years	13,226	19,329	19,329	-
High Needs	22,920	27,837	28,807	970
Non Delegated	2,715	957	737	(220)
Growth Fund	2,489	3,037	2,375	(662)
School Contingencies	590	-	-	-
DSG/Funding	(211,041)	(228,120)	(228,208)	(88)
	-	-	-	-
<u>Housing & Environment</u>				
Environment & Enforcement	22,425	19,744	19,687	(57)
Housing General Fund	3,161	3,578	3,417	(161)
	25,586	23,322	23,104	(218)
<u>Chief Executive Services</u>				
Chief Executive Office	(144)	(82)	12	94
Strategy & Communication	(305)	213	(2)	(215)
Legal & Democratic Services	212	(29)	(192)	(163)
Human Resources	(71)	61	(89)	(150)
Corporate Finance & Assets	15,510	16,438	16,384	(54)
Regeneration & Economic Development	2,994	2,644	2,603	(41)
	18,196	19,245	18,716	(529)
<u>Other</u>				
Central Expenses	(5,013)	(5,213)	(6,579)	(1,366)
Levies	-	9,685	9,809	124
Contingency	9,395	1,550	-	(1,550)
Budgeted Reserve Drawdown		(1,044)	(1,044)	-
	4,382	4,978	2,186	(2,792)
TOTAL	168,371	165,320	165,390	70

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Directorate Savings Targets: Progress at 31 March 2015

Ref:	Detail	Target £000	Forecast £000	Variance £000	Current Position
ACS/SAV/09	Adoption of a mixed economy approach for the library service: closure of Rush Green library, transfer of Robert Jeyes library into a community management arrangement and a wholly volunteer led service at Marks Gate library.	593	593	-	Cabinet resolution 23 July 2013 that the difference between the original budget saving of £593k and the anticipated saving of £400k will be managed by the application of corporate contingency in 2014/15, and that for 2015/16 the shortfall be addressed as part of the budget savings requirement.
ACS/SAV/11	Reduce funding for care packages	200	200	-	Saving achieved from care budgets
ACS/SAV/12	Management Reductions (reduce social care GM)	40	40	-	Post deleted and saving achieved
ACS/SAV/13	Homelessness Prevention	120	120	-	Budget and delivery of saving transferred to Housing
ACS/SAV/14	Reduce Carers Contract	14	14	-	Provider (Carers of Barking & Dagenham) informed of reduction
ACS/SAV/15	Advocacy - reduce to statutory provision	42	42	-	Saving achieved
ACS/SAV/16	Do not extend core funding for DABD	35	35	-	Saving achieved
ACS/SAV/19	Reduce business support in Adult Social Care	16	16	-	Saving achieved
ACS/SAV/20	Delete Arts Team	96	96	-	Deletion of Arts Development manager post in December 2013.
ACS/SAV/21	Delete Events Team and end all directly delivered and commissioned arts events and programmes	68	68	-	Saving achieved
ACS/SAV/23	Valence House - Heritage Education Team	40	40	-	Saving achieved
ACS/SAV/25	Delete Neighbourhood Crime Reduction Team	133	133	-	Service redesign: savings achieved through utilisation of external funding streams

Appendix B

ACS/SAV/26	Delete Anti Social Behaviour Team	121	121	-	Service redesign: savings achieved through utilisation of external funding streams
ACS/SAV/28	Reduce strategic commissioning posts	28	28	-	Post deleted, saving achieved
ACS/SAV/29	Reduce dedicated support to service users and carers	19	19	-	Post deleted. saving achieved
ACS/SAV/30	Metropolitan Police - Cease Funding Parks Team	160	160	-	Saving achieved
ACS/SAV/31	Youth Offending - Cessation of triage and prevention interventions	200	200	-	Saving achieved
ACS/SAV/33	Supporting People Grant Changes	200	200	-	Steps to deliver this saving were confirmed with Housing colleagues; saving achieved
Feb 2012 Assembly	Remodelling homecare services in line with the principles of personalisation	100	100	-	Saving achieved following choice & control restructure
Feb 2012 Assembly	Revisions to pricing framework for Care Home Placements	24	24	-	Pricing framework revised - saving achieved
Feb 2012 Assembly	Changes to in-house residential care service for adults with a learning disability (80 Gascoigne)	50	50	-	Saving achieved by moving service users currently in high cost external placements to 80 Gascoigne Rd
Feb 2012 Assembly	Remodel of learning disability day, volunteering and employment services	100	100	-	Saving achieved
Feb 2012 Assembly	Expanding commercial opportunities at heritage venues	40	0	40	Income budget to be added to shortfall in current Eastbury House income generation so it is expected that this saving would add to this shortfall. However, the shortfall is expected to be absorbed within the wider Culture & Sport income targets
Total Adult & Community Services		2,438	2,398	40	

Appendix B

Ref:	Detail	Target	Forecast	Variance	Current Position
		£000	£000	£000	
CHS/SAV/16	Adult College –Saving in General Support	100	100	0	Achieved
CHS/SAV/17	Education -Advisory Teachers	200	200	0	Achieved
CHS/CS03	Education -Borough Apprentice Scheme	50	50	0	Achieved
CHS/SAV	Education - Attendance	40	40	0	Achieved
CHS/SAV/17	Education – Special Inclusion Team	50	50	0	Achieved
CHS/SAV/19	Education	200	200	0	Achieved
CHS/SAV/20	Education – Youth Services Central	460	460	0	Achieved
CHS/SAV/21	Education – SSE Early Years and Childcare	50	50	0	Achieved
CHS/SAV/22	Commissioning -SSE Children’s Centres Central	1,614	1,614	0	Achieved
CHS/SAV/07	Commissioning - CAMHS	50	50	0	Achieved
CHS/SAV/CS07a	Commissioning – Performance and Information	55	55	0	Achieved
CHS/SAV/CS07b	Commissioning –Commissioning and Partnerships	25	25	0	Achieved
CHS/SAV/13	Commissioning – Performance and Information	70	70	0	Achieved
Total Children’s		2,964	2,964	0	

Ref	Detail	Target	Forecast	Variance	Current Position
		£000	£000	£000	
H&E/SAV/13	Environmental Services - Remove infrastructure and reduction in maintenance; and identify alternative community use for spaces where possible	195	195	0	20 GMO staff (0.5 FTE's) have been removed from the Grounds maintenance budget. Staff impacted have either left or are in other non-GMO roles.
H&E/SAV/15	Recharge GF works to the Parking Account	100	0	100	Savings not achieved due to mitigating the loss of assets including Axe Street Car Park, Becontree Heath Car Park and areas of CPZ which were removed resulting in lost income from permits sales. Also decreases in income for Pay and Display as fees were not increased to take into account the convenience charge for telephone parking.
H&E/SAV/16	Housing Advice Service - Reduction in temporary Accommodation Costs	225	225	0	Savings delivered through reduction in B&B use/Increased hostel and other housing options
H&E/SAV/17	Parking - increase the volume of enforcement activity delivered by surveillance cameras and cars; and implement paperless parking systems including online and telephone payments and automatic number recognition.	300	225	75	<p>-Generation of £150k for increased levels of enforcement and efficiencies within the service.</p> <p>-Paperless parking and enforcement by ANPR - £55k</p> <p>Paperless parking project is due to go live in April 2015; there has been a delay in this going live due to other IT issues that have occurred. To be rolled forward to 2015/16</p> <p>-Online permit sales</p> <p>This is in place and the footfall of customers is down by 10% since April 2014. As the on-line applications increase this has had an effect on resource in the back office. Savings is not achievable as it was taken by the one stop shop and not by parking.</p> <p>-Consultation - £20k</p> <p>A review of the service to be undertaken only part year saving to be delivered. Full year equates to £40k</p>

Appendix B

Ref	Detail	Target	Forecast	Variance	Current Position
		£000	£000	£000	
Feb 2012 Assembly	Making Parks more commercially sustainable	9	9	0	Savings delivered through income received from Masts
FIN&RES/SAV/19	Facilities Management - Closure of buildings as part of the office accommodation strategy	300	5	295	Savings not achieved as both 2 & 90 Stour road buildings have not yet closed.
ACS/SAV/13	Homelessness Prevention	120	120	0	Savings delivered and affected staff have been retained due to Public Health grant funding obtained.
Total Housing & Environment		1,129	659	470	

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Ref:	Detail	Target	Forecast	Variance	Current Position
		£000	£000	£000	
FIN&RES/SAV/01	Regeneration - delete a post in the Transport Planning team from 2014/15	53	53	0	Savings achieved and post deleted.
FIN&RES/SAV/06	Efficiencies through implementation of Oracle R12	200	200	0	Savings achieved
FIN&RES/SAV/18	Merger of the Corporate Client and Capital Delivery Teams	125	125	0	Restructure completed and savings achieved
FIN&RES/SAV/20	Regeneration - Further savings on the Economic Development and Sustainable Communities Team	240	240	0	Savings achieved
FIN&RES/SAV/21	Regeneration - Further savings in the Employment & Skills Team	307	307	0	Savings achieved
FIN&RES/SAV/22	Regeneration - additional income from the increase in nationally set planning fees.	52	52	0	Income target increased, savings delivered.
CEX/SAV/09	Human Resources - Cost of Health and Safety Team	56	56	0	Savings achieved, post deleted
CEX/SAV/10	Strategy & Communications - Further	70	70	0	Savings achieved and shared arrangement with

	reduction and sharing of Service				Thurrock Council in place.
Feb 2012 Assembly	Merge Payroll and HR Support (within Elevate)	116	116	0	Achieved
Total Chief Executive		1,219	1,219	0	

HRA SAVINGS

Detail	Target	Forecast	Variance	Current Position
Cease Sheltered Housing warden service to London and Quadrant and closure of St Mary Sheltered Housing Unit	103	103	0	Service recharged to L&Q
Efficiency savings for housing Repairs and Maintenance	490	490	0	Expected to deliver saving
Undertake an economic, technical and operational review of DLO	500	250	250	Partial delivery of saving in year from efficiencies and savings on non-staffing budgets
Capitalisation of Voids	1,000	1,000	0	Charged to appropriate capital budget
Reduction in concierge due to demolition of blocks	300	300	0	Service no longer in place following demolition of blocks
Tenants Resource Centre	15	15	0	Achieved via a reduction in discretionary spend
Reduce provision for bad debts in HRA 2014/15	500	500	0	Bad Debt provision level expected to be sufficient
Increased commission on Water Services	251	251	0	Achieved. Higher percentage negotiations ongoing
Provide leasehold management services to Thurrock Council	50	50	0	First quarter invoice to be submitted
Reduction in Corporate Recharges to the HRA	743	743	0	Achieved as part of recharge review
CDC Reduction	126	126	0	Achieved as part of recharge review
Neighbourhood Management	92	61	31	ACS expect to achieve 75% saving
Additional rental income on Street Purchase	70	52	18	A number of properties have not been occupied for the full year the expected rental income is therefore £52k
Energy billing housing property communal areas	318	100	218	Not currently expected to be achieved – review underway
Tenants Participation Team restructure	40	40	0	Budget saving achieved
Housing and Neighbourhood Staffing Structures	510	50	460	Saving will not be delivered due to delays in progressing the restructure. Current forecast assumes small in-year saving

Appendix B

Repairs and Maintenance services provided to B&D Reside	190	90	100	Due to the high level of Voids income will not be passed to the HRA
Housing Management services provided to B&D Reside	77	37	40	Due to the high level of Voids income will not be passed to the HRA
Reduction improvement team and fleet	226	0	226	Six improvement staff and one quality assurance post transferred to R&M - staff are unbudgeted. Line management was transferred at the end of 13/14.
Vehicle contract hire	23	23	0	This particular vehicle was removed, however, there remains a wider pressure on vehicle costs.
Caretaking supplies	100	100	0	This budget was reduced and spend is currently on track to be at the revised level.
Reduction in caretaking and fleet	201	201	0	5 Staff positions across localities were removed and a further fleet reduction delivered.
Ground Maintenance reduction	60	60	0	2 x Grounds maintenance operatives were removed from the structure. Saving delivered. There remains a significant pressure of establishment spend within the service.
Reduction of two working supervisor posts from Environmental Services	66	66	0	2 x Working hands supervisors were removed from structure. Savings delivered. There remains a significant pressure of establishment spend within the service.
Closure of Abbey Depot	40	40	0	Depot was closed and no associated premises costs are to be incurred. Saving delivered.
Quality Assurance Post	41	41	0	Staff member has left. Saving delivered.
TOTAL HRA	6,132	4,789	1,343	

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HOUSING REVENUE ACCOUNT MONITORING STATEMENT
Provisional Outturn 2014-15

Appendix C

	Budget	Outturn	Variance
	£'000	£'000	£'000
Rents	(87,000)	(87,449)	(449)
Non Dwelling Rents	(2,503)	(736)	1,767
Other Income	(16,401)	(16,966)	(565)
Interest Received	(336)	(605)	(269)
Income	(106,240)	(105,756)	484
Repairs & Maintenance	17,205	19,308	2,103
Supervision & Management	37,779	37,412	(367)
Rents, Rates and Other	700	480	(220)
Revenue Contribution to Capital	35,453	35,338	(115)
Bad Debt Provision	2,659	1,239	(1,420)
Interest Charges	9,759	9,294	(465)
Corporate & Democratic Core	685	685	0
Pension Contribution	2,000	2,000	0
Expenditure	106,240	105,756	(484)
Total	0	0	0

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GENERAL FUND REVENUE - ROLL FORWARD INTO 2015/16 REQUESTS

Adult & Community Services		£
Commissioning & Partnership	CCTV & Contract Security - replacement of CCTV recording equipment	50,000
Commissioning & Partnership	Un-ringfenced grant required to cover unpredictable cost pressures in the areas of Deprivation of Liberty Safeguards and Independent Mental Health Advocacy	202,000
Adult Social Care	Underspend to be utilised in 2015/16 to support adult social care budgets and any unexpected consequences following the implementation of the Care Act	1,200,000
Public Health	Ring-fenced grant for the promotion of healthy outcomes for adults and children	978,000
		2,430,000

Children's Services

Education	Butler Court - this is a traded service and any surplus is required to meet running costs and loss of income prior to transfer to Housing	47,000
		47,000

Housing & Environment

Environmental Services	Reserve to deal with increased costs associated with adverse winter weather conditions	50,000
Environmental Services	To cover costs of private rented property licensing scheme	873,400
Environmental Services	Underspent DEFRA grant to fund necessary work on the Highways Asset Management Plan and Flood Risk Management Plan.	47,000
		970,400

Chief Executive's

Legal services	This is the surplus generated by the joint Legal practice. The balance includes a share attributable to Thurrock Council, to be determined in 2015/16	495,000
Democratic services	Contribution to election budget	60,000
Democratic services	Underspend on members training budget	12,000
Corporate Finance & Assets	To cover the cost of the Carbon Reduction Commitment in 2015/16	150,000
		717,000

Central Expenses

Central expenses	PFI reserve - The balance of the funding of the schools PFI schemes between the PFI grant payments and the contractual payments towards the schemes has resulted in a surplus. The PFI reserve is to be used to manage the lifecycle funding arrangements over the life of the PFI schemes	786,280
Central expenses	BanD Together - funding for a post in 15/16	41,000
Central expenses	Refurbishment of BMX track	80,000
Central expenses	Funding for essential works to Broadway Theatre	500,000
Central expenses	Budget underspend to go to a reserve for possible future redundancy costs	649,000
		2,056,280
Total		6,220,680

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Appendix E - Capital Roll-Forwards

2014/2015 CAPITAL PROGRAMME - Revised Budget, Final Spend, Variance and Roll-Forward

Project No.	Project Name	Outturn 2014/15			Roll-forward to 2015/16	2015/16 budget per Budget Framework report	Further additions and re-profiles between schemes and years	New Revised Budget 2015/16
		Budget 14/15	Actual Expenditure at 31st March 2015 (Post Outturn)	Variance				

Adult & Community Services

Adult Social Care								
FC00106	Disabled Facilities Grant	573,715	576,679	2,964	(2,964)	671,682	150,000	818,718
FC02888	Direct Pymt Adaptations	385,333	212,167	(173,166)	0	400,000	0	400,000
FC02913	80 Gascoigne Road Care Home	3,672	0	(3,672)	3,672		-3,672	0
FC02976	Community Capacity Grant	991,908	983,108	(8,800)	8,800		-8,800	0
Culture & Sport		0						
FC02855	Mayesbrook Park Athletics Arena	212,220	104,457	(107,763)	107,763		-32,864	74,899
FC02870	Barking Leisure Centre 12-14	7,988,877	7,270,249	(718,628)	718,628	170,000	0	888,628
FC02266	PGSS - Barking Park	295,373	340,709	45,336	(45,336)		45,336	0
FC03029	Broadway Theatre	0	0	0	0		500,000	500,000
Total For Adult & Community Services		10,451,098	9,487,369	(963,729)	790,563	1,241,682	650,000	2,682,245

2014/2015 CAPITAL PROGRAMME - Revised Budget, Final Spend, Variance and Roll-Forward

Project No.	Project Name	Outturn 2014/15			Roll-forward to 2015/16	2015/16 budget per Budget Framework report	Further additions and re-profiles between schemes and years	New Revised Budget 2015/16
		Budget 14/15	Actual Expenditure at 31st March 2015 (Post Outturn)	Variance				

Children's Services

Primary Schools								
FC02736	Roding Primary School - Cannington Road Annex	136,939	6,590	(130,349)	130,349		0	130,349
FC02745	George Carey CE Primary School (formerly Barking Riverside Pr	250,000	210,028	(39,972)	39,972	0	-39,972	0
FC02759	Beam Primary Expansion	81,231	2,963	(78,268)	78,268		0	78,268
FC02784	Manor Longbridge (Former UEL Site)	320,416	17,106	(303,310)	303,310		0	303,310
FC02786	Thames View Juniors - Expansion & Refurb	28,592	4,516	(24,076)	24,076	200,000	-224,076	0
FC02787	Cambell Junior - Expansion & Refurb	17,626	0	(17,626)	17,626		-17,626	0
FC02790	St Georges - New Primary School	25,385	0	(25,385)	25,385		-25,385	0
FC02799	St Joseph's Primary - expansion	20,601	0	(20,601)	20,601		-4,280	16,321
FC02800	St Peter's Primary - expansion	33,869	38,149	4,280	(4,280)		4,280	0
FC02860	Monteagle Primary (Quadrangle Infill)	80,549	5,000	(75,549)	75,549		0	75,549
FC02861	Eastbury Primary (Expansion)	375,000	405,068	30,068	(30,068)	497,868	-217,800	250,000
FC02862	Gascoigne Primary (Expansion)	44,756	0	(44,756)	44,756		-44,756	0
FC02863	Parsloes Primary (Expansion)	34,972	456	(34,516)	34,516		-34,516	0
FC02864	Godwin Primary - Exp	3,331	12,510	9,179	(9,179)		9,179	0
FC02865	William Bellamy Infants/Juniors (Expansion)	2,500,000	2,474,683	(25,317)	25,317	173,800	0	199,117
FC02867	Southwood Primary (Expansion)	1,060	0	(1,060)	1,060		-1,060	0
FC02900	Becontree Primary Expansion	24,347	0	(24,347)	24,347		-24,347	0
FC02918	Roding Cannington 2013-15	38,642	14,816	(23,826)	23,826		0	23,826
FC02919	Richard Alibon Expansion	971,769	1,611,043	639,274	(639,274)	141,133	572,419	74,278
FC02920	Warren/Furze Expansion	25,026	54,960	29,934	(29,934)	511,000	0	481,066
FC02921	Manor Infant Jnr Expansion	1,850,000	2,069,040	219,040	(219,040)	292,469	0	73,429
FC02922	Valence Halbutt Expansion	15,000	47,487	32,487	(32,487)		32,487	0
FC02923	Rush Green Expansion	30,000	3,175	(26,825)	26,825	137,648	0	164,473
FC02924	St Josephs Primary Extn	94,985	79,913	(15,072)	15,072		0	15,072
FC02955	Barking Riverside City Farm	25,000	-105,027	(130,027)	130,027		-130,027	0
FC02956	Marsh Green Primary 13-15	200,000	190,627	(9,373)	9,373	1,800,000	-1,259,373	550,000
FC02957	John Perry School Expansion 13-15	1,420,320	1,479,956	59,636	(59,636)		100,000	40,364
FC02960	Fanshawe Primary Expansion 13-15	750,000	839,635	89,635	(89,635)	864,132	2,225,503	3,000,000
FC02979	Gascoigne Primary Abbey Road Depot	100,000	31,757	(68,243)	68,243	12,398,398	-6,966,641	5,500,000
FC02998	Marks Gate Junior	100,000	38,622	(61,378)	61,378	446,750	0	508,128
FC03014	Barking Riverside City Farm Phase II	750,000	1,445,623	695,623	(695,623)	4,750,000	0	4,054,377

2014/2015 CAPITAL PROGRAMME - Revised Budget, Final Spend, Variance and Roll-Forward

Project No.	Project Name	Outturn 2014/15			Roll-forward to 2015/16	2015/16 budget per Budget Framework report	Further additions and re-profiles between schemes and years	New Revised Budget 2015/16
		Budget 14/15	Actual Expenditure at 31st March 2015 (Post Outturn)	Variance				
Other Schemes								
1	Feasibility & Design Site Setup	0	0	0	0	1,677,956	-1,677,956	0
FC02723	Advanced Skills Centre	170,000	179,403	9,403	(9,403)		9,403	0
FC02724	Basic Needs Projects (formerly Additional School Places)2011/	5,615	12,621	7,006	(7,006)		7,006	0
FC02751	School's Kitchen Extension/Refurbishment 10/11	10,826	10,735	(91)	91		-91	0
FC02826	512a Heathway - Conversion to a Family Resource	69,948	50,435	(19,513)	19,513		0	19,513
FC02878	512a Heathway (phase 2)- Conversion to a Family Resource with	7,222	7,065	(157)	157		-157	0
FC02906	School Expansion SEN Projects	500,000	804,936	304,936	(304,936)	828,456	-223,520	300,000
FC02909	School Expansion Minor Projects	500,000	1,026,428	526,428	(526,428)	870,892	0	344,464
FC02929	SMF 2012/13	968,394	1,091,964	123,570	(123,570)	0	123,570	0
FC02958	Fanshawe Adult College Refurb 13-15	144,053	144,570	517	(517)		517	0
FC02972	Implementation of early education for 2 year olds	1,304,806	1,745,716	440,910	(440,910)	0	850,000	409,090
FC02974	Robert Clack Artificial Football Pitch	283,329	46,488	(236,841)	236,841		-236,841	0
FC02975	Barking Abbey Artificial Football Pitch	629,797	584,253	(45,544)	45,544		236,841	282,385
FC02978	SMF - School Modernisation Fund 13/14	1,554,260	1,577,152	22,892	(22,892)	250,000	0	227,108
FC03010	SMF 2014-16	300,000	229,711	(70,289)	70,289	3,257,629	-1,300,000	2,027,918
FC03013	UIFSM Project (Free School Meals)	708,101	674,414	(33,687)	33,687		0	33,687
9999	Devolved Capital Formula	1,096,721	2,871,105	1,774,384		0	606,235	606,235
Secondary Schools								
FC02932	Trinity 6th Form Provison	30,000	0	(30,000)	30,000		-30,000	0
FC02953	All Saints Expansion 13-15	3,883,568	4,077,511	193,943	(193,943)	439,294	0	245,351
FC02954	Jo Richardson Expansion 13-15	1,000,000	924,194	(75,806)	75,806	1,945,573	-572,419	1,448,960
FC02959	Robert Clack Expansion 13-15	100,000	2,055,811	1,955,811	(1,955,811)	13,540,373	-9,084,562	2,500,000
FC02977	Barking Riverside Secondary Free School	4,000,000	859,342	(3,140,658)	3,140,658	13,000,000	-7,640,658	8,500,000
FC03018	Eastbury Secondary	0	0	0	0	480,000	-480,000	0
FC03019	Eastbrook School	0	0	0	0	600,000	-600,000	0
FC03020	Dagenham Park	0	0	0	0	2,000,000	-2,000,000	0
FC03021	Abbey Retail Park - New Primary	0	0	0	0	2,000,000	-2,000,000	0
FC03022	New Gascoigne Secondary School	0	0	0	0	4,420,000	-4,420,000	0
Children Centres								
FC03033	Upgrade of Children Centres	0	0		0	0	300,000	300,000
FC02217	John Perry Childrens	9,619	0	(9,619)	9,619		0	9,619
FC02310	William Bellamy Childrens Centre	6,458	0	(6,458)	6,458		0	6,458
Total For Children's Services		27,632,133	29,952,550	2,320,417	(546,033)	67,523,371	(34,178,623)	32,798,715

2014/2015 CAPITAL PROGRAMME - Revised Budget, Final Spend, Variance and Roll-Forward

Project No.	Project Name	Outturn 2014/15			Roll-forward to 2015/16	2015/16 budget per Budget Framework report	Further additions and re-profiles between schemes and years	New Revised Budget 2015/16
		Budget 14/15	Actual Expenditure at 31st March 2015 (Post Outturn)	Variance				

Housing and Environment

Environmental Services								
FC02764	Street Light Replacing	1,417,969	739,754	(678,215)	678,215		0	678,215
FC02873	Environmental Improvements and Enhancements	28,950	1,282	(27,668)	27,668	65,813	0	93,481
FC02886	Parking Strategy Imp	91,245	69,475	(21,770)	21,770		0	21,770
FC02887	Frizlands Wkshp Major Wks	0	0	0	0		0	0
FC02930	Highways Improvement Programme	2,617,708	2,431,768	(185,940)	185,940		0	185,940
FC02964	Road Safety Improvement 2013-14 (TfL)	328,475	66,195	(262,280)	262,280	186,000	-10,000	438,280
FC02981	Parkmap scheme (Traffic Mangement Orders)	57,126	56,834	(292)	292		-292	0
FC02982	Controlled Parking Zones (CPZ's)	255,155	191,716	(63,439)	63,439	170,000	0	233,439
FC02999	Rippleside Cmtry Prov 2014-15	63,000	51,105	(11,895)	11,895		0	11,895
FC03011	Structural Repairs & Bridge Maintenance	250,000	49,044	(200,956)	200,956		0	200,956
FC03012	Environmental Asset Database Exp	306,428	158,920	(147,508)	147,508		0	147,508
FC02542	Backlog Capital Improvements	600,000	422,076	(177,924)	177,924	390,442	0	568,366
FC03030	Fleet Management & Depots	0	0	0	0		290,160	290,160
FC03031	Highways & Environmental Design	0	0	0	0		1,049,840	1,049,840
FC03032	Parking Enforcement			0			30,000	30,000
PGSS								
FC02567	Abbey Green Park Development	9,093	13,394	4,301	(4,301)		4,301	0
FC02817	Mayesbrook Park Improvements (Phase 1)	10,926	6,050	(4,876)	4,876		-4,876	0
FC02911	Quaker Burial Ground	48,312	46,116	(2,196)	2,196		-2,196	0
FC02912	Barking Park Tennis Project	7,397	5,361	(2,036)	2,036		-2,036	0
FC03026	BMX Track	0	0	0	0		80,000	80,000
FC03034	Strategic Parks	0	0	0	0		184,807	184,807
					0			
Total For Housing & Environment		6,091,784	4,309,090	(1,782,694)	1,782,694	812,255	1,619,708	4,214,657

2014/2015 CAPITAL PROGRAMME - Revised Budget, Final Spend, Variance and Roll-Forward

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		Budget 14/15	Actual Expenditure at 31st March 2015 (Post Outturn)	Variance				
Chief Executive (CEO)								
Asset Strategy								
FC02565	Implement Corporate Accommodation Strategy	900,000	662,601	(237,399)	237,399	6,260,842	24,541	6,522,782
FC02578	Asbestos (Public Buildings)	15,916	6,375	(9,541)	9,541	15,000	-24,541	0
FC02587	Energy Efficiency Programme	150,000	26,227	(123,773)	123,773		19,727	143,500
FC02771	Automatic Meter Reading Equipment	19,952	225	(19,727)	19,727	0	-19,727	0
				0				
ICT								
FC02738	Modernisation & Improvement Capital Fund	2,040,814	1,771,329	(269,485)	269,485		281,050	550,535
FC02877	Oracle R12 Joint Services	1,584,196	972,761	(611,435)	611,435		0	611,435
FC03016	Agilisys Connect Website Development	283,450	289,400	5,950	(5,950)		5,950	0
FC03035	ICT Design Transformation	0	0	0	0		377,955	377,955
Regeneration								
FC03027	Establishment of Council Owned Energy Services Company	0	0	0	0		250,000	250,000
FC02458	New Dagenham Library & One Stop Shop	73,666	38,421	(35,245)	35,245		0	35,245
FC02596	Legi Business Centres	113,000	173	(112,827)	112,827		264,151	376,978
FC02821	Shopping Parade Enhancements	151,032	29,812	(121,220)	121,220		0	121,220
FC02891	Merry Fiddlers Junction Year 2	0	3,181	3,181	(3,181)		3,181	0
FC02898	Local Transport Plan (TFL)	66,500	29,663	(36,837)	36,837	46,000	1,000	83,837
FC02901	Creekmouth Arts & Heritage Trail	170,550	96,190	(74,360)	74,360		0	74,360
FC02902	Short Blue Place (New Market Square Barkin - Phase II)	100,491	100,491	0	0	46,000	180,000	226,000
FC02914	Barking Job Shop Relocation	12,504	12,548	44	(44)		44	0
FC02928	Captain Cook Site Acquisition and Public Realm Works (Abbey I	388,500	388,426	(74)	74		-74	0
FC02962	Principal Road Resurfacing 2013-14 (TfL)	532,000	531,857	(143)	143	529,000	-143	529,000
FC02963	Mayesbrook Neighbourhood Improvements (DIY Streets) 2013-1	47,500	45,989	(1,511)	1,511	232,000	1,000	234,511
FC02969	Barking Bathouse (formerly Economic Development Growth Fun	33,000	13,145	(19,855)	19,855	291,775	0	311,630
FC02994	Renwick Road/ Choats Road 2014/15 (TfL)	412,500	376,623	(35,877)	35,877	279,000	0	314,877
FC02995	Ballards Road / New Road 2014/15 (TfL)	95,000	39,769	(55,231)	55,231	372,000	0	427,231
FC02996	Barking Town Centre 2014/15 (TfL)	549,500	427,346	(122,154)	122,154	232,000	351,000	705,154
FC02997	A12 / Whalebone Lane (TfL)	47,500	32,291	(15,209)	15,209	232,000	1,000	248,209
FC03000	MAQF Green Wall (TfL)	42,000	14,884	(27,116)	27,116	0	26,000	53,116
FC03015	Demolition of Former Remploy Site	709,000	663,352	(45,648)	45,648		0	45,648
FC03025	Gale St Corr Improv	0	0	0	0	0	47,000	47,000
FC03028	Chadwell Heath CCM (TfL)	0	0	0	0	0	147,000	147,000
FC02819	London Road/North Street Site Acquisitions	0	0	0	0	180,000	-180,000	0
Total For Chief Execs		8,538,571	6,573,079	(1,965,492)	1,965,492	8,715,617	1,756,114	12,437,223
Grand Total General Fund		52,713,586	50,322,088	(2,391,498)	3,992,716	78,292,925	(30,152,801)	52,132,840

2014/2015 CAPITAL PROGRAMME - Revised Budget, Final Spend, Variance and Roll-Forward

Project No.	Project Name	Outturn 2014/15			Roll-forward to 2015/16	2015/16 budget per Budget Framework report	Further additions and re-profiles between schemes and years	New Revised Budget 2015/16
		Budget 14/15	Actual Expenditure at 31st March 2015 (Post Outturn)	Variance				

HRA

Investment in stock

FC00100	Aids And Adaptions	450,000	706,002	256,002	(256,002)	800,000	456,002	1,000,000
FC02943	Asbestos Removal	420,000	715,088	295,088	(295,088)	725,000	295,088	725,000
FC02950	Central Heating	2,400,000	1,515,830	(884,170)	884,170	1,770,000	-740,382	1,913,788
FC02983	Decent Homes Central	6,950,000	7,491,289	541,289	(541,289)	7,400,000	1,941,289	8,800,000
FC03001	Decent Homes (North)	10,543,956	7,538,817	(3,005,139)	3,005,139	7,400,000	0	10,405,139
FC03002	Decent Homes (South)	8,746,176	9,977,111	1,230,935	(1,230,935)	7,400,000	1,000,000	7,169,065
FC03003	Decent Homes (Blocks)	3,087,914	1,097,985	(1,989,929)	1,989,929	2,800,000	-1,689,176	3,100,753
FC03004	Decent Homes (Sheltered)	1,800,000	361,930	(1,438,070)	1,438,070	1,400,000	-656,405	2,181,665
FC03005	Decent Homes Small Contractors	275,000	273,585	(1,415)	1,415		5,123	6,538
FC03036	Decent Homes Support - Liaison Team/Surveys			0		678,000	-300,000	378,000
FC02984	Block & Estate Modernisation	2,440,000	2,219,290	(220,710)	220,710	1,000,000	-717,317	503,393
FC02939	Conversions	270,000	136,383	(133,617)	133,617	50,000	-133,617	50,000
FC02938	Fire Safety Improvements	1,600,000	184,628	(1,415,372)	1,415,372	2,000,000	-2,725,372	690,000
FC02849	High Rise Surveys	0	-136,339	(136,339)	136,339		-136,339	0
FC03037	Energy Efficiency	0	0	0	0	100,000	-50,000	50,000
FC03038	Garages	0	0	0	0	300,000	0	300,000
FC03039	Estate Roads & Environment	0	0	0	0	150,000	0	150,000
FC03040	Communal Repairs & Upgrades	0	0	0	0	1,050,000	-620,000	430,000
FC02935	Internal Works Multiple Elimnts	0	42,653	42,653	(42,653)		42,653	0
FC02811	Members Budget	324,000	92,296	(231,704)	231,704	0	-231,704	0
FC02934	Roofs	1,900,000	1,543,970	(356,030)	356,030	2,000,000	-2,100,030	256,000
FC03007	Windows	250,000	0	(250,000)	250,000	650,000	-514,000	386,000
FC02933	Voids	6,352,000	8,289,094	1,937,094	(1,937,094)	950,000	5,787,094	4,800,000
FC03008	R&M Capitalisation/Boiler Replacement	1,000,000	1,541,951	541,951	(541,951)	0	541,951	0
				0				
Estate Renewal				0				
FC02820	Boroughwide Estate Renewal - All (Decants, Buybacks & Demol	6,680,000	6,864,418	184,418	(184,418)	6,400,000	184,418	6,400,000

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Project No.	Project Name	Outturn 2014/15			Roll-forward to 2015/16	2015/16 budget per Budget Framework report	Further additions and re-profiles between schemes and years	New Revised Budget 2015/16
		Budget 14/15	Actual Expenditure at 31st March 2015 (Post Outturn)	Variance				
New Builds								
FC02945	Street Purchases	400,000	79,872	(320,128)	320,128		-320,128	0
FC02823	Council Housing Phase 3	300,000	497,372	197,372	(197,372)		197,372	0
FC02916	Lawns & Wood Lane	2,039,158	1,917,101	(122,057)	122,057		120,695	242,752
FC02917	Abbey Phase 1	5,458,000	5,282,855	(175,145)	175,145		314,799	489,944
FC02931	Leys Phase 1	6,745,276	5,343,645	(1,401,631)	1,401,631	11,885,000	-3,000,276	10,286,355
FC03009	Leys Phase 2	0	0	0	0	9,700,000	-8,700,000	1,000,000
FC02961	Goresbrook	7,684,000	6,473,532	(1,210,468)	1,210,468	179,000	-4	1,389,464
FC02970	Marks Gate	10,023,750	6,647,546	(3,376,204)	3,376,204	2,512,000	-335,750	5,552,454
FC02988	Bungalows (Stansgate 1 Mrgt Bon)	1,500,000	1,830,119	330,119	(330,119)	5,707,000	2,361,173	7,738,054
FC02989	Ilchester Road	500,000	11,901	(488,099)	488,099	1,300,000	-950,099	838,000
FC02991	North St	300,000	4,524	(295,476)	295,476	2,300,000	-1,840,476	755,000
FC02987	Stansgate New Build	0	-60	(60)	60		-60	0
TBA	To be allocated	0	0	0	0	2,435,000	-2,435,000	0
Grand Total HRA		90,439,230	78,544,388	(11,894,842)	11,894,842	81,041,000	(14,948,478)	77,987,364
TOTAL CAPITAL PROGRAMME		143,152,816	128,866,476	(14,286,340)	15,887,558	159,333,925	(45,101,279)	130,120,204

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Explanations for Variances over £100k on Capital Projects**Adults & Community Services**

- Direct Payment Adaptations (£173k underspend) – results from a reduction in the number of applications received and approved.
- Mayesbrook Park Athletics Arena (£108k underspend) – delays in demolition works of the changing rooms as well as on the feasibility and procurement works at the Jim Peters Arena.
- Barking Leisure Centre 12-14 (£719k underspend) – the Leisure Centre opened in March 2015 and the final account and retention costs will be paid in 2015/16.

Children's Services

- Roding Primary School - Cannington Road Annex (£130k underspend) – a final retention is being held back while outstanding issues are addressed with the contractor.
- Manor Longbridge (Former UEL Site) (£303k underspend) – retention and final account is being held back pending the remediation of outstanding issues at the school.
- Richard Alibon Expansion (£639k overspend) – includes costs associated with Jo Richardson, and the budget will be re-profiled accordingly in 2015/16.
- Manor Infant Junior Expansion (£219k overspend) – works have been completed ahead of schedule, and will be funded by budget brought forward from 2015/16.
- Barking Riverside City Farm Phase I (£130k underspend) – the project completed under budget and the surplus will be returned to the total Basic Need funds available.
- Barking Riverside City Farm Phase II (£696k overspend) – works are ahead of schedule, and accordingly budget will be brought forward from 2015/16.
- School Expansion SEN Projects (£305k overspend) – works that were scheduled to be completed during 2015/16 were brought forward into 2014/15.
- School Expansion Minor Projects (£526k overspend) - works scheduled to be completed during 2015/16 were completed in 2014/15.
- SMF 2012/13 (£124k overspend) – this is offset by the 2014/15 SMF budget allocation.
- Implementation of early education for 2 year olds (£441k overspend) – additional funding from the DfE of £850k has been granted for this project.
- Robert Clack Artificial Football Pitch (£237k underspend) – the scheme completed under budget.
- Devolved Capital Formula (£1.7m overspend) – this overspend has been funded by a number of additional school contributions.
- All Saints Expansion (£194k overspend) – works are progressing ahead of schedule and budget will be brought forward from 2015/16 accordingly.
- Robert Clack Expansion (£1.95m overspend) – this relates to the purchase of land at Lymington Eldonwall for the new Robert Clack primary school. Funding will accordingly be brought forward from 2015/16.

- Barking Riverside Secondary Free School (£3.1m underspend) – the main works are expected to take place in 2015/16 and 2016/17. In addition, a loan to Barking Riverside Ltd of £4.6m is being reflected under Council Investments.

Housing & Environment (General Fund)

- Street Lighting Replacement (£678k underspend) – The street light replacement project has slipped whilst work previously done by UK Power Networks for electricity connections was transferred to the council's current contractor Volker. This arrangement provides a more economical and efficient method for completing the works.
- Highways Improvement Programme (£186k underspend) – due to a delay in works commencing; the project will now be completed in 2015/16.
- Road Safety Improvement (TfL) (£262k underspend) – due to a delay in conducting a borough wide assessment of sites to assess suitability for the scheme as well as delays in commissioning works.
- Structural Repairs & Bridge Maintenance (£201k underspend) – due to a delay in obtaining final inspection report covering serious health and safety concerns and subsequent discussions/consultations with LoBEG (London Bridges Engineering Group) to determine prioritisation.
- Environmental Asset Database (£148k underspend) – the project was delayed as a result of specification changes. Phase 1 has been completed but Phase 2 & 3 will be completed in 2015/16.
- Backlog Capital Improvements (£178k underspend) – due to delays in works, including as a result of delays in the corporate accommodation strategy.

Chief Executive's Department

- Implementation of Corporate Accommodation Strategy (£237k underspend) - works were delayed pending strategic decisions on the future use and sale of corporate buildings.
- Energy Efficiency Programme (£124k underspend) – there is due to the closure of various corporate accommodation sites and the resulting impact in identifying appropriate projects. This could result in loss of funding; therefore, it is proposed that the slippage is moved into 15-16 while a decision is sought from Salix
- Modernisation & Improvement Capital Fund (£269k underspend) – a number of smaller projects, separate to the main XP replacement, have been on hold and will slip back into 2015/16.
- Oracle R12 Joint Services (£611k underspend) – Phase II of the project (the implementation of Hyperion), will now be delivered in 2015/16.
- Legi Business Centres (£113k underspend) - as an opportunity arose to secure further regeneration grant funds in 2015-16
- Shopping Parade Enhancements (£121k underspend) – the project has completed and is awaiting final account invoices for payment in 2015/16.

- Barking Town Centre 2014/15 (TfL) (£122k underspend) – due to a delay in works commencing around Broadway Theatre; the underspend will be rolled-forward into 2015/16.

Housing Revenue Account

Investment In Stock – (£5.2m underspend)

This is a net position and consists of a number of individual scheme under and overspends with slippage of £10.1m partially offset by accelerated spend of £4.9m. The position includes slippage of £3.0m on Decent Homes North and £1.4m on Decent Homes Sheltered due to contractor and commercial discussions regarding rates and quantities and the temporary delay in a number of properties due to tenant health issues and property access delays, Decent Homes Bocks has slipped by £2.0m due to delays in the tender process and Fire Safety Improvements has slipped by £1.4m in line with revised contractor cash flows.

This is partially offset by accelerated spend of £4.9m on a number of schemes including Voids of £1.9m due to increased activity and the standard applied at the start of the year, Decent Homes South of £1.2m, Asbestos removal of £0.3m and Boiler Replacements of £0.5m due to increased activity within the year.

Estate Renewal – (£184k overspend)

This is largely due to accelerated buybacks and other costs associated with site acquisition and security.

New Builds – (£6.9m underspend)

This is a net position primarily due to slippage of £7.4m partially offset by an overspend of £0.5m. The position includes slippage of £3.4m on Marks Gate due to contractor delays on site, £1.4m on Leys phase one due to ground investigations that have resulted in the need for asbestos remediation, £1.2m on Goresbrook in respect of outstanding retention payments, and £0.8m on Ilchester Road and North Street due to delayed procurement following the conclusion of Member and resident consultation.

This is partially offset by accelerated spend on the Bungalows scheme of £0.3m and an overspend £0.2m on the Council Housing Phase 3 scheme due to additional unbudgeted retention payments.

The 2015/16 programme has been reviewed in light of the year end outturn position and current progress on scheme delivery to bring budget profile inline with expected delivery timescales and programme delivery capacity. As a result, budgets within the Investment in Stock schemes have been realigned inline with current requirements and need and budget of £14.9m within the New Build schemes is to be reprofiled from 2015/16 into 2016/17. The revised programme is expected to be fully deliverable in 2015/16.

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CABINET**2 June 2015**

Title: Review of School Places and Capital Investment - Update June 2015	
Report of the Cabinet Member for Education and Schools	
Open Report	For Decision
Wards Affected: All Wards	Key Decision: Yes
Report Author: Mike Freeman, Group Manager School Estate and Admissions	Contact Details: Tel: 020 8227 3492 E-mail: mike.freeman@lbbd.gov.uk
Accountable Divisional Director: Jane Hargreaves, Divisional Director Education, Youth and Childcare	
Accountable Director: Helen Jenner, Corporate Director of Children's Services	
Summary	
<p>This report sets out to clarify the position regarding matters raised by Cabinet Members at the meeting on 24 March 2015, Minute 117 refers. It covers a review of school place provision planned for 2017 and going forward in the Borough for secondary and primary school places, and clarifies financial responsibilities for new and expanded schools located in the Borough but which may lie outside of the local authority maintained sector.</p>	
Recommendation(s)	
<p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Note the position regarding the establishment of new schools; (ii) Endorse the principles of the projected forecast demand for school places and note the Council's position in the overall growth of London; (iii) Support the review of place demand for Post 16 provision noting expected need for additional places by 2018; and (iv) Approve the projects set out in Section 5 of the report noting their inclusion in the development programme and that they are at an early stage of planning, and that the DfE have approved the establishment of a free school to be known as Greatfields School. 	
Reason(s)	
<p>The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and support the intention of the Council's Vision and Priorities, including encouraging civic pride, enabling social responsibility and growing the Borough. It is part of the mitigation of Corporate Risk 31 – Inability to Provide School Places.</p>	

1. Introduction and Background

- 1.1 Cabinet received a report on 24 March 2015 setting out the position regarding school places, the funding available and an up to date programme to ensure that the Council had a plan to meet its statutory obligations to provide a school place for every child in the Borough who wants one.
- 1.2 Cabinet requested a further report, specifically to set out and review plans to provide school places from September 2017. Officers were also asked to clarify responsibilities for financing new and expanded schools located in the borough but operated outside of the local authority maintained sector.

2. Provision of New Schools

- 2.1 Cabinet will be familiar with the scenario of local authorities being able to open and run schools. However, by the provisions of the following legislation there have been changes which restrict the ability to open new schools, as follows.
- The Education and Inspections Act 2006 [EIA2006]
 - The Academies Act 2010 [AA2010]
 - The Education Act 2011 [EA2011]

These changes in legislation means that local authorities remain responsible for planning school places but there is now a presumption that new schools will be either an Academy or a Free School. This means that the Secretary of State requires new schools to be offered to academies or free schools (see DfE advice for local authorities and new school proposers) October 2014. The Conservative Manifesto indicates an increased commitment to new Free Schools and Academies, including 500 new Free Schools.

- 2.2 The Guidance requires local authorities to seek proposals to establish an academy / free school where they have identified the need for a new school. The LA is responsible for providing the site for the new school and meeting all associated capital and opening costs. The Secretary of State has to be consulted on such proposals and can veto any preferred proposal which the LA might recommend. The Secretary of State has to enter into a funding agreement regarding revenue support for the school and needs to be satisfied of the suitability of any proposer.
- 2.3. Where there is no expression of interest from a free school or academy sponsor to establish a school, and the Secretary of State does not have a preferred provider, then there may be an opportunity for a voluntary aided school or local authority maintained school as the final resort. In the current context this is very unlikely to happen.

3. Expanding Existing Schools

- 3.1 In respect of schools which are maintained by the local authority, the cost of expanding the school would rest with the Council. This might include providing land and meeting all associated costs. Expansion of existing schools has formed the backbone of plans to provide primary phase places. Further, it is the intended strategy for providing new secondary school places in the first instance.

- 3.2 Where there are Voluntary Aided Schools who want to expand the discussion lies between the School, Diocese and LA. If the LA needs the places and is in a position to support a proposal which evidences the demand for faith places, then the Council will need to fund from basic need provision or other grant.
- 3.3 For Free Schools, it would be for the school in discussion with the DfE to determine whether there is demand to expand provision. It is likely the DfE would consult the LA regarding forecast numbers. The DfE would then directly fund any expansion through the Free Schools Unit.
- 3.4 In respect of any academy wishing to expand the same would apply as for Free Schools, but the funding to expand would come through the Academies Unit at DfE and the school/academy chain would need to bid for resources.

4. Demand for School Places

- 4.1 Cabinet have received regular reports regarding the pupil population forecast, most recently at the meeting on 24 March 2015. The statistics presented were based on a review which took place over the summer of 2014 and have been adopted by the DfE under its data capture arrangements for SCAP – School Capacity Return.
- 4.2 When the forecast is undertaken for primary schools the calculation is made by area and the Borough is divided into 9 areas by merging some wards. This gives quite an accurate picture and helps us to respond to local demands. For secondary school place provision the calculation is made across the borough as a whole, as there are fewer schools and pupils are expected to travel.
- 4.3 In summary the report to Cabinet in March of this year indicated:
- The secondary school population across the Borough will increase from its present levels of 14,900 to 21,189 by the school year starting September 2020.
 - The primary School population across the Borough will increase from its present levels of 22,549 to 29,550.

[Note: these figures allow for the growth of the Borough and projected increases to population allowing for published house building; there may be fluctuations owing to other demographic changes.]

- 4.4 Appendix 1 at the end of this report shows the bar chart produced by London Councils following a London wide analysis of places provided and the plan to provide new places.
- 4.5 This chart demonstrates the extent of change related to demand for school places and puts Barking and Dagenham at the forefront for need and response.
- 4.6 Demand For Sixth Form Places – A revised analysis of Post 16 need from 2017 onwards is underway. There is some growth in population and the evidence is that the school population will continue to grow. Additionally the increased participation age is impacting on demand for places. As the primary age bulge moves through to secondary significant Post 16 need is expected from 2018.

5. Clarification of Funding for the Programme and Options for Provision beyond September 2017

5.1 This section sets out the planned future provision for school places from September 2017 and indicates whether and how the projects are funded and who is responsible for delivery. For ease of reference where the DfE is indicated as being responsible this could be through either the academies or free school units supported by the Education Funding Agency. Also some of the schemes for Borough maintained schools are funded by the DfE through various programmes these are indicated as appropriate.

5.2 Proposed Primary School development include

- City farm Primary 3fe – this building has been constructed and is currently being used to accommodate pupils for Riverside School. The progress for construction of the permanent building for Riverside School has been delayed owing to a number of issues related to securing a safe and ready site particularly the significant electricity cables on the site which the National Grid are in the process of diverting. Once this site has been vacated – planned for January 2017 – then an alternative use can be determined.

Officers will be developing proposals and coming back to Cabinet with options which will need to be either:

- an expansion of an existing local authority maintained school;
- a free school; or
- an academy.

A free school might have potential to generate some income through a lease.

- New Primary School Dagenham – no site identified as yet and no approved bid. This is a project for 2018 so at this stage no plan has been determined.

Officers will be developing proposals and coming back to Cabinet with options which will need to be either:

- an expansion of an existing local authority maintained school;
- a free school; or
- an academy.

- New Primary at Barking Retail Site – a site has been identified on the southern edge of the development site where the retail units are currently. There is no agreed plan at this stage for who will run the school. Planned to open September 2018.

Officers will be developing proposals and coming back to Cabinet with options which will need to be either:

- an expansion of an existing local authority maintained school;
- a free school; or
- an academy.

- New Primary at Gascoigne – this is part of the regeneration of the Gascoigne Estate. A site has been earmarked in the regeneration masterplan but there are

no agreed operators. This would be next to a secondary free school – Greatfields School – and there may be interest from the free school who would fund subject to DfE approval - predicted need September 2019.

Officers will be developing proposals and coming back to Cabinet with options which will need to be either:

- an expansion of an existing local authority maintained school;
- a free school; or
- an academy.

Barking Riverside Primary (3rd School) – the development of Barking Riverside has as part of the masterplan to provide 4 school sites for primary provision. This would be the 3rd such school for September 2020. No plan has currently been devised about how to secure this school.

Officers will be developing proposals and coming back to Cabinet with options which will need to be either:

- an expansion of an existing local authority maintained school;
- a free school; or
- an academy.

5.3 Proposed Secondary School developments include:

- Eastbrook School – this is a local authority maintained school, it is planned to rebuild Eastbrook School and in so doing to provide an additional 2 forms of entry, This scheme is being managed and funded by the DfE through the Priority Schools Building Programme. These works will also include extending the age range of the school so that there are 3 forms of entry primary provision. The largest bulk of the cost of the scheme is being met by the DfE through grant. The Council's contribution through the whole of this project is £600,000 to improve the proposed size of the primary classrooms. Cabinet June 2014 Minute 124 (viii) refers.
- Gascoigne Secondary School – planned as part of the regeneration scheme. Free School provision has been approved by the DfE for the Partnership Learning Trust (sponsors of the Riverside School Complex) to establish a school. The development is a 10 form entry school to be known as Greatfield School discussions have just started but funding would come from the DfE. There will be a cost to the Council for the demolition of the buildings currently on site. Planned for September 2017.
- Dagenham Park – this is a local authority maintained school, expansion by 1 form of entry is planned, subject to ongoing discussion with the school and the Governing Body, project approved and joint funded by the school Cabinet June 2014 minute 124 refers. Planned for September 2017.
- The Warren Academy – this school is part of the Loxford Trust and it is planned for an expansion by 2 forms of entry from September 2018. This was agreed as part of the academy conversion documentation. It would be for the academy to make a bid to the DfE to fund such a proposal.

New Free School Dagenham – a 10 form entry new school is proposed, at present there is no allocated site but it is intended to serve the south of Dagenham development area for new houses.

Officers will be developing proposals and coming back to Cabinet with options which will need to be either:

- an expansion of an existing local authority maintained school;
- a free school; or
- an academy.

5.4 In these plans it would be intended to start schools gradually so that for a 10fe secondary school they would grow from year 7 and over a 3 / 4 year period admitting say 4 forms in the first year, 6 forms in the second, 8 forms in the third year and 10 forms in the fourth year. In this way there would be some flexibility to respond to housing development.

5.5 In addition there have been recent announcements about the proposal for the University Technical College of East London to locate on the former Sanofi site in Dagenham East. Officers are currently exploring how this might fit with the Borough's own plans to encourage joint working.

6. Options Appraisal

6.1 The current strategy is formulated against a backdrop on the demand side of: continuing increase in demand for school places for the foreseeable future and short run surges of demand for school places e.g. over the summer period. On the supply side the context is: limited funding on short time horizons; shortage of sites in areas of high demand; and lengthy timescales for new providers e.g. timescales for Free Schools to be established may be two years or more.

6.2 The agreed investment strategy is first, to expand provision on existing school sites as far as practicable to meet local demand on a forward looking basis (i.e. to seek value for money solutions which have longevity); then subsequently to seek and build on sites in areas of demand in Council or other public ownership that are suitable for development as a school and which also offer value for money and longevity; to support those external providers that have access to further capital funding and are capable and willing to provide high quality inclusive education places that comply with the Council's Admissions Policies.

6.3 The variables that influence the delivery of this strategy are: demand fluctuations; the willingness of governing bodies to accede to expansion plans; funding limitations; cost variances – specific to sites; timescales to achieve cost efficient/ competitive prices in short timescales.

6.4 Options exist for any specific scheme and are explored to ensure that the overall strategic outcomes sought are achieved. Other overall strategies e.g. to rely on outside providers to meet the prospective short fall of school places would not be effective on their own: timescales and speed of reaction are too short.

7. Consultation

- 7.1 Although schools are situated in particular wards, these proposals are not Ward specific. There has been consultation with a range of Members and officers throughout the Council in order that appropriate matters are considered including financial, legal, risk management and others mentioned in section 14 of this report.

8. Financial Implications

Implications completed by: Patricia Harvey, Interim Group Manager, Children's Finance

- 8.1 This report updates Members on the a review of school place provision planned for 2017 in the Borough for secondary and primary school places, and clarifies the financial responsibilities for new and expanded schools located in the Borough and those which may lie outside of the local authority maintained sector.
- 8.2 As reported to Cabinet 24 March 2015, the notifications for funding directly to the local authority for maintained school place provision:

Basic Need Grant for School Places

2015/16 £ 2,414,236

2016/17 £ 2,534,947

2017/18 £ 17,865,375

Devolved Formula Capital

Local Authority £ 606,235

Voluntary Aided £ 95,323

Maintenance/Modernisation 2015/16

Local Authority £ 4,239,619

Voluntary Aided £ 641,301

- 8.3 Voluntary Aided Schools who want to expand the discussion lies between the School, Diocese and LA. If the LA needs the places and is in a position to support a proposal which evidences the demand for faith places, then the Council will need to fund from basic need provision or other grant.
- 8.4 For Free Schools, it would be for the school in discussion with the DfE to determine whether there is demand to expand provision. It is likely the DfE would consult the LA regarding forecast numbers and the DfE would then directly fund any expansion through the Free Schools Unit.
- 8.5 Academy's wishing to expand the same would apply as for Free Schools, but the funding to expand would come through the Academies Unit at DfE and the school/academy chain would need to bid for resources.

9. Legal Implications

Implications completed by: Lucinda Bell, Education Lawyer

- 9.1 The Council has a duty under s14 of the Education Act 1996 to ensure the provision of “sufficient schools” for the provision of primary and secondary education in their area. Sub-section 6 requires the Council to have regard to the need to secure that special education provision is made for pupils who have special educational needs when exercising their functions under this duty.
- 9.2 Legal advice must be obtained in relation to any planned procurement.

10. Other Implications

10.1 Risk Management

- 10.1.1 Risk that funding levels will not be sufficient to meet demand to create new education places needed.
This risk is high impact (4) and medium (3) probability = 12 red. This risk is being managed by purchasing the most affordable accommodation which is system build where possible. Post control the risk is high impact (4) and low (2) probability = 8 amber.
- 10.1.2 Risk that funding levels will not be sufficient to create suitable new school places.
This risk is high impact (4) and high (4) probability = 16 red. This risk is being managed by purchasing the most affordable accommodation which is system build, and blending it with site specific proposals. Post control the risk is high impact (4) and low (2) probability = 8 amber.
- 10.1.3 Primary schools: risk that site availability would prevent delivery of school places in the areas where demand is highest.
This risk is high impact (4) and medium (3) probability = 12 red. This risk is being mitigated, as far as practicable, by expanding all available sites in high demand areas, and reviewing other buildings for potential school use. Post control the risk is still high impact (4) and medium (3) probability = 12 red.
- 10.1.4 Risk that the cost of the rate of deterioration of the school estate will outrun the funding available to maintain it.
This risk is high impact (4) and high (4) probability = 16 red. This risk is being mitigated as far as practicable by lobbying DfE for improvements in funding. Post control the risk is high impact (4) and medium (3) probability = 12 red.
- 10.1.5 The provision of school places is a matter which is directly identified in the Corporate Risk Register and listed at Corporate Risks 31 – Provision of School Places.
- 10.1.6 Risk that final costs will be higher than estimate costs.
This risk is high impact (4) and high (4) probability = 16 red. This risk is managed through monthly CPMO meetings and initial planning figures that architects and schools are asked to work within being set below the highest estimate to allow for unforeseen challenges.

- 10.2 **Contractual Issues** - It is anticipated that projects will be procured through options related either to the Local Education Partnership or through the Council's Framework of Contractors. It will also be necessary to explore other specialist providers where there is value for money and a clear support from the Government or its agents to secure projects in this way for schemes which they are funding directly.

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

Projects will be subject to the Capital Appraisal Process and the agreement of the Procurement Board to progress schemes where these are Council funded schemes. However the Cabinet is asked to approve procurement principles as set out to avoid the need to report back to Cabinet as these procurements are either beyond our control or need to happen quickly within pressing timescales because pupils need to be accommodated. Where there are proposals to expand community schools being funded by the DfE through the Education Funding Agency the Academies Section or Free Schools Section then the procurement route will be determined by those bodies.

- 10.3 **Staffing Issues** - There are no specific staffing issues although the growing demand for school places will create additional opportunities in schools for both teaching and non-teaching staff. There has been a consultation process regarding the changes at Castle Green.
- 10.4 **Corporate Policy and Customer Impact** - The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and support the intention of the Council's Vision and Priorities, including encouraging civic pride, enabling social responsibility and growing the Borough.

It is part of the mitigation of Corporate Risk 31 – Inability to Provide School Places.

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

The longer term outlook is unlikely to be positive on the proposed funding levels as it will be difficult to address need on current budget levels.

- 10.5 **Safeguarding Children** - Adoption of the recommendations in the short term would contribute to the Council's objectives to improve the wellbeing of children in the borough, reduce inequalities and ensure children's facilities are provided in an integrated manner, having regard to guidance issued under the Children Act 2006 in relation to the provision of services to children, parents, prospective parents and young people.
- 10.6 **Health Issues** - The health and well being board and JSNA highlight the importance of investing in early intervention and education to support children's and young people's long term well being. The evidence and analysis set out in Fair Society, Healthy Lives (Marmot Review) has been developed and strengthened by

the report of the Independent Review on Poverty and Life Chances. The reports draw attention to the impact of family background, parental education, good parenting and school based education, as what matters most in preventing poor children becoming poor adults.

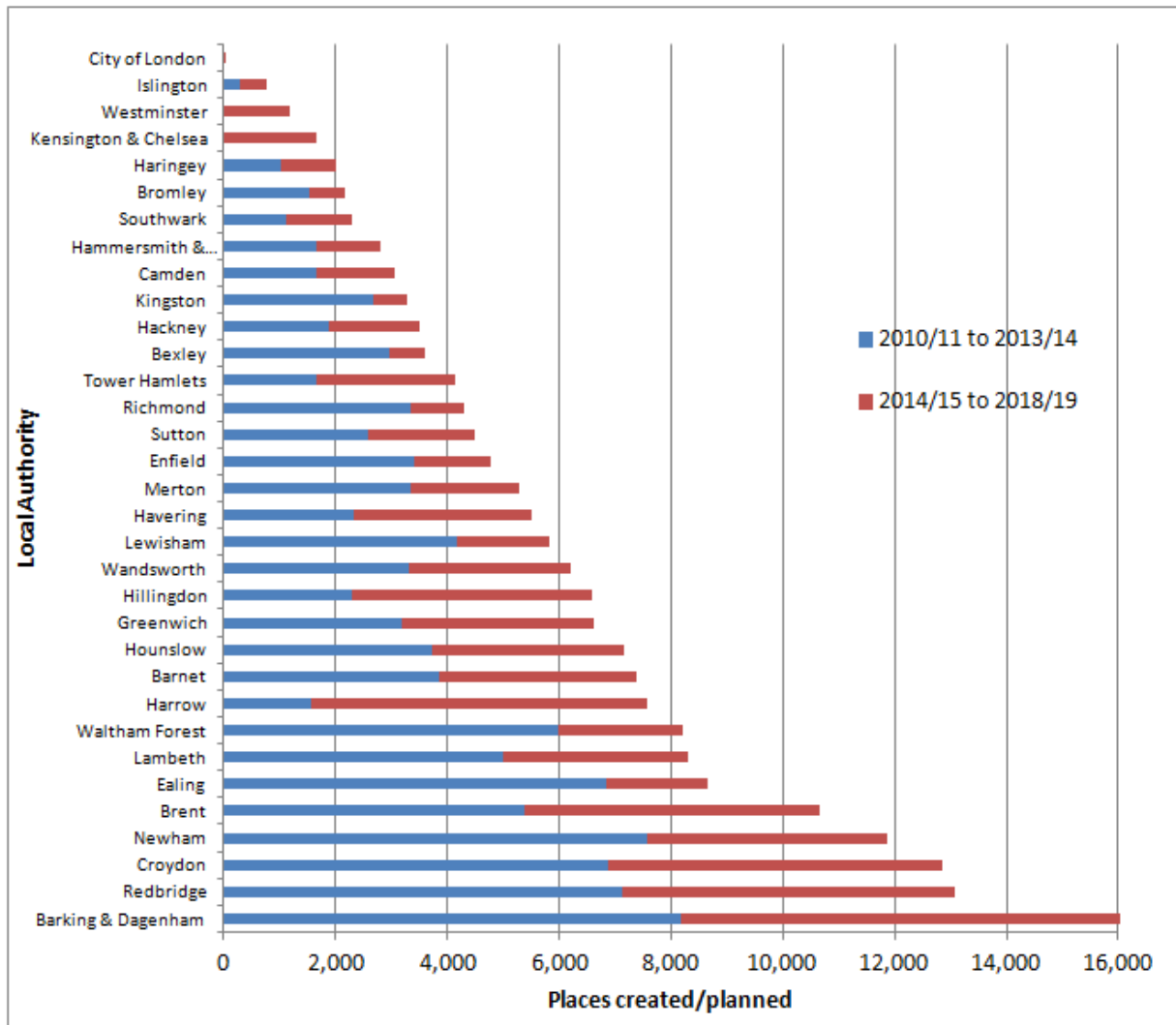
- 10.7 **Crime and Disorder Issues** - Appropriate consideration of the development of individual projects will take into account the need to design out potential crime problems and to protect users of the building facilities.
- 10.8 **Property / Asset Issues** - This proposed decision would facilitate the improvement and renewal of Council assets. The specific proposal for JRCS/Castle Green will provide improved management opportunities at the centre to enhance the use of accommodation and other resources for pupils and the wider community.

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

List of appendices:

- **Appendix 1** – Summary of Total Places Created since 2010/11 and Future Plans to 2018/19 across all London Boroughs

Summary of Total number of places created since 2010/2011– and future plans to 2018/19



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CABINET**2 June 2015**

Title: Proposed Establishment of an Additional Resource Provision at Eastbury Primary School	
Report of the Cabinet Member for Education and Schools	
Open Report	For Decision
Wards Affected: Eastbury Ward	Key Decision: Yes
Report Author: Mike Freeman, Group Manager, Schools Estate and Admissions	Contact Details: Tel: 020 8227 3492 E-mail: mike.freeman@lbbd.gov.uk
Accountable Divisional Director: Jane Hargreaves, Divisional Director of Education	
Accountable Director: Helen Jenner, Corporate Director of Children's Services	
<p>Summary:</p> <p>This report presents a proposal for Eastbury Primary School to establish an Additionally Resourced Provision (ARP) for pupils with statements of Special Educational Needs who have been diagnosed with severe hearing impairment.</p> <p>This proposal has been initiated for the following main reasons:</p> <ol style="list-style-type: none"> 1. There has been a significant increase in the number of pupils diagnosed with severe hearing impairment who require local specialist primary places. If we are unable to provide additional places this would result in a number of young children travelling to other Local Authorities specialist deaf provisions. Currently we intend to provide an additional 9 specialist ARP places to meet this demand. 2. The expectation that there is provision for pupils with special educational needs to be taught in local mainstream settings where this is possible. 3. The value for money provided by additionally resourced provisions, as opposed for instance to costly out-of-borough placements <p>Further benefits include the provision of on-site specialists and improved access to specialist staff.</p> <p>The provision will commence as soon as practicable during the Summer Term 2015.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to agree the establishment of an Additionally Resourced Provision at Eastbury Primary School for children with statements of Special Educational Needs who have a diagnosis of severe hearing impairment.</p>	

Reason(s)

This proposal will assist the Council in providing specialist provision to children of primary school age who have complex needs related to severe hearing impairment. The law requires the council to make provision for children's special educational needs appropriately. The council does not currently have the capacity to meet the increased numbers of children who are deaf. The alternative would be to purchase expensive out-of-borough places at high cost.

Hence, it will assist the Council in fulfilling its duty to provide every child in the Borough with a school place.

1. Introduction and Background

- 1.1 Barking and Dagenham established specialist provisions (ARPs) attached to mainstream schools over twenty years ago to enable children to be included in mainstream school but still have access to specialist teachers. Prior to this, children with this level of need were placed in special schools. There are currently 22 ARP's attached to schools, covering a range of needs and providing support for children/young people from 3 to 19 years of age.
- 1.2 A 'satellite' provision has been set up at Eastbury Primary School since 2013 to meet the needs of pupils with significant deafness. This provision is supported by Five Elms ARP which caters for Primary-Aged deaf pupils and hence is organised and operated from Five Elms Primary School. The school are now seeking to operate the ARP independently from Five Elms Primary School.
- 1.3 The expanding population in Barking & Dagenham and the growing numbers of children identified with learning difficulties and disabilities require an increase in specialist provision. Around 1% of the school population requires specialist provision and about one in a thousand children in school will have permanent deafness in both ears, either from birth, or acquired before the age of five. The Council has a programme to expand its ARP provision to meet the needs of this group of children.
- 1.4 Deafness is diagnosed as moderate, severe or profound. Even moderate deafness means that children cannot hear speech without hearing aids. Children with severe or profound deafness often find it difficult to develop speech, and even if they 'hear' what is being said, via hearing aids or other assistive devices, they may still not 'understand' what is being said, as their language skills will be severely delayed. Therefore, some children with severe or profound deafness require additional resources and support.
- 1.5 ARPs are additionally funded and those funds are targeted at those children with the greatest needs.
- 1.6 The growing school population in Barking & Dagenham has therefore placed considerable strains on schools. Provision for pupils with significant learning needs is currently made through one large special school, Trinity School, and also at Additionally Resourced Provisions (ARPs) attached to schools. As a result of

population growth, the Authority is struggling to place a number of children who have significant and challenging special educational learning needs.

- 1.7 Hence with the pupil population forecast to continue to rise and current data that shows the number of pupils for whom specialist deaf provision is also increasing disproportionately, and oversubscribed current provision, additional specialist provision is required for these pupils. Addressing the need for additional provision is a key Council priority.
- 1.8 Further, based on information available from the early years and health teams, it is clear that additional specialist mainstream provision will be required to enable children to access a mainstream place.

2. Proposal and Issues

- 2.1 It is proposed to establish the specialist provision at Eastbury Primary School, independently of Five Elms Primary School and, as part of future developments, to establish further primary provisions to meet the needs of a range of children with complex SEN needs.
- 2.2 A draft SEN provision development plan has been completed and was circulated to the schools forum in the Summer Term 2011. An SEN strategy to meet the new DFE SEN agenda is being developed by the divisional director of Education. A number of new ARP and special school places have been created since 2011. In addition a new special school will open in September 2015 to meet the increased demand for local specialist provision.
- 2.3 The Borough currently has just one primary provision for deaf pupils who require additional resourced provision and this is based at Five Elms Primary School.
- 2.4 There is one 12 place secondary ARP at Eastbury Comprehensive School which supports pupils who are deaf and there are plans to increase secondary provision for deaf pupils in 2016/17.
- 2.5 The Eastbury Primary School ARP will support the development of the children's language and learning skills by means of specialist teaching, one to one or in small groups and in-class communicator support to enable pupils with severe hearing impairment to access the curriculum alongside their hearing peers, as appropriate. It would also provide a peer group of signing deaf children to prevent isolation and loss of self esteem.
- 2.6 The local authority will provide specialist training in order to develop the ARP as a centre of excellence.
- 2.7 This provision offers parents' flexibility of provision within one setting with resources targeted to meet their child's needs and access between mainstream and specialist provision as necessary without the need for a change of placement. In addition, it offers the school the opportunity for increasing staff development and a whole school inclusion ethos, culture and practices.

- 2.8 The aim is to ensure that sufficient specialist education places are available to be able to provide for all of our children and young people within local Barking and Dagenham settings.
- 2.9 The provision of the ARP addresses inclusion and the needs of children with special educational needs. It will allow the Local Authority to meet the needs of some young people who at present would have to be placed out-borough. It also responds to parental pressure for local special schools and ARP places where currently demand exceeds local capacity.
- 2.10 The present proposal will enable the Council to fulfil its statutory obligations to this group of children with significant severe hearing impairment. It will be a cost-effective alternative to potential out-of-borough placements.
- 2.11 The school has agreed to the above and the Council will work in partnership to ensure the school has the support it needs to accommodate the additional pupils.
- 2.12 This is in line with the Council's Vision which is to encourage growth and unlock the potential of Barking and Dagenham and its residents and thereby allow every child to be valued so they can succeed. The residents of Barking and Dagenham can look to the future with confidence, assured that their council will do what it can to provide the educational, academic and vocational opportunities they need.
- 2.13 The outcome would be for a borough with excellent schools, constantly improving and which are growing to meet the demands for pupil places. In addition, this meets with the Council's corporate priorities of ensuring children and young people are well educated and realise their potential.
- 2.14 Further, this proposal meets with the Education Strategy whereby the overarching responsibility for Education in the Borough is to improve the life chances and help drive, support and fulfil the ambitions of all the children, young people and adults who live and study here.
- 2.15 In particular the Education Strategy sets out the agreement for a programme for developing school places subject to the proviso that it may need revision in the light of changed demand for places and resources available.

3. Options Appraisal

- 3.1 **Do Nothing** – This would mean children with severe hearing impairment would need to go to out-of-borough placements at a significantly higher cost than this proposal. Also, this is not practical due to the legal and statutory obligation placed on the Council to provide sufficient school places and the pressures currently faced across the Borough.
- 3.2 **Create additional places at Trinity School** - This is not possible as the school is already at full capacity or would mean displacing current pupils at the schools.
- 3.3 **Create an additionally resourced provision at Eastbury Primary School** - This preferred option has the support of the School's Governing Body and forms part of the wider development of the School for which funding has been made available within the Capital Programme. Hence, this is seen to be the best option as the

school are keen to provide this SEN unit and therefore also has the backing of the staff and the headteacher.

4. Consultation

- 4.1 Consultation regarding the ARP at Eastbury Primary School has taken place and includes discussions with the Chair and Board of Governors of the School; support was received for the provision of the ARP. Further, a letter was sent to parents, carers, guardians and pupils of Eastbury Primary School on 9 March 2015. Unions were copied into this letter.
- 4.2 The Council has published a formal statutory notice for the provision of the ARP in The Barking & Dagenham Post on 22 April 2015. The notice period ended after four weeks from the date of publication on 19 May 2015. The notice has been on display at both the main public libraries in Barking and in Dagenham and on the School notice-board.
- 4.3 Ward Councillors have also been involved in the consultation process.
- 4.4 To date, no responses have been received to the letter and no responses have been received to the formal statutory notice.
- 4.5 Any responses received subsequent to the writing of this report will be reported at the meeting.

5. Financial Implications

Implications completed by: Patricia Harvey, Group Manager, Children's Finance

- 5.1 Resources will be supported from the Dedicated Schools Grant (DSG) and the total allocation for 2015/16 is £229,038m. Eastbury ARP will receive place led funding of £10k per place for the allocated places and additional "top up" funding for actual pupils who attend this provision. 'Top ups' will be paid from the high needs block from within the DSG and funded on actual "take-up" at the ARP.
- 5.2 The ARP in house provision is comparably favourable in comparison to out-of-borough provision for this cohort of children within the borough.

6. Legal Implications

Implications completed by: Lucinda Bell, Education Lawyer

- 6.1 The Council has a statutory duty to ensure sufficient special educational need provision for residents. Legal services have consulted on the process for adding the provision and have given advice on the statutory process that must be followed in the organisation of this.

7. Other Implications

- 7.1 **Risk Management** - The Council has a statutory obligation to make provision for additional pupil places in the Borough and these proposals mitigate Corporate Risk 31 - the risk of failing to provide suitable numbers of places for pupils' learning.

- 7.2 **Staffing Issues** - The schools will need to increase the numbers of teaching and non-teaching staff to support the increase in pupil numbers. This will be funded through the school's DSG budget and the increased share which the school will receive.
- 7.3 **Customer Impact** - The increase in pupil places from these proposals will improve the available places for parents of children with severe hearing impairment. It will also ensure that pupils have better access to education provision in the primary sector and are more likely to be able to attend a school in their local area.
- 7.4 **Safeguarding Children** - Adoption of the recommendation would contribute strongly to the Council's objectives to improve the wellbeing of children in the borough, reduce inequalities and ensure children's facilities are provided in an integrated manner, having regard to guidance issued under the Children's Act 2006 in relation to the provision of services to children, parents, prospective parents and young people. The proposal will result in additional accessible school places and this will have a positive impact on all equality groups.
- 7.5 **Property / Asset Issues** - Classrooms within the school building have been allocated for this specialist provision.

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

List of appendices: None

CABINET**2 June 2015**

Title: Procurement of Various Children's Centre Nursery Services	
Report of the Cabinet Member for Education and Schools	
Open Report	For Decision
Wards Affected: Abbey, Becontree, Gascoigne, Heath, Parsloes, Thames and Village	Key Decision: No
Report Author: Joy Barter, Group Manager Early Years and Childcare	Contact Details: Tel: 020 8227 5533 E-mail: joy.barter@lbbd.gov.uk
Accountable Divisional Director: Jane Hargreaves, Divisional Director of Education	
Accountable Director: Helen Jenner, Corporate Director of Children's Services	
<p>Summary:</p> <p>The Childcare Act 2006, places a duty on local authorities to secure sufficient childcare for parents who are in education, training or work. The requirement to manage the market implies co-ordination of services and partnership working rather than direct delivery by a local authority. In September 2010 all three and four year olds became entitled to 15 hours a week of free early education. Since September 2014 it is the Council's duty to provide free education to 2,055 disadvantaged two year olds in the borough, which has placed pressure on the existing childcare market.</p> <p>This report seeks authority to commence a competitive tender exercise to appoint providers of nursery services at:</p> <ol style="list-style-type: none"> a) Gascoigne, Sue Bramley and William Bellamy Children's Centre Nurseries - This will be a re-tender of the nursery services. The current provider of these services is Chestnut Nursery School Limited. The nurseries provide approximately 75, 64 and 61 FTE places, respectively, for children between the ages of 0-5 years. Sue Bramley also provides an additional 12 sessional/pre-school places that are for 15 hours a week, term time only. The current contract for Sue Bramley is due to expire on 5 June 2016 and the contracts for Gascoigne and William Bellamy are due to expire on 31 August 2016. b) Becontree and Sydney Russell Children's Centre Nurseries - This will be a re-tender of the nursery services. The current provider of these services is Playaway Limited. The nurseries provide approximately 30 and 27 FTE places, respectively, for children between the ages of 0-5 years. Sydney Russell also provides an additional 24 sessional/pre-school places that are for 15 hours a week, term time only. The current contract for Becontree is due to expire on 31 August 2016 and the contract for Sydney Russell is due to expire on 2 November 2016. c) Abbey and John Perry Children's Centre Nurseries – The current provider of these 	

services is the Council. The nurseries provide approximately 52 FTE places each, for children between the ages of 0-5 years. However, before the new contracts commence, the provisions may be extended to allow for up to an additional 40 places and an additional 16 places, respectively. The new contracts are expected to commence on 1 April 2016.

Gascoigne, Sue Bramley and William Bellamy Children's Centre Nurseries will be tendered as one lot, Becontree and Sydney Russell Children's Centre Nurseries will be tendered as a second lot and Abbey and John Perry Children's Centre Nurseries will be tendered as a third lot. Providers will have the opportunity to apply for any one of the three lots. There will be one appointed provider for each lot. The new contracts and leases to be awarded will each be for a period of five years, with an option for a further three year extension.

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree the procurement of five year contracts, with extension options up to three years, for the provision of nursery services at Gascoigne, Sue Bramley and William Bellamy Children's Centre Nurseries (Lot 1), Becontree and Sydney Russell Children's Centre Nurseries (Lot 2) and Abbey and John Perry Children's Centre Nurseries (Lot 3) as detailed in the report;
- (ii) Indicate whether Cabinet wishes to be further informed or consulted on the progress of the procurement and the award of the contracts; and
- (iii) Delegate authority to the Corporate Director for Children's Services, in consultation with the Cabinet Member for Education and Schools, the Chief Finance Officer and the Head of Legal and Democratic Services, to award and enter into the contracts and coterminous leases to the successful bidders in accordance with the strategy.

Reason(s)

Securing sufficient childcare to enable parents to access work and training and providing early education for children, supports the Council's three priorities of "Encouraging civic pride", "Enabling social responsibility" and "Growing the borough".

1. Introduction and Background

- 1.1 In September 2010 all three and four year olds became entitled to 15 hours a week of free early education, an increase from 12.5 hours a week. Currently approximately 90 per cent of three and four year olds access their free entitlement.
- 1.2 Since September 2009, all 152 local authorities in England have been delivering a targeted offer of between 10 and 15 hours free early education to some of the most disadvantaged two year olds. The Government committed to extending this to around 20 per cent of the least advantaged two year olds, around 150,000 children from September 2013. In May 2012 the Government also confirmed that two year olds living in households which met the eligibility criteria for free school meals would

be entitled to a free early education place, along with children looked after by the state.

- 1.3 In October 2012 regulations – cited as the Local Authority (Duty to Secure Early Years Provision Free of Charge) Regulations 2012 – were laid which set out the eligibility criteria for the first phase of the two year old entitlement to free early education from September 2013.
- 1.4 The Government invested heavily in 2012-13 to help build capacity, fund places and trial new approaches, including a series of local authority trials and a national contractor to support local authorities and providers to prepare for expansion. Additional funding has also been provided to local authorities in 2014- 15.
- 1.5 From September 2014 the number of two year olds entitled to a place rose to around 40 per cent of two year olds with the Government extending free places to more low – income families, two year olds with special educational needs or disabilities, and those who have left care but are unable to return home.
- 1.6 Barking and Dagenham were required to deliver places to 1065 eligible two year olds from September 2013 and 2055 from September 2014. Some capital funding was awarded to meet these delivery targets.
- 1.7 There are, at present, 13 Council commissioned nurseries in the borough, run by a variety of providers in the voluntary and private sector, 2 Council run nurseries and Markyate a new nursery that is currently being tendered:

Council Nurseries	Provider
Abbey	Council
Arden House	Chestnut Nursery School Ltd
Becontree	Playaway Ltd
Castle Green	Lifeline Community Projects
Eastbury	London Early Years Foundation
Ford Road	London Early Years Foundation
Furze	London Early Years Foundation
Gascoigne	Chestnut Nursery School Ltd
Halbutt Street (opening June 1 st 2015)	Chestnut Nursery School Ltd
John Perry	Council
Leys	London Early Years Foundation
Sue Bramley	Chestnut Nursery School Ltd
Sydney Russell	Playaway Ltd
Marks Gate	London Early Years Foundation
Markyate	Chestnut Nursery School Ltd
William Bellamy	Chestnut Nursery School Ltd

2. Proposed Procurement Strategy

2.1 Outline specification of the works, goods or services being procured.

- 2.1.1 The nursery services will provide high quality, affordable and sustainable childcare. Eligibility for the nursery services will be any child from the age of three months, up to the end of foundation stage, five years. The services will be accessible to all

families and children that meet the eligibility criteria, from Monday to Friday, 8am to 6pm for fifty one weeks a year.

2.1.2 The services will promote and support all children to develop new skills, ensuring that children make progress towards the early learning goals and will allow children to play and learn together in well organised, safe and structured environments.

2.2 Estimated Contract Value, including the value of any uplift or extension period.

2.2.1 The costs of the provision will be borne solely by the providers. There will be no direct costs arising from the contracts and ancillary leases to run the nurseries for the Council. The operational running costs of the nurseries will be met by the successful bidder, through fees paid by parents/carers on a total cost recovery basis.

2.2.2 Market rent for each of the nurseries has been assessed by an independent agency. Rent will be paid to the Council and will be used as and when required for any necessary repairs to the nurseries. The providers will pay a service charge that will cover all utilities and other services related to the buildings/services, so the rent is an income for the Council that can be used to maintain the nurseries and make the provisions cost effective. Providers, where applicable, will also be expected to pay business rates for each nursery.

2.3 Duration of the contract, including any options for extension.

2.3.1 The duration of the contracts and coterminous leases will be five years with an option to extend for a further three years (eight years in total).

2.4 Is the contract subject to the (EU) Public Contracts Regulations 2006? If Yes, and contract is for services, are they Part A or Part B Services.

2.4.1 As the services being procured will be provided and charged directly by the provider, with no element of income, only rent, being paid to the Council, this contract will constitute a concession contract. Concession contracts for services are currently exempt from the (EU) Public Contracts Regulations 2006 (the "Regulations").

2.5 Recommended procurement procedure and reasons for the recommendation.

2.5.1 The tender process will be conducted in compliance with any European Union rules and principles and the Council's Contract Rules. The tendering of the nurseries will be advertised on the Council's website and on Contracts Finder. Contracts Finder is a free service for businesses, government buyers and the public. The service comes from the government under its commitment to transparency and allows suppliers to find contract opportunities.

2.5.2 There is no requirement for this tender to be advertised in the OJEU as these contracts are service concessions and this tender is therefore, not subject to the Regulations. The Council's own Contract Rules require a formal tender process to be followed and the EU Treaty principles of transparency, non-discrimination and

equality of treatment do apply. The route of a tender process has previously worked well: providers engaged with and had no issues with the way in which the procurement process was run. Interested parties will be invited to tender on the basis of a compliant tender process.

2.5.3 All providers who express an interest in the tender will be issued with a tender pack which will give clear details on the lots that can be applied for and the price/quality criteria and weightings. The weighting will be 100% quality and if at the end of the procurement exercise the two providers for a particular Lot have the same quality score then the fee price being charged to parents and submitted as part of the providers tender submission will be taken in to account and the provider charging the lowest fee price will be awarded the contract. So award will be based on the most economically advantageous tender.

2.5.4 The weightings are expected to be as follows (this is an overview; tenderers will be made aware of any sub criteria in the tender documents):

Stage One (Evaluation of Method Statements)

- 15% on service delivery ;
- 20% on management, staffing and business planning;
- 10% on communication and partnership working;

Stage Two (Unannounced visit)

- 10% based on an unannounced visit to a nursery operated by the selected provider/s;

Stage Three (Interview session)

- 45% on a presentation and interview session. Again, tenderers will be made aware of all sub criteria in advance.

If there are any revisions to the weightings during the tender exercise all providers who have requested a tender pack will be informed immediately.

2.5.5 Expected Tender Outline

Cabinet approval	2 June 2015
Advertise and send out tender application packs	Early June 2015
Tender submissions to be returned	Late July 2015
Tender evaluations, unannounced nursery visits and interview	Early to mid August 2015
Approval and award of contracts	Early to mid September 2015
Start of contract delivery	For Lot 1 and Lot 2 contracts will commence as and when previous contracts expire. For Lot 3 the new contracts are expected to commence on 1 April 2016

2.5.6 Providers will also be issued with an Application Questionnaire as part of the tender pack. Providers will be informed that they have to reach a pass mark of 75 or

above. Of those providers that score 75 or above the top five providers for each Lot will then have their tender application reviewed and scored.

2.5.7 Following the scoring of the tender application the top two providers for each Lot will then be invited to a presentation and interview session. Before the interview sessions take place Council Officers will make unannounced visits to one of the provider's nurseries. The contracts and leases will be awarded to the successful bidder, for each Lot, for a period of five years with an option to extend for a further three years depending on performance. The contract period has been agreed upon to ensure consistency of service provision.

2.6 The contract delivery methodology and documentation to be adopted.

2.6.1 Service to be delivered by external providers. Documentation to be adopted will be the Council's standard terms and conditions.

2.7 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract.

2.7.1 Service Outcomes

- a) Provision of additional childcare places for children, allowing more parents (especially lone parents) the chance to study, enter or re-enter the job market;
- b) Provision of a nursery service that ensures every child at the setting makes progress and no child is left behind. Equality of opportunity and anti-discriminatory practice will ensure that every child at the nursery is included and supported;
- c) Provision of a nursery service where children are safeguarded and where they feel safe, secure and well.

2.7.2 Savings, income and efficiencies

By tendering the running of the services, especially the two in – house run nurseries (Abbey and John Perry), will ensure no recruitment or staffing costs for the Council. Market rent and business rates will be paid to the Council on all seven nurseries, at present these are only paid on the five outsourced nurseries. The rent payments will be used for and will ensure the upkeep and repair of the nursery buildings. This means not just savings but also additional income for the Council.

2.8 Criteria against which the tenderers are to be selected and contract is to be awarded

2.8.1 Overall quality/price weighting: quality 100% and if at the end of the procurement exercise the two providers for a particular Lot have the same quality score then the fee price being charged to parents and submitted as part of the providers tender submission will be taken in to account and the provider charging the lowest fee price will be awarded the contract. So award will be based on the most economically advantageous tender.

2.9 How the procurement will address and implement the Council's Social Value policies.

2.9.1 The Council's Social Value policies and the Social Value Act 2012 are broadly aligned, and thus, these contracts will address and implement the aims by:

- providing job opportunities and apprenticeships for local people;
- providing childcare places, enabling parents/carers to seek employment and/or training;
- provide a safe and secure environment for children to play, learn and develop.

3. Options Appraisal

3.1 The following options were considered.

Option 1 - The Council continues to run Abbey and John Perry Children's Centre Nurseries or takes over the running of all the nurseries

It is not a viable option for the Council to continue to run its two nurseries or to take on the running of further childcare services. This is due to the high cost of running nurseries in-house and the volatility of the childcare market, particularly during such a prolonged challenging economic environment. Council nursery staff are paid in line with the National Joint Council (NJC) Salary scales with salaries being higher and employment benefits being far more substantial than those usually paid or offered by private, voluntary or independent (PVI) childcare providers. Such pay and employment benefits tend to make outsourcing of the services difficult. To cover the costs of running the nurseries (over 75% of which are generally staffing costs) the Council would have to, and does, charge parents/carers a higher fee, than a number of other PVI childcare providers in the borough. Due to the reasons listed, there was concern about outsourcing Abbey and John Perry Children's Centre Nurseries; however by increasing the number of places at the nurseries, they should prove much more attractive to PVI childcare providers.

Option 2 – The Council closes some or all of the nurseries

Since September 2014 the Council is required to deliver free early education places to 2,055 two year olds, in addition to the statutory 3 and 4 year old places It is the duty of the local authority to manage its market to ensure that sufficient capacity is available to deliver this. If any of the nurseries were to be closed, the Council would not be in a position to meet its statutory duty.

Option 3 – The services are tendered

By tendering the nursery services and awarding the contracts and coterminous leases to providers in the PVI sector, the Council will ensure that it secures affordable and sufficient childcare places to meet the needs of parents in line with its statutory duty. Demand for the free 15 hour entitlement for 3 and 4 year olds is particularly high, given the rise in the 0-5 population in the borough and there is now the additional pressure of providing 15 hours of free education to more disadvantaged 2 year olds. By tendering the two in-house run nurseries, the Council will also no longer be responsible for paying any nursery staffing costs, service charges or consumable costs. Market rent and business rates will be paid to the Council on all seven nurseries, at present these are only paid on the five outsourced nurseries. This means not just savings but also additional income for the Council.

3.2 Option 3 is the recommended option.

4. Waiver

Not applicable.

5 Equalities and other Customer Impact

5.1 Children's Services will be responsible for supporting the providers to deliver high quality and fully inclusive childcare which is financially sustainable. With a number of families now opting for part time places, the nurseries will be providing childcare for 100's of families. Parents will be eligible for all current childcare support, including access to free education places. The providers will be able to signpost parents and children to other services including Children's Centre services.

5.2 As part of the procurement process, potential providers will be assessed for adherence to necessary legislation and regulations in particular around equalities. Equality of opportunity and anti-discriminatory practice will ensure that every child with a place at the nurseries is included and supported.

6. Other Considerations and Implications

6.1 Risk and Risk Management

6.1.1 The procurement exercise will assist in assessing the financial stability of any prospective providers. Credit checks will be conducted and audited accounts reviewed, if necessary. Providers will also be asked to submit a proposed financial plan for the first three years of running each nursery in the Lot they have applied for.

6.1.2 Once financial stability has been established the main risk will be the quality of the service to be delivered. Technical ability will be assessed during the tender stages and will cover a range of areas including: experience, management and staffing, and safeguarding.

6.1.3 Once providers have been chosen and approval has been given, written contractual arrangements will contribute to ensuring a quality service. The contracts and leases will be monitored and managed by a dedicated Contract Manager. The Contract Manager will liaise with the Council's Legal Team in order to resolve any contractual issues that arise during the life of the contract. Quarterly monitoring meetings will be conducted, with providers having to complete and submit monitoring forms before any monitoring meeting.

6.1.4 Council Officers will conduct unannounced visits to the nurseries to monitor the quality of the provisions. Quality surveys will be conducted by the provider and the Council and will be aimed at parents / carers and children attending the nursery. Parents/carers will be made fully aware of how to make a complaint about the service being delivered. The providers will have to report any complaints made to the Council and where relevant Ofsted.

6.1.5 The nurseries will also be subject to external inspection from Ofsted.

6.2 TUPE, other staffing and trade union implications.

6.2.1 Non Council run nurseries - Becontree, Gascoigne, Sue Bramley, Sydney Russell and William Bellamy

There may be Transfer of Undertakings (Protection of Employment) TUPE implications for staff currently employed at by the incumbent providers Chestnut Nursery School Limited and Playaway Limited. Because of this the process that will be followed as part of this procurement exercise is as described below:

- a) the incumbent provider will be advised that, in line with their current contractual terms, they will be requested to supply certain employee information to the Council before the tender exercise commences. The information supplied by the provider will be included in the Council's tender pack ;
- b) it will be made clear in the advert and tender application pack that TUPE may apply. Prospective tenderers' are then aware of this matter before they submit a tender;
- c) at the tender and interview stage the Council will make it very clear to providers that TUPE will be an issue that will need to be dealt with between the incumbent provider and any new provider.

At all stages of the procurement process providers will be made aware that they should obtain their own independent legal advice around TUPE.

6.2.2 Council run nurseries – Abbey and John Perry

The process will be the same for both establishments. The Council's HR Department will be fully involved in this process and with Legal support will ensure that TUPE legislation is adhered to at all times, ensuring meaningful consultation with the recognised Trade Unions and staff affected. The key objectives of the HR plan are as follows:

- a) to inform staff and representatives of a potential transfer including the opportunity for a full discussion around the rationale for this decision;
- b) to set up regular meetings and produce FAQs to support staff throughout the process and therefore demonstrate meaningful consultation and clear communication,
- c) to ensure staff are fully engaged and supported through out the process until transfer, using existing HR procedures and welfare interventions,
- d) to ensure that the correct information is shared with tenderers and any preferred provider throughout the process and in line with TUPE legislation.

6.3 Safeguarding Children

Any chosen providers will be required to conform to all the Council's local safeguarding procedures. This will be explicitly dealt with in the contract which will be drafted by the Council's Legal Department.

6.4 Property / Asset Issues

Children's Services will work closely with the Council's Legal and Property Services to ensure that leases are put in place and run concurrently with the contracts and

are capable of being terminated, for whatever reason and justification, in accordance with the service contracts awarded. The nurseries will be let at market value which will cover the cost of the Council carrying out routine repairs at the property.

7. Consultation

- 7.1 The most recent Childcare Sufficiency Assessment was finished in August 2014. Details can be found at <http://www.lbbd.gov.uk/ChildrenAndYoungPeople/ChildChoices/Pages/SufficiencyAssessment.aspx>.
- 7.2 Consultation for this tender exercise has taken place through circulation of this report to all relevant Members and officers. The proposals within this report were also approved at the Corporate Procurement Board of 16 February 2015.

8. Corporate Procurement

- 8.1 As the service is a concession, the EU Regulations in regards to mandated timescales do not apply, however it is recommended that the procurement is managed in the same manner as an open ITT tender to ensure transparency and a level playing field approach is utilized to mitigate any risk of challenge.
- 8.2 Although 100% Technical seems one-sided, due to the fact that the service is of a technical and regulated nature, this is deemed to be appropriate for this procurement.
- 8.3 It is noted that the requirement on the leases is fully maintaining and will be charged at Market Rent levels, it is recommended that if the market returns a nil response that the Council could look to reduce the rent, or offer a grant to ensure the market can sustain the service without causing financial hardship for its residents through higher fees to cover the full cost of service

9. Financial Implications

Implications completed by: Patricia Harvey, Interim Group Manager Children's Finance

- 9.1 Resources will be from the Dedicated Schools Grant (DSG) £227,986,000 (including retained carry forwards) Early Years block (EYB) funding and for 2014/15 the allocation was £11,668,000 (including retained carry forwards) and 2 year old funding £7,052,000 (including retained carry forwards). The funding to the childcare providers is distributed via an Early Years Single Funding Formula (EYSFF) allocation and based upon 'take-up' of the places within each of the settings from 2015/16.
- 9.2 Indicative allocations reported to Schools' Forum in March 2015 of the DSG for 2015/16 was £224,524,000 of which EYB £10,989,000 and 2 year old funding £5,917,000 without any retained carry forwards from 2014/15.
- 9.3 Final allocations for 2015/16 as advised by the Department for Education are total DSG £229,038,000 of which the EYB is £12,182,000.

10. Legal Implications

Implications completed by: Daniel Toohey, Principal Corporate Solicitor, Legal and Democratic Services

- 10.1 This report is seeking Cabinet's permission to tender the contracts for the nurseries identified in the report.
- 10.2 The proposal set out in the report is that the contracts are let as concession contracts which means that there is no direct cost to the Council and all costs are borne solely by the Contractor. On this basis, the procurement is not subject to the Public Contract Regulations 2006 (the "Regulations") provided for under Regulation 6 (2) (m) which states that the Regulations do not apply to the seeking of offers in relation to a proposed public contract 'which is a services concession contract awarded by a contracting authority'. However in conducting the procurement, the Council still has a legal obligation to comply with the relevant provisions of the Council's Contract Rules and with the EU Treaty principles of equal treatment of bidders, non-discrimination and transparency in conducting the procurement exercise.
- 10.3 The EU Treaty principles noted above encourage the advertisement of contracts in a manner that would allow any providers likely to be interested in bidding for a contract to identify the opportunity and bid for a contract, should they wish to do so. This report states that the Council's website and the Contracts Finder website will be utilised for advertising to potential bidders.
- 10.4 One of the recommendations of this report is that Cabinet delegate authority to the Corporate Director of Children's Services, in consultation with the Chief Finance Officer (Section 151 Officer) and the Head of Legal and Democratic Services, to award and enter into the contracts and coterminous leases to the successful bidders. Contract Rule 47.15 provides that in the absence of any direction to the contrary from Cabinet, contracts may be awarded by the Chief Officer or in accordance with the scheme of delegation as long as the necessary financial approval has been given by Corporate Finance.
- 10.5 The report author and responsible directorate are advised to keep Legal Services fully informed at every stage of the proposed tender exercise. Legal Services are on hand and available to assist and answer any queries that may arise.
- 10.6 The Council owns the freehold of the property and able to grant the required lease. The Council's powers are contained in section 123 of the Local Government Act 1972, and Section 1 of the Localism Act 2011 also provides local authorities with a general power of competence.

Background Papers Used in the Preparation of the Report: None

List of appendices: None

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CABINET**2 June 2015**

Title: Review of Pre-Application Fees and Planning Charges	
Report of the Cabinet Member for Regeneration	
Open Report	For Decision
Wards Affected:	Key Decision: Yes
Report Author: Daniel Pope, Group Manager Development Planning	Contact Details: Tel: 020 8227 3929 E-mail: daniel.pope@lbbd.gov.uk
Accountable Divisional Director: Jeremy Grint, Divisional Director of Regeneration	
Accountable Director: Chris Naylor, Chief Executive	
<p>Summary</p> <p>The Council's Planning Service needs to continue to modernise to deliver the three challenges of improving customer service, reducing the cost of service delivery and increasing income. Important components of this are the charges the Council sets for providing advice to developers and householders before planning applications are submitted. Not only are these important for maximising income but also, particularly in the case of applications for home extensions, for incentivising customers to do more for themselves and rely less on face to face or phone contact with the Council.</p> <p>This report also seeks approval for the use of Planning Performance Agreements (PPA). These are agreements between the Council and a developer on the timetable for a planning application, the level of service the Council will provide and the resources necessary to ensure this. PPAs are a means for the Council to increase its capacity to deliver its growth agenda without incurring extra cost. Therefore the intention would be to enter into PPAs for major sites such as Beam Park, Barking Riverside and the sites within the Barking Housing Zone. Typically a fee for a PPA would be between £25,000-£50,000 depending on the size of the development.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Agree the new pre-application charges set out in Appendix 1 which include a new charge for home extensions and alterations; and (ii) Authorise the Divisional Director of Regeneration to utilise Planning Performance Agreements for Major Developments and agree such terms and fees as he considers are an effective recompense for Development Management Services so employed. 	
<p>Reason(s)</p> <p>To assist in growing the borough and encouraging social responsibility.</p>	

1. Introduction and Background

- 1.1 The Council's Planning Service needs to continue to modernise to deliver the three challenges of improving customer service, reducing the cost of service delivery and increasing income. Important components of this are the charges the Council sets for providing advice to developers and householders before planning applications are submitted. Not only are these important for maximising income but also, particularly in the case of applications for home extensions, for incentivising customers to do more for themselves and rely less on face to face or phone contact with the Council.
- 1.2 At the same time the Council's Planning Service needs to increase capacity not only to deal with an increasing number of planning applications and other approvals but also to deliver the Council's ambitious growth agenda of 35,000 new homes and 10,000 jobs.
- 1.3 In 2011/12 the Council's planning service dealt with 648 planning applications, in 2014/15 670, when prior approvals, conditions and non material amendments are included the increase is from 819 to 1262. In the same period net expenditure for the Development Management service reduced from £144,950 to £66,400 and will reduce further to £7400 in 2015/16 due to increased income targets and salary savings. The Development Management Service now has 6 full-time planners down from 7.8 in 2011/12.

Financial year	Total planning applications	All cases including Priors, NMA, TPO and CDN	Total FTE	Planning applications per person	All per person
2011/12	648	819	7.8	83	105
2012/13	646	840	6.3	103	133
2013/14	606	948	6.3	96	150
2014/15	685	1248	6	114	208

- 1.4 The Development Management service relies on the Local Plan which is produced by the Planning Policy Team. The net expenditure for the Planning Policy Team has reduced from £660,500 in 11/12 to £311,800 in 15/16. The main function of the Planning Policy Team is to prepare the Council's Local Plan. This is a statutory document which National Planning Policy Guidance advises should be reviewed every five years. The Council's current Local Plan was adopted in 2010. The first part of the review is to prepare and consult on an issues and options report. This is planned to be reported to 21 July 2015 Cabinet. The review of the Local Plan will need to take forward the Council's ambitious growth agenda of 35,000 new homes and 10,000 new jobs and translate this into a deliverable strategy which creates successful places. It will both inform the Growth Commission and embody its recommendations. The Local Plan will clearly set out to developers the development opportunities in the borough and the Council's expectations for the quality and form of that development. The Local Plan will therefore also be indispensable to the Development Management service to they can work with developers to ensure their developments meets the borough's expectations. Therefore it is not only necessary for the Development Management service to become self funding but also to help cover the cost of the Local Plan which is essential in delivering growth but does not in itself generate income.

2. Proposal and Issues

2.1 The Local Government Act 2003 allows local planning authorities to charge for discretionary services in order to recover costs. There are two main areas the planning service can recover costs.

- The cost of giving pre-application planning advice
- Planning performance agreements

Pre-application planning advice

- 2.2 Currently 95% of the planning service's income is from planning application fees which are set nationally. The remainder is from the charges the Council sets for giving pre-application planning advice. The current system of pre-application planning advice was agreed by 21 April 2009 Executive (minute 172 refers). The charges were introduced to allow the Council to fund the introduction of a formal pre-application service so it could advise developers on their proposals prior to submitting a planning application. This provides an opportunity for the Council to advise on the acceptability of the scheme and whether changes are necessary, the Council also advises on the likely level of developer contributions and what supporting documentation needs to be submitted with the application. The result is that the quality of applications which have been through the Council's pre-application process is generally higher than those which have not. They are less likely to be invalid and less likely to need changing post submission. However the Council's fees were set in April 2009 and many Councils have updated their charges since then. The result is the Council's pre-application fees are generally lower than neighbouring boroughs and other similar authorities in London.
- 2.3 The Council's current fees are based on an analysis of the direct costs incurred in providing the pre-app service under each of the four categories. However they take no account of the cost in preparing the Local Plan which is the starting point for the advice given in pre-app meetings. Currently the net expenditure of the Council's Planning Policy Team is £311,800 and it generates no income. In the last financial year £28,710 was received through pre-application fees out of a total income received of £556,500. Therefore pre-app fees generated only 5% of planning application income, the remaining 95% was from nationally set planning application fees. The opportunity has been identified to generate additional revenues through a review of charges, with broad estimates of between £35,000 - £86,000 suggested. Therefore at the most this will help meet 25% of the cost of the Council's Planning Policy Team and therefore an increase in charges is entirely justified since in line with Section 93 of the Local Government Act 2003 the charges will remain on a not-for-profit basis (year-by-year) and, taking one year with another, the income from the charges for the pre-application service will not exceed the cost of providing them.
- 2.4 Provided below is a comparison of Barking and Dagenham's existing and proposed fees with similar and neighbouring authorities.

Table 1 – Comparison of pre-application planning fees.

Barking and Dagenham (existing)	<i>Household</i>	<i>Small-adverts and telecoms Medium - 1-9 homes, 100-999 sqm</i>			<i>Large 10-49 1000-4999 sqm</i>		<i>Major 50+ 5000 sqm+</i>	
	£0	£108-£540			£1032		£2064	
Barking and Dagenham (proposed)	<i>Household</i>	<i>Small business <200 sqm</i>	<i>Small 1-9 homes 200-999 sqm</i>		<i>Medium 10-49 homes 1000-4999 sqm</i>		<i>Large 50-99 homes 5000-9999 sqm</i>	<i>Strategic 100 homes >9999</i>
	£100	£200	£1000		£2000		£3000	£4000
Newham	<i>Household</i>	<i>Small 1-3 homes</i>		<i>Medium 4-9 homes 100-999 sqm</i>	<i>Major 10-99 1000-4999sqm</i>			<i>Large major 100+ 50000 sqm+</i>
	£0	£375		£750	£1500			£3000
Havering	<i>Household</i>	<i>1 home <99 sqm</i>	<i>2-3 homes 100-499 sqm</i>	<i>4-9 homes 500-999 sqm</i>	<i>10-24 homes 1000-1999 sqm</i>	<i>25-49 homes 2000-4999 sqm</i>	<i>50-99 homes 5000-9999 sqm</i>	<i>100+ 10000 sqm</i>
	£50-£80	£150	£300	£800	£1500	£1750	£2000	£2500
Redbridge	<i>Household</i>	<i>Small 1-3 homes <300 sqm</i>		<i>Medium 4-9 <900 sqm</i>	<i>Major 10-25 1000-2000 sqm</i>	<i>Large 25> 2000 sqm</i>		
	£0	£350		£700	£1500	£3000		
Brent	<i>Household</i>	<i>Small 1-3 homes</i>		<i>Minor 4+ homes 500-999 sqm</i>	<i>Major 10-24 1000-1999 sqm</i>	<i>Large major 25-149 2000-4999 sqm</i>		<i>Strategic 150+ 5000 sqm+</i>
	£0	£0		£1000	£2500	£5000		£7500
Greenwich	<i>Household</i>	<i>1-9 home 100-999 sqm</i>			<i>10-199 homes 1000-9999 sqm</i>			<i>200+ 10000 sqm+</i>
	£0	£791			£2260			£3954
Hounslow	<i>Household</i>	<i>1 home 2 flats</i>	<i>2-4 homes</i>	<i>5-9 homes <250 sqm</i>	<i>10-23 homes 250-999 sqm</i>	<i>24-49 homes 1000-1999</i>	<i>50+ 2000 sqm+</i>	
	£170	£300	£693	£1386	£2772	£3590	£5040	
Ealing	<i>Household</i>	<i>Minor 0-9 homes 0-999 sqm</i>			<i>Major 10-99 homes 1000-9999 sqm</i>			<i>Strategic 100+ homes 10,000 sqm+</i>
	£0	£1,500			£2,000			£4,000

2.5 Based on this comparison it is recommended that the charges for pre-application planning advice are increased as shown in the following table.

Existing pre-application charges		Proposed pre-application charge	
Category A – Major Scale Development	50+homes Non-residential over 5000 sqm	Strategic Development	100+homes Non residential over 10000 sqm
		£4000	
		Large Development	50-99 homes Non residential 5000-9999 sqm
£2064		£3000	
Category B – Large Scale Development	10-49 homes Non residential 1000-4999 sqm	Medium Development	10-49 homes Non residential 1000-4999 sqm
£1032		£2000	
Category C – Medium Scale Development	1-9 homes Non residential 100-999 sqm	Small Development	1-9 homes Non residential 200-999 sqm
£540			
Category D – Small Scale Development	Small adverts Telecoms Non residential less than 100 sqm		
£108		£1000	
		Small Business	Non residential <200 sqm
		£200	
		Householder	
		£100	

2.6 It is proposed to introduce a new category for Householder applications with a charge of £100 which sits between what Hounslow and Havering currently charge. This will cover proposals for residential extensions and alterations.

2.7 Currently the lowest charge is for Small Scale Development which is defined as adverts and telecoms and non residential applications or changes of use with a floorspace less than 100 sqm. The current charge for advice on Small Scale Developments is £108. It is proposed to merge this with the Medium Scale Development category which covers proposals for 1-9 homes, flat conversions and non residential applications or changes of use with a floorspace of 100 sqm – 999 sqm. The current charge for Medium Scale Development is £540. This new category would be called Small Development with a charge of £1000. However the floorspace threshold for non-residential uses would be increased to 200sqm and a new category introduced for Small Business covering proposals for non residential applications, including changes of use, with a floorspace of less than 200 sqm. Currently these are charged £108 if less than 100 sqm and £540 if between 100 and 200 sqm, but in future it is proposed to charge them £200. Shops units in the borough retail parades are typically below 200 sqm in size.

- 2.8 Currently the Large Scale Development category covers proposals for 10-49 new homes and non-residential applications between 1000-4000 sqm. The current charge for advice on Large Scale Developments is £1032. It is proposed to rename this category Medium Development with a charge of £2000 and introduce two new categories, Large Development and Strategic Development. Large Development covers 50-99 homes and non-residential development of 5000-9999 sqm and Strategic Development covers 99+ homes and non-residential development of 10000sqm+. It is proposed to charge £3000 for pre-application advice on Large Development and £4000 for Strategic Development which reflects that fact that the advice provided on larger schemes is more complex and time consuming. To put these increases into perspective a development of 10 homes will typically have a gross development cost of between £1-£2 million; a development of 100 homes - £100-200 million. The new charges are encapsulated in a table in Appendix 1.
- 2.9 The introduction of a charge for providing advice on home extensions and alterations is a significant but necessary change. Currently people can ring the Council's planning officers, send them emails or visit their offices without booking in advance, for free advice on household extensions. This is unsustainable. Despite planning officers being freely available in this way and despite a significant amount of their time being spent giving free advice the quality of resultant planning applications is often poor and require changes to make them acceptable. The answer to most, if not all, of these queries can be found on the Council's website which has recently been changed to help people self serve. If someone wants to know what they can do without planning permission there is a clear link to the excellent Planning Portal website which has a clear interactive guide showing what householders can do under permitted development. If the applicant establishes they do need planning permission then the Council's guidance on Residential Extensions and Alterations clearly sets out what is acceptable. This is made crystal clear on the Council's planning home page. Therefore nearly all the queries the Council receives about home extensions and alterations are avoidable contact. Introducing a pre-application charge for advice on these will act as an incentive for applicants to find the answer out for themselves online. On the introduction of this charge the Council's website will make clear that free advice is no longer offered by the Council. This will free up case officers time to write up planning applications thereby increasing the capacity of the service.

Planning Performance Agreements (PPA)

- 2.10 National Planning Practice Guidance encourages the use of Planning Performance Agreements for complex major planning applications. They allow the Council to agree with the developer a project plan for the planning application from inception through to a decision being made and then the discharge of conditions, identifying the necessary resources to support this. The benefits to the Council and the developer in entering into a PPA are:
- better overall management of pre-application and post application stages increasing confidence and reducing risk;
 - identification of key issues at an early stage;
 - more realistic and predictable timetables;
 - greater accountability and transparency;
 - improved partnership working; and
 - continuity and consistency from Council officers

- 2.11 A fee is usually negotiated with the developer for entering into a Planning Performance Agreement. This fee would reflect the cost to the Council of providing the right level of resource to deliver the agreed quality of service and the agreed timescales set out in the PPA. This would also cover pre-application charges which would not be charged separately. PPAs are therefore a means for the Council to increase its capacity to deliver its growth agenda without incurring extra cost. Therefore the intention would be to enter into PPAs for major sites such as Beam Park, Barking Riverside and the sites within the Barking Housing Zone. Typically a fee for a PPA would be between £25,000-£50,000 depending on the size of the development. Officers would produce a standard template for PPAs which would include a clear statement of the proposed development, the objectives, the service level performance standards to be provided, parties obligations, information requirements, timescales, dispute resolution and payment profile.
- 2.12 It is important to stress that a PPA would not fetter the Council in exercising its statutory duties as a local planning authority or prejudice the outcome of the planning application or the impartiality of the Council.

3. Options Appraisal

- 3.1 The review of pre-application fees and using Planning Performance Agreements are important components of the Action Plan for changes to the Council's Planning Service to increase capacity and improve customer service whilst delivering savings. Taken together they will reduce the cost of the service to the Council whilst ensuring it has the capacity to deliver the Council's growth agenda. The increased pre-application charges bring the Council into line with neighbouring and comparative boroughs. The introduction of a charge for pre-application advice on household extensions will encourage channel shift and free up case officers to deal with more planning applications. The use of Planning Performance Agreements will be essential to ensure the service has the capacity to deal with the very biggest planning applications and make sure the resultant developments are of maximum benefit to the borough.

4. Consultation

- 4.1 Relevant Council services have been consulted on the proposals.

5. Financial Implications

Implications completed by: Carl Tomlinson, Finance Group Manager

- 5.1 The introduction of charges in respect of advising developers and home owners on their proposals prior to submitting a planning application will not only generate additional income for the service but the inevitable reduction in planning related enquires should also free up Planning Officers' time, thereby increasing capacity of the service. The recent upturn in activity within the construction industry has already increased the number of planning applications received by the Authority.
- 5.2 The introduction of Planning Performance Agreements will formalise the Planning process for larger scale developments. Fees will be negotiated that reflect the cost

to the Council of providing the level of service required to support the planning application process.

- 5.3 The income received in 2014/15 from pre application planning fees for major developments was £28,710. The amount of additional income that these wider proposals will generate is obviously impossible to accurately estimate as future levels of demand are uncertain, but broad estimates of between £35,000 - £86,000 have been suggested by Agilisys.
- 5.4 What ever the amount, any additional income received will enable the Development Management team to become fully self financing and also make a contribution towards the cost of the Planning Policy team. The Planning Policy team are responsible for providing the “Local Plan” which sets out to developers the development opportunities in the borough and the Council’s expectations for the quality and form of that future development.

6. Legal Implications

Implications completed by: Paul Feild, Senior Corporate Governance Solicitor

- 6.1 The Local Government Act 2003 enables local authorities to make charges for non-statutory discretionary services to recover the cost of doing so. As the pre-application agreement is not a statutory requirement then as long as it is not intended to make a profit fee charging is lawful.
- 6.2 The Guidance within the Nation Planning Policy Framework expects that there will be clarity as to the fee structure and what services will be charged for and those which will not.
- 6.3 The Planning Performance Agreement itself will vary in structure depending upon the nature of application and the services that will be provided. For a significant development the agreement will need to set out a clear statement of the proposed development, the objectives, the service level performance standards to be provided, parties obligations, information requirements, metrics, timescales and set out the project plan milestones, dispute resolution and payment profile.
- 6.4 It is important to understand that the entering into a Planning Performance Agreement does not guarantee a grant of planning permission by the Council, all applications will still be subject to the law, the National Planning Policy Framework, the London Plan and the Councils Local Plan and the discretion of the Development Control Board to determine the application. The Government encourages involvement of elected Members in the pre-application stage to give an informed view. The proposals in this report should lead to a swifter development process with structured co-operative working with the Council, Community and Planners.

7. Other Implications

- 7.1 **Risk Management** – The main risk is that the increase in pre-application fees deters developers from doing business in the borough. However these fees are a fraction of total development costs and should not deter serious developers from developing in the borough. The risk to developers of abortive costs is very low since over the last two years the Council has dealt with eighty four major planning

applications and refused three. Therefore in this borough developers can enter the pre-application planning process with confidence, knowing it is money well spent.

- 7.2 **Staffing Issues** – The use of Planning Performance Agreements will help increase the Development Management service’s ability to deal with the very biggest applications such as Barking Riverside, Beam Park and sites within the Barking Town Centre Housing Zone without the Council incurring any extra expenditure. The increase in pre-application fees will increase income and help sustain the Council’s Planning Policy Team. The new charge for householder advice will reduce the time case officers spend dealing with customer queries allowing them to spend more time dealing with planning applications.
- 7.3 **Corporate Policy and Customer Impact** – The increase in pre-application fees and the use of Planning Performance Agreements is necessary to ensure the Council’s planning service has the capacity to deliver the Council’s growth agenda. For major developments the increase in fees is a fraction of total development cost and ensures the Council can provide the level of service that developers expect and demand. In terms of customer impact the most significant change is the introduction of a charge for advice on householder extensions and alterations. This is necessary because the service can no longer afford to provide free advice, especially when there is no evidence that this free advice adds any value to the planning process. The charge will incentivise customers to use the Council’s website for their queries or failing that to use a planning agent for their project. Where the customer still feels they need advice from the Council then it is proposed to charge £100 for a short meeting with a written record. Currently Thurrock, Havering and Hounslow charge for householder advice.

Background Papers Used in the Preparation of the Report:

List of appendices:

- **Appendix 1:** Pre-application charges

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Pre-application charges (existing charges in brackets)

Category A – Strategic Development

Pre-application meeting with written response = £4,000 (£2064)

Follow up meetings £2,000 (£1032)

100+ homes

Non residential applications with a floor space of over 10,000 sqm

Changes of use over 10,000 sqm

Development of a site over 1 hectare

Reserved matter applications on outline major schemes within this category

Amendments to previously approved schemes within this category

Category B – Large Development

Pre-application meeting with written response = £3000 (£2064)

Follow up meetings £1500 (£1032)

50-99 homes

Non residential applications with a floorspace of 5000-9999 sqm

Changes of use 5000-9999 sqm

Development of site 0.5-1 hectare

Reserved matter applications on outline major schemes within this category

Amendments to previously approved schemes within this category

Category C – Medium Development

Pre-application meeting with written response = £2000 (£1032)

Pre-application meeting only £1000 (£516)

Follow up meetings £1000 (£516)

10-49 homes

Non residential applications with a floorspace of 1000-4999 sqm

Changes of use 1000-4999 sqm

Development of site up to 0.5 hectare

Reserved matter applications on outline major schemes within this category

Amendments to previously approved schemes within this category

Category D – Small Development

Pre-application meeting with written response = £1000 (£180-£540)

Pre application meeting only £500 (£270)

Follow up meetings £500 (£108-£270)

1-9 homes

Flat conversions

Non residential applications with a floorspace of 200-999 square metres

Changes of use 200-999 square metres

Advertisement unrelated to the premises on which it is displayed

New telecoms installations

Amendments to previously approved schemes within this category

Category E – Small business

Pre application meeting only £200 (£108)

Follow up meetings £200 (£108)

Non residential applications with a floorspace of less than 200 sqm

Changes of use less than 200 sqm

Category F – Householder

Pre-application meeting with short written record = £100 (£0)

All extensions and alterations to a home

CABINET**2 June 2015**

Title: Formalising the North East London Strategic Alliance (NELSA)	
Report of the Leader of the Council	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Sal Asghar, Interim Strategy and Performance Manager	Contact Details: Tel: 020 8227 3734 E-mail: salauoddin.asghar@lbbd.gov.uk
Accountable Divisional Director: Fiona Taylor, Head of Legal and Democratic Services	
Accountable Director: Chris Naylor, Chief Executive	
<p>Summary:</p> <p>Many of the north east London boroughs share similar characteristics such as their demography, and therefore they face similar issues and challenges. Working together with other boroughs can help to strengthen the response to issues, add weight to any lobbying asks, reduce duplication of work and share responsibility across all boroughs. A good example of this is the recent joint work with neighbouring boroughs to lobby for fairer funding. For this reason, the following boroughs are proposing to work together and form the North East London Strategic Alliance (NELSA):</p> <ul style="list-style-type: none"> • London Borough of Barking and Dagenham • London Borough of Enfield • London Borough of Havering • London Borough of Newham • London Borough of Redbridge • London Borough of Waltham Forest <p>NELSA will be a politically led organisation with a core membership of the above local authorities, which make up the north east London area. The key purpose of NELSA is to develop and articulate a clear vision for north east London and to provide strategic leadership to ensure that a shared vision is realised.</p> <p>The Council has a clear vision for the borough and a set of priorities key to delivering this vision. The Borough sees itself as “London’s Growth Opportunity” and one of the priorities identified in its Corporate Plan concerns Growing the Borough. This will involve the Council working with London partners to deliver homes and jobs across our growth hubs and enhancing the borough's image to attract investment and business growth. NELSA will provide a good opportunity to advance and fulfil some of these objectives.</p> <p>This report sets out the proposed arrangements for the formation of NELSA and seeks Cabinet approval of the recommendations below to enable the London Borough of Barking and Dagenham to formally become a member.</p>	

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree that the London Borough of Barking and Dagenham joins and participates as a member of the North East London Strategic Alliance (NELSA);
- (ii) Agree that the London Borough of Barking and Dagenham enters into and signs up to the NELSA partnership protocol (Appendix A) and the Inter-Authority Agreement (Appendix B) and any other necessary documents to be entered into by or between the six boroughs to facilitate the Council's membership of NELSA; and
- (iii) Approve the appointment of the Leader of the Council as the Council's nominated representative on NELSA and the two Deputy Leaders as nominated substitutes in the event of the Leader being unable to attend a NELSA meeting.

Reason(s)

Joining NELSA will contribute to the delivery of the Council's vision and priorities as set out in the Corporate Delivery Plan.

1. Background

- 1.1 The north east London boroughs of Barking and Dagenham, Enfield, Havering, Newham, Redbridge, and Waltham Forest intend to work together as a sub-region through the creation of the North East London Strategic Alliance (NELSA). The London borough of Waltham Forest has worked closely with representatives from all other boroughs to produce a partnership protocol and an inter-authority agreement. Cabinet are asked to agree to the Council signing up to these agreements in order to become a member of NELSA.
- 1.2 NELSA will be a politically led organisation with a core membership of the above local authorities which constitute the north east London area. The parties enter into the agreement for the purposes of realising a shared vision for the north east London area. The key purpose of NELSA is to develop and articulate a clear vision for north east London and to provide the strategic leadership to ensure that the vision is realised.
- 1.3 For the London Borough of Barking and Dagenham (LBBD) this is an opportunity to build on existing relationships with neighbouring London boroughs in order to contribute to the delivery of the vision for the borough. What is becoming increasingly clear is the importance of better joint working to seize opportunities and tackle issues at a sub-regional level.
- 1.4 A similar alliance exists between the west London boroughs. The West London Alliance is a partnership of seven West London councils - Barnet, Brent, Ealing, Hammersmith & Fulham, Harrow, Hillingdon, and Hounslow.
- 1.5 LBBD is currently also a member of the Growth Boroughs. The Growth Boroughs (formerly known as the host boroughs) is a partnership with other Olympic host

boroughs. The focus of this group is mainly around employment and skills and transport in order to achieve convergence with the rest of London by 2030. NELSA on the other hand comprises a different core membership and has much broader objectives (see below) allowing members to work together on a number of key issues not covered by the Growth Boroughs.

2. Establishing NELSA

2.1. The objectives of NELSA:

- 2.1.1. To provide a sub-regional voice for north east London via research and by building consensus around the needs and opportunities of the sub-region; raising its profile and making the strategic case for public and private and sector investment.
- 2.1.2. To work through existing partnerships and develop new partnerships, as may be required, to implement the agreed vision for NELSA in order to encourage and foster the delivery of new homes, jobs, improved skills, transportation and better public services for the benefit of north east London and London as a whole.
- 2.1.3. To act as ambassadors for the area, influencing key decision-makers, the development of policy in London and co-ordinating relationships between north east London and regional and central Government.

2.2. Membership

- 2.2.1. The membership of NELSA will consist of the six authorities listed above once the partnership protocol has been signed. Each authority will be required to pay a £10,000 annual membership fee payable within 30 days of signing the agreement. The membership fees will form part of the annual budget which will be spent, as decided by the Leaders' and Mayors' Board, in order to contribute to the delivery of NELSA objectives.
- 2.2.2. Enfield shall be the Lead Borough responsible for administering the Annual Budget. In discharging the Annual Budget activity Enfield will adopt standard Local Government financial control practices and principles as shall apply from time to time.

2.3. Chair of NELSA

- 2.3.1. The first Chair of NELSA will be the Leader of Waltham Forest and thereafter appointed in accordance with clause 7.3 of the partnership protocol.
- 2.3.2. The Chair will take executive leadership of NELSA through chairing the Leaders' and Mayors' Board, leading other strategic meetings as required, being the key advocate for north east London through NELSA, and corresponding on behalf of NELSA.
- 2.3.3. The Chair will rotate between the local authorities alphabetically every 2 years from the date of the Annual General Meeting. The period of office will normally be two years, subject to the Chair no longer being a member of his/her respective Authority and subject to the Chair tendering his/her resignation in accordance with clause 10.1 either event to invoke the appointment of a new Chair who shall be the Leader

or Mayor of the next Authority due to take up the Chair under the alphabetical rotation system.

- 2.3.4. The Authority holding the chair at any given time will be responsible for providing secretarial support to the Leaders' and Mayors' Board meetings. This will include arranging dates, room bookings, meeting logistics and minute taking. The Chief Executive of the local authority which holds the Chair of NELSA will provide support and advice to the Chair of NELSA.

2.4. Deputising for the Leader at NELSA meetings

- 2.4.1. NELSA will be led by a Leaders' and Mayors' Board comprising the Leaders and Mayors from each of the six boroughs. In the event that the Leader is unable to attend a meeting the partnership protocol provides substitutions will be allowed providing that the substitute is a bone fide representative and an executive member of the body nominating the substitute. For the Council, it is recommended that the deputising arrangement include either of the two Deputy Leaders to attend if the Leader is unable to.

2.5. Task and Finish Groups

- 2.5.1. Individual Task and Finish Groups will be set up for each specific task or project, as and when necessary, to be decided by the Leaders' and Mayors' Board. Once the Leaders' and Mayors' Board has decided that a Task and Finish Group has been deemed to have achieved the aims and objectives stated it will then be dissolved and no longer exist for the purposes of that particular task or project.
- 2.5.2. The task and finish group meetings will be chaired by the either the CEO or the most appropriate officer as decided by the Leaders' and Mayors' Board of the Local Authority which holds the Chair of NELSA, or a substitute nominated by the Chair, or agreed at the meeting, if s/he is unable to attend.
- 2.5.3. The Task and Finish Groups' will consist of officer representatives from each of the parties. The Task and Finish Groups' shall have responsibility for the creation and execution of the project plan and deliverables, and therefore it can draw technical, commercial, legal and communications resources as appropriate into itself. As each party to this Agreement is required to adhere to its own Authority's Constitution and internal procedure rules, each representative of every Authority on each Task and Finish Group is obliged to ensure that its own internal approvals and authority requirements are complied with in order to proceed with implementation of any workplan that has been discussed and agreed upon within its Task and Finish Group and before any proposal is submitted in final format to the Leaders' and Mayors' Board.

2.6. Resignation

- 2.6.1. Any Authority who wishes to resign as a member of NELSA shall give written notice of its resignation to the Leaders' and Mayors' Board and its resignation shall be effective three months after the date of notification.

3. Financial Implications

Implications prepared by: Kathy Freeman, Finance Group Manager

- 3.1. Barking and Dagenham will be required to make an annual membership fee of £10,000 which will form part of the annual budget for NELSA. This is a non-refundable payment should the Council wish to resign from NELSA.
- 3.2. The Inter Authority Agreement will designate the London Borough of Enfield as lead borough for administering the annual budget and the Leaders and Mayors Board will be responsible for managing the annual budget.
- 3.3. Decisions as to how the annual budget is spent will be decided by the Leaders and Mayors Board as deemed appropriate to achieve the objectives of NELSA.
- 3.4. The annual membership cost of NELSA will be funded from the Corporate Management budget following a review of existing corporate subscriptions.

4. Legal Implications

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

- 4.1 The Council has legal power (General power of competency under the Localism Act 2011) to enter into arrangements to participate as a member of NELSA. The structure and governance arrangements for NELSA are set out in the body of this report and its appendices.
- 4.2 As set out elsewhere in this report, the objectives of NELSA include working in partnership with the other boroughs to develop and advocate strategies for growth for and in the areas of the member authorities and to advocate at strategic level for these objectives.
- 4.3 The Alliance is not created as a legal partnership nor as a joint committee and no executive powers have been or are being sought to be delegated to NELSA. NELSA does not therefore have power to commit the Council to expenditure on any project or strategy that it may develop or wish to participate in/promote other than those to be decided upon and implemented using (and limited to) funds covered by the Annual Budget. Should the Council wish to participate in any project which will involve the financial or political commitment of the Council outside that covered by the Annual Budget, such project will need to come back to the Council for approval in accordance with the Council's governance arrangements.

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

List of Appendices:

- **Appendix A** - NELSA Partnership Protocol
- **Appendix B** - NELSA Inter-Authority agreement

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DATED

PARTNERSHIP PROTOCOL FOR THE NORTH EAST LONDON STRATEGIC ALLIANCE

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THIS AGREEMENT is dated [DATE]

PARTIES

- (1) The parties to this **Protocol** are:
- (2) 1. The Mayor and Burgesses of the London Borough of Barking & Dagenham (**Authority One**).
- (3) 2. The Mayor and Burgesses of the London Borough of Enfield (**Authority Two**).
- (4) 3. The Mayor and Burgesses of the London Borough of Havering (**Authority Three**).
- (5) 4. The Mayor and Burgesses of the London Borough of Newham (**Authority Four**)
- (6) 5. The Mayor and Burgesses of the London Borough of Redbridge (**Authority Five**) and
- (7) 6. The Mayor and Burgesses of the London Borough of Waltham Forest (**Authority Six**)

Henceforth collectively known as North East London Strategic Alliance or “NELSA”.

1. BACKGROUND

- 1.1 The Authorities that constitute NELSA have agreed to work together on a series of projects and ventures to be decided by the Leaders’ and Mayors’ Board in order to facilitate the achievement of the key objectives for NELSA.
- 1.2 The parties wish to record the basis on which they will collaborate with each other on these projects. This Protocol sets out:
 - (a) the key objectives of NELSA;
 - (b) the principles of collaboration;
 - (c) the governance structures the parties will put in place; and
 - (d) the respective roles and responsibilities the parties will have during the life of NELSA.

2. KEY OBJECTIVES FOR NELSA

- 2.1 The parties shall undertake the projects and tasks to achieve the key objectives as set out below:

- 2.2 NELSA is a politically led organisation with a core membership of those local authorities which constitute the north east London area. The parties wish to enter into this agreement for the purposes of realising a shared vision for the north east London area. The key purpose of NELSA is to develop and articulate a clear vision for north east London and to provide the strategic leadership to ensure that the vision is realised.
- 2.3 NELSA's objectives include the following:
- 2.4 To provide a sub-regional voice for north east London via research and by building consensus around the needs and opportunities of the sub-region; raising its profile and making the strategic case for public and private and sector investment.
- 2.5 To work through existing partnerships and develop new partnerships, as may be required, to implement the agreed vision for NELSA in order to encourage and foster the delivery of new homes, jobs, improved skills, transportation and better public services for the benefit of north east London and London as a whole.
- 2.6 To act as ambassadors for the area, influencing key decision-makers, the development of policy in London and co-ordinating relationships between north east London and regional and central Government

3. **PRINCIPLES OF COLLABORATION**

The parties agree to adopt the following principles when carrying out the Project (**Principles**):

- (a) collaborate and co-operate. Establish and adhere to the governance structure set out in this Protocol to ensure that activities are delivered and actions taken as required;
- (b) be accountable. Take on, manage and account to each other for performance of the respective roles and responsibilities set out in this Protocol;
- (c) be open. Communicate openly about major concerns, issues or opportunities relating to the Project;
- (d) learn, develop and seek to achieve full potential. Share information, experience, materials and skills to learn from each other and develop effective working practices, work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost;
- (e) adopt a positive outlook. Behave in a positive, proactive manner;

- (f) adhere to statutory requirements and best practice. Comply with applicable laws and standards including EU procurement rules, data protection and freedom of information legislation. [In particular the parties agree to comply with the requirements of the Information Sharing Protocol attached to this Protocol in Annex A];
- (g) act in a timely manner. Recognise the time-critical nature and deadlines of any projects and tasks to be undertaken within the remit of this Protocol and respond accordingly to requests for support;
- (h) manage stakeholders effectively;
- (i) deploy appropriate resources. Ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in this Protocol. [In particular the parties agree to make the contributions detailed in Annex D to this Protocol]; and
- (j) act in good faith to support achievement of the Key Objectives and compliance with these Principles.

4. MEMBERSHIP OF NELSA

4.1 The membership of NELSA consists of the Authorities who have signed this Protocol agreement and paid the annual membership fees in accordance with the procedure set out in Annex D.

4.2 If any former member of NELSA who has resigned wishes to re-join NELSA it may apply to do so in writing and its application will be considered at the next Leader's and Mayor's Board meeting. If the Leader's and Mayor's Board approves the application in accordance with the voting rights set out in Annex B, then the former member may re-join NELSA by paying the membership fees and signing up to this Protocol again.

4.3 If an Authority re-joins NELSA in the same year that it resigned and has already paid the full membership fees for that year then it is not obliged to repay the membership fees again upon re-admittance to NELSA.

4.4 The above clause 4.2 will also apply to any new Authority situated in the north east London region who wishes to join NELSA.

5. GOVERNANCE OF NELSA

5.1 Overview

The governance structure defined below provides a structure for the development and delivery of the activities of NELSA.

5.2 **Guiding principles**

The following guiding principles are agreed. NELSA's governance carried out under the direction of the Leaders' and Mayors' Board will:

- (a) provide strategic oversight and direction;
- (b) be based on clearly defined roles and responsibilities at organisation, group and, where necessary, individual level;
- (c) align decision-making authority with the criticality of the decisions required;
- (d) be aligned with scope of NELSA's activities (and may therefore require changes over time);
- (e) Use existing organisational, group and user interfaces;
- (f) provide coherent, timely and efficient decision-making; and
- (g) correspond with the key features of NELSA governance arrangements set out in this protocol.

5.3 **Leaders' and Mayor's board**

- (a) The **Leaders' and Mayors' Board** provides overall strategic oversight and direction to NELSA. This group will consist of:

Authority One: [The Leader]

Authority Two: [The Leader]

Authority Three: [The Leader)].

Authority Four: [The Mayor]

Authority Five: [The Leader]

Authority Six: [The Leader]

- (b) The remit of the Leaders' and Mayors' Board is to:
 - (i) direct NELSA policy and strategy
 - (ii) provide clear political direction to NELSA
 - (iii) agree the annual budget for NELSA
 - (iv) provide a forum for discussion and debate by key Councillors on matters of strategic significance for north east London
 - (v) act as champions and ambassadors for north east London

- (c) The Leaders' and Mayors' Board shall be managed in accordance with the terms of reference set out in B to this Protocol.
- (d) **Task and Finish Groups** Individual Task and Finish Groups will be set up for each specific task or project, as and when necessary, to be decided by the Leaders' and Mayors' Board. Once the Leaders' and Mayors' Board has decided that a Task and Finish Group has been deemed to have achieved the aims and objectives stated it will then be dissolved and no longer exist for the purposes of that particular task or project.
- (e) Each individual Task and Finish Group will provide strategic management of NELSA's activities for each task and project it has been set up for. It will provide assurance to the Leaders' and Mayors' Board that the Key Objectives are being met and that NELSA is performing within the boundaries set by the Leaders' and Mayors' Board. Included within the Task and Finish Group's duties are:
 - (i) to provide guidance on NELSA policy and strategy;
 - (ii) provide operational input to NELSA;
 - (iii) agree and monitor the delivery of the workplan;
 - (iv) receive progress reports and monitor its own outputs and outcomes to ensure compliance with the purpose of the Task and Finish Group and NELSA's Key Objectives;
 - (v) monitor the budget assigned to the Task and Finish Group to carry out the brief given to it by the Leaders' and Mayors' Board and ensure all work is conducted within budgetary restraints;
 - (vi) make decisions about the immediate goals of the Task and Finish Group;
 - (vii) Agree reports to be sent to the Leaders and Mayors' Board
 - (viii) Provide a forum for discussion and debate by senior officers of member organisations on matters of strategic significance for north London
 - (ix) Act as champions and ambassadors for north east London
- (f) The Task and Finish Groups' will consist of officer representatives from each of the parties. The Task and Finish Groups' shall have responsibility for the creation and execution of the project plan and deliverables, and therefore it can draw technical, commercial, legal and communications resources as appropriate into itself.. As each party to this Agreement is required to adhere to its own Authority's Constitution and internal procedure rules, each representative of every Authority on each Task and Finish Group is obliged to ensure that its own internal approvals and authority requirements are

complied with in order to proceed with implementation of any workplan that has been discussed and agreed upon within its Task and Finish Group and before any proposal is submitted in final format to the Leaders' and Mayors' Board.

- (g) The Task and Finish Groups' shall meet regularly on a basis to be decided by each Group.

5.4 Reporting

Project reporting shall be undertaken at three levels:

- (a) **Task and Finish Groups:** Minutes and actions will be recorded for each Task and Finish Group meeting. Any additional reporting requirement shall be at the discretion of the Task and Finish Group.
- (b) **Leaders' and Mayors' Board:** Reporting shall be quarterly based on the minutes from the relevant Task and Finish Group highlighting: Progress this period; issues being managed; issues requiring help (that is, escalations to the Leaders' and Mayors' Board) and progress planned next period and/or aligned with the frequency of the Leaders' and Mayors' Board meetings.
- (c) **Organisational:** the Task and Finish Group members shall be responsible for drafting reports into their respective sponsoring organisation as required for review by the Task and Finish Group before being issued.

6. ROLES AND RESPONSIBILITIES

- 6.1 The parties shall undertake the following roles and responsibilities to deliver NELSA's Key Objectives:
- 6.2 The responsibility for management of the membership fees and any other financial matters will be decided by the Leaders' and Mayors' Board and this responsibility will be governed by a separate agreement to this Protocol to be agreed upon by all Parties to this Protocol.
- 6.3 The Authority holding the chair at any given time will be responsible for providing secretarial support to the Leaders' and Mayors' Board meetings. This will include arranging dates, room bookings, meeting logistics and minute taking. The Chief Executive of the local authority which holds the Chair of NELSA will provide support and advice to the Chair of NELSA.

7. ROLE OF COUNCILLORS

- 7.1 The first Chair of NELSA will be the Leader of Authority Six and thereafter appointed in accordance with clause 7.3.
- 7.2 The Chair will take executive leadership of NELSA through chairing the Leaders' and Mayors' Board, leading other strategic meetings as required, being the key advocate for north east London through NELSA, and corresponding on behalf of NELSA.
- 7.3 The Chair will rotate between the local authorities alphabetically every 2 years from the date of the Annual General Meeting. The period of office will normally be two years, subject to clause 7.5 upon the Chair no longer being a member of his/her respective Authority and subject to the Chair tendering his/her resignation in accordance with clause 10.1 either event to invoke the appointment of a new Chair who shall be the Leader or Mayor of the next Authority due to take up the Chair under the alphabetical rotation system.
- 7.4 The condition precedent for the role of Chair is that in order to be a Chair the Chair must be either a Leader or a Mayor of his/her respective Authority. If an incumbent Chair loses this position within his/her own Authority then this will invoke an automatic review of the Chair's role and the leadership of NELSA and the incumbent Chair must step down within one day of no longer being a Leader or Mayor of his/her own Authority. A new Chair will be appointed in accordance with clause 7.3 of this Protocol.
- 7.5 Furthermore, any member of the Leaders' and Mayors' Board must be an elected councillor of his/her Authority. If any member loses this position within his/her Authority then he/she will step down from the Leaders' and Mayors' Board within one day of no longer being a member of his/her Authority.
- 7.6 The Annual General Meeting of NELSA will usually take place within two months of July in each year.

8. ESCALATION

- 8.1 If any party receives any formal inquiry, complaint, claim or threat of action from a third party (including, but not limited to, claims made by a supplier or requests for information made under the Freedom of Information Act 2000) in relation to NELSA the matter shall be promptly dealt with by the officer of each party affected working with other officers of all the other parties to formulate responses and resolve the matter. No action shall be taken in

response to any such inquiry, complaint, claim or action, to the extent that such response would adversely affect NELSA without the prior approval of the Leaders' and Mayors' Board.

9. INTELLECTUAL PROPERTY

- 9.1 The parties intend that any intellectual property rights created in the course of the NELSA's activities shall vest in the party whose employee created them (or in the case of any intellectual property rights created jointly by employees of both parties in the party that is lead party for the part of the project that the intellectual property right relates to).
- 9.2 Where any consultant/consultancy firm is employed by any Authority party to this Protocol for the purposes of any activity or the achievement of any of the Key Objectives of NELSA then that Authority agrees that whilst the intellectual property rights produced by that consultant/consultancy firm vest in that Authority it agrees to grant an irrevocable licence to the other parties to this Protocol for the use of those intellectual property rights for the purposes of NELSA activities.
- 9.3 Where any intellectual property right vests in either party in accordance with the intention set out in clause 9.1 above, that party shall grant an irrevocable licence to the other parties to this Protocol to use that intellectual property for the purposes of NELSA's activities.

10. RESIGNATION

- 10.1 Any Authority who wishes to resign as a member of NELSA shall give written notice of its resignation to the Leaders' and Mayors' Board and its resignation shall be effective on the date falling three months after the date of receipt by the Leaders' and Mayors' Board of such written notice.
- 10.2 Any such resignation tendered in accordance with clause 10.1 shall have no effect on the continuation of NELSA as an alliance of the remaining Authorities party to this agreement unless and until there is only one member Authority remaining, upon which NELSA will automatically dissolve.
- 10.3 If any member has not paid its annual membership fees within three months that payment is due then it is agreed that that member has impliedly resigned as a member of NELSA and from the date of the third month that the membership fee was due is no longer a member of NELSA and will no longer hold itself out as a member of NELSA.

- 10.4 Once an Authority tenders its resignation of NELSA it agrees that all work it has created for the purposes of NELSA's activities and any intellectual property rights it may hold in accordance with clause 9 will become the property of NELSA and the resigning Authority no longer has any right to such work and/or intellectual property.
- 10.5 Once an Authority has tendered its resignation it shall not be entitled to any refund of its membership fees for the remaining term of that year's membership costs.
- 10.6 The resigning party agrees to pass onto the remaining parties to this Protocol all work initiated or created by the resigning party for the purposes of NELSA's activities and/or achievement of NELSA's Key Objectives.
- 10.7 The resigning party agrees that upon the date its written resignation notice is tendered it does not have share of any the assets accrued by NELSA, but it will have a share of any liabilities accumulated while it was a member of NELSA. The resigning party therefore agrees to contribute towards any liabilities accrued during its time as a NELSA member in equal proportion to the remaining members. The resigning party will not be responsible for any new liabilities incurred on and/or after the date of its written resignation notice.

11. TERM AND TERMINATION

- 11.1 This Protocol shall commence on the date of signature by all parties and shall continue in force for an indefinite period of time or until it is terminated in accordance with clause 11.2.
- 11.2 This Protocol will terminate if it is agreed at Leaders' and Mayors' Board that there is no longer the financial funding available and/or political will for the continuation of NELSA.

12. VARIATION

- 12.1 This Protocol, including the Annexes, may only be varied by written agreement of the Leader's and Mayors' Board.
- 12.2 Any proposal to alter the Protocol must be submitted in writing to the Chair of the Leaders' and Mayors' Board at least 28 days prior to the meeting of the Board at which the proposal will be considered.

12.3 The member authorities will always seek to reach consensus but in the event that consensus cannot be reached any proposal to alter this Protocol may be carried by a resolution by a majority of all of the member authorities.

13. CHARGES AND LIABILITIES

13.1 Except as otherwise provided, the parties shall each bear their own costs and expenses incurred in complying with their obligations under this Protocol.

13.2 The parties agree to each contribute an annual membership fee for the funding of NELSA, the details of which are set out in Annex D.

13.3 All parties shall remain liable for any losses or liabilities incurred due to their own or their employee's actions and none of the parties intends that any other party shall be liable for any loss it suffers as a result of this Protocol.

14. STATUS

14.1 The parties enter into the Protocol intending to honour all their obligations.

14.2 Nothing in this Protocol is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute either party as the agent of the other party, nor authorise either of the parties to make or enter into any commitments for or on behalf of the other party.

14.3 This Protocol is not intended to be legally binding but has been created to govern an informal working arrangement between the parties to this Protocol.

Signed for and on behalf of the London
Borough of Barking and Dagenham

Signature:
Name:
Position:
Date:

Signed for and on behalf of the London
Borough of Enfield

Signature:
Name:
Position:
Date:

Signed for and on behalf of the London
Borough of Havering

Signature:
Name:
Position:
Date:

Signed for and on behalf of the London
Borough of Newham

Signature:
Name:
Position:
Date:

Signed for and on behalf of the London
Borough of Redbridge

Signature:
Name:
Position:
Date:
Date:

Signed for and on behalf of the London
Borough of Waltham Forest

Signature:
Name:
Position:
Date:
Name:
Office address:
Tel No:
E-mail Address:

Annex A. Information Sharing Protocol and LBWF Data Protection Policy

1. Whilst it is not envisaged that the Parties to this Protocol will exchange any personal data or sensitive personal data it is acknowledged that the Parties may have to share other information of a confidential nature with each other in order to achieve the Key Objectives of NELSA.

2. The Parties recognise that there are risks associated with the sharing of personal or sensitive information to conduct official Authority business, particularly in relation to each Authority's need to collect, process and protect data in line with legal requirements including the Data Protection Act 1998, Freedom of Information Act 2000, Public Records Act 1958, Copyright and Disability Discrimination legislation. No matter how data and information is shared, if personal data is collected and recorded by each individual Authority, under the Data Protection Act 1998 that Authority remains the data controller even when the information is shared with another Party to this Protocol.

3. The Parties to this Protocol agree that they shall only share information for a specified or recorded purpose and it is lawful to share the information.

4. In respect of any Confidential Information the Parties may receive from another party ("the Discloser") and subject always to the following provisos each Party ("the Recipient") undertakes to keep secret and strictly confidential and shall not disclose any such Confidential Information to any third party, without the Discloser's prior written consent provided that:

- (a) the Recipient shall not be prevented from using any general knowledge, experience or skills which were in its possession prior to the commencement of this Protocol;

5. the provisions of this Clause shall not apply to any Confidential Information which:-

(a) is in or enters the public domain other than by breach of this Protocol or other act or omissions of the Recipient;

(b) is obtained by a third party who is lawfully authorised to disclose such information; or

(c) is authorised for release by the prior written consent of the Discloser; or

(d) the disclosure of which is required to ensure the compliance of the Authority with the Freedom of Information Act 2000 (the "FOIA").

6. The Recipient shall take all necessary precautions to ensure that all Confidential Information obtained from the Disclosing Authority under or in connection with the purposes of NELSA:-

(a) is given only to such staff and professional advisors or consultants engaged to advise it in connection with the Protocol as is strictly necessary for the performance of the Key Objectives and only to the extent necessary for the performance of the Key Objectives;

(b) is treated as confidential and not disclosed (without prior approval from the Disclosing Authority) or used by any staff of the Recipients or such professional advisors or consultants otherwise than for the purpose for which it is shared.

(c) Nothing in this Protocol shall prevent the Recipient from disclosing Confidential Information where it is required to do so by judicial, administrative, governmental or regulatory process in connection with any action, suit, proceedings or claim or otherwise by applicable law. However, in the spirit of the joint working arrangements under this Protocol the Recipient shall notify the Disclosing Authority prior to any such disclosure of Confidential Information unless it has specifically been estopped from doing so.

7. Each Party acknowledges that each other Party is or may be subject to the FOIA. Each Party notes and acknowledges the FOIA and both the respective Codes of Practice on the Discharge of Public Authorities' Functions (the "Codes of Practice") and on the Management of Records (which are issued under section 45 and 46 of the FOIA respectively) and the Environmental Information Regulations 2004 as may be amended, updated or replaced from time to time (the "EIR"). The Parties will act in accordance with the FOIA, the Codes of Practice and EIR (and any other applicable codes of practice or guidance.)

8. The Parties agree that:

(a) the provisions of this Protocol are subject to the respective obligations and commitments of each Authority under the FOIA and both the respective Codes of Practice on the Discharge of Public Authorities' Functions and on the Management of Records (which are issued under section 45 and 46 of the FOIA respectively) and EIR;

(b) subject to Clause 8(c), the decision on whether any exemption applies to a request for disclosure of recorded information is a decision solely for the Authority who has been requested for the information but the Parties agree to work together in accordance with clause 8.1 of the Protocol ;

(c) where the Authority is managing a request as referred to in Clause 8(b), the other Parties shall co-operate with the Authority making the request and shall

respond within five (5) Working Days of any request by it for assistance in determining how to respond to a request for disclosure.

9. DATA PROTECTION

9. The Parties shall comply with the Data Protection Act 1998 ("the 1998 Act") and any other applicable data protection legislation. In particular the Parties agree to comply with the obligations placed on them by the seventh data protection principle ("the Seventh Principle") set out in the 1998 Act, namely:

(a) to maintain technical and organisational security measures sufficient to comply at least with the obligations imposed on the Parties by the Seventh Principle;

(b) only to process Personal Data for and on behalf of the Authority, in accordance with the instructions of the Authority and for the purpose of performing its obligations under the Contract and to ensure compliance with the 1998 Act;

Title LBWF Data Protection Policy

Contributors

Development of this policy was assisted through information provided by the following organisations:

- Information Commissioner's Office

1. Policy Statement

The Waltham Forest Council ("the Council") is required to maintain certain personal data for the purposes of satisfying operational and legal obligations. The Council recognises the importance of correct and lawful treatment of personal data; it maintaining confidence within the organisation and those who deal with it and allows for successful business operations.

2. Scope and Policy Status

This policy has been approved by the Senior Management Board and applies to:

- Councillors, the executive, committees and other member bodies
- All departments and services
- Partner agencies, e.g. health and the Police
- Employees and agency or other locum staff.
- Volunteers and those on work experience who have access to personal data.
- Contractors who have access to personal data.
- Agents of the Council who have access to Waltham Forest Council information, information systems or IT equipment.

3. Purpose

The Council needs to collect and use certain types of personal data about the people it deals with in order to operate and discharge its statutory functions and achieve its priorities for the borough. The personal data may include information relating to current, past and prospective employees, tenants, customers, residents, councillors, suppliers, electors, clients and others with whom it communicates. The personal data, whether it is held on paper, on a computer or any other media will be subject to the appropriate legal safeguards as specified in the Data Protection Act 1998 (the Act).

The Act requires that the Council puts in place safeguards to ensure that personal data is dealt with lawfully however it is collected, recorded and used – whether on paper, in a computer, or recorded on other material.

The Council will fully adhere to the eight Data Protection principles in the Act, which specify the legal conditions that must be satisfied in relation to all processing of

personal data including obtaining, handling, processing, transportation, storage and disposal of personal data.

The principles require that personal data is:

- I. Processed fairly and lawfully and will not be processed unless certain conditions are satisfied.
- II. Obtained only for one or more specified and lawful purposes, and shall not be further processed in any manner incompatible with that purpose or those purposes.
- III. Adequately, relevant and not excessive in relation to the purpose or purposes for which they are processed.
- IV. Accurate and, where necessary, kept up to date.
- V. Not be kept for longer than is necessary for that purpose or those purposes
- VI. Processed in accordance with the rights of data subjects under the Act,
- VII. Kept secure from unauthorised or unlawful processing and protected against accidental loss destruction or damage by using the appropriate technical and organisational measures
- VIII. Not be transferred to a country or territory outside the European Economic Area unless that country or territory ensures an adequate level of protection for the rights and freedoms of data subjects in relation to the processing of personal data.

4. Compliance with the Principles:

In order to meet the requirements of the principles the Council will:

- Observe fully the conditions regarding the fair collection and use of personal data
- Meet the obligations to specify the purpose for which personal data is used
- Ensure the quality of personal data
- Apply appropriate checks in order to determine the length of period personal data is held and securely dispose of personal data thereafter
- Take appropriate technical and organisational security measures to safeguard personal data
- Collect and process appropriate personal data only to the extent that it is needed to ensure quality of personal data that is used.
- Ensure personal data is not shared with third parties or transferred abroad without proper safeguards

The Data Protection Policy should be read in conjunction with the following policies and procedures made to implement the policies in practice:

- (i) ICT Acceptable Use Policy
- (ii) Information Governance Policy
- (iii) Information Security Policy
- (iv) Records Management Policy

The Council's data protection management framework will:

- Ensure the Council's DPA notification with the ICO is renewed annually before it expires.
- Observe the conditions regarding the fair collection and use of personal data, including the requirements for appropriate privacy notices and obtaining consent of data subjects.
- Meet its legal obligations to specify the purposes for which personal data is used, including the requirements for appropriate privacy notices.
- Collect and process only adequate and relevant personal data, and only to the extent that it is needed to fulfil operational needs or to comply with any legal requirements.
- Take reasonable steps to ensure the quality of the personal data that is collected and used.
- Adopt appropriate information sharing protocols and agreements and ensure all staff are aware when it is appropriate and legal to share personal data with other departments or external organisations.
- Have a clear retention policy for all personal information and apply processes so that it is not kept for longer than necessary.
- Provide clear information to individuals about their rights under the Act and ensure we respond appropriately to any requests from individuals about their personal data e.g. the right to prevent processing in certain circumstances and the right to correct, rectify, block or erase information which is regarded as incorrect.
- Take appropriate technical and organisational security measures to safeguard personal data.
- Ensure that personal data is not transferred abroad without suitable safeguards.
- Have clear procedures for subject access requests and monitor compliance.
- Ensure all employees and other staff are aware of their obligations under the Act from induction onwards.
- Ensure all staff managing and handling personal data is appropriately trained to do so.
- Ensure all staff managing and handling personal data is appropriately supervised.
- Ensure enquiries and complaints from the public about the handling of personal data are promptly and politely dealt with.
- Regularly monitor and review data processing to ensure compliance and best practice.

- Ensure there is an incident management process in place for dealing with breaches of personal data security. Where appropriate report, data breaches to the ICO.

5. Definitions

Personal Data:

means information (including expression of opinion) about a living individual who can be identified from the data alone or any other data that the Council holds or is likely to hold in the future.

Sensitive Personal Data is personal data that relates to an individual's:

- (a) the racial or ethnic origin
- (b) political opinions.
- (c) religious beliefs or philosophical beliefs of a similar nature.
- (d) Membership of a trade union (within the meaning of the Trade Union and Labor Relations (Consolidation) Act 1992).
- (e) physical or mental health or condition.
- (f) sexual life.
- (g) commission or alleged commission of any offence.
- (h) legal proceedings or sentencing for any offence.

The Data Controller: A person or organisation which holds personal data or sensitive personal data and controls how it is used. The Council is a data controller

Data Processor: A person or organisation which processes personal data on behalf of the data controller but does not decide how the data is used. The Council's contractors are data processors

Data Subject: The individual who is the subject of the personal data

Processing: Processing is very broad and includes all activities relating to personal data such as collecting, using, disclosing, storing, altering, erasing, destroying, disseminating, blocking and recording personal data

More detailed information can be found on the Information Commissioner's website:

http://www.ico.gov.uk/for_organisations/data_protection/the_guide.aspx

6. The Council's Designated Data Controller

The Council's designated data controller is the Senior Information Risk Officer (SIRO) who is responsible for ensuring compliance with the Act and implementation of this policy on behalf of the Chief Executive.

Any questions or concerns pertaining to the operation and interpretation of this policy should be taken up in the first instance with the designated Data Protection Officer who will then consult with the SIRO.

Currently, the SIRO is Paul Golland, Chief Information Officer and the DPO is Ikenna Akpom, Information Governance & Security Officer.

7. Risks of Non-Compliance with the Act

Suspected breaches of the Act must be reported to the Information Governance and Security Officer, who will then determine whether or not a report must be made in accordance with the relevant Council's procedure to the ICO. Breaches of the Act may be a matter that is reportable to the ICO, however, this would be determined by the nature of the breach and the current Council's Procedures.

The Council's Code of Conduct requires employees to comply with the Act and the Council's broader duty of confidentiality. A breach of the Act and / or this policy may therefore may result in disciplinary action. Further, it is important to remember that individual can be held liable for both criminal and civil proceedings by the Information Commissioner or any other individual data subject who suffers damage due to a breach.

8. Management Responsibility

Managers are responsible for ensuring compliance within their service and that staff are aware of their responsibilities as set out in this policy especially where Directorates possess or work with personal information. Directors are responsible for compliance within their directorate.

9. Subject Access

All individuals who are the subject of personal data held by the Council are entitled to:

- Enquire about what information the Council hold on them and why
- Ask how to gain access to it and, subject to certain exceptions and conditions, be provided with a copy of their personal data.
- Be informed on how to keep it up to date
- Be informed what the Council is doing to comply with its obligations under the Act.

See 12 below.

10. Employee Responsibilities

All council employees are responsible for:

- Ensuring that they comply with all data protection policies and procedures in their day to day work
- Attend all relevant training and read and comply with any guidance notes, newsflashes and other awareness raising materials
- Checking that personal data that they provide to the Council is accurate and up to date

- Informing the Council of any changes to information which they provided (change of address)
- Checking any personal information that the Council may send out from time to time, providing details of information that is being kept and processed.

11. Data Security

There is an overarching need by the Council to ensure that the appropriate security measures are taken when holding or handling personal data. All staff are responsible for ensuring that:

- Any personal data that is held is kept securely
- Personal information is not disclosed to any unauthorised third party (either in writing or orally).

12. Right to Access Information

All individuals who are the subject of personal data held by the Council have the right to access personal data, however, this right is subject to certain exemptions set out in the Act. Any individual who wishes to make a subject access request should do so centrally to the Council's Complaints Team. The request will be recorded by the Information Officer and an acknowledgement is issued before the Request is then directed to the appropriate service area for processing. The Council is required to comply with the 40 day period to deal with Subject Access Request and the requested fee by the Council must be paid and proof of identity is also required. The Council reserves the right to charge the maximum fee payable for each subject access request. The Council aims to comply with request for access to personal information as quickly as possible and ensure that it is provided within the 40 day of receipt of a completed form.

13. Publication of Council information

Information already within the public domain is exempt from the 1998 Act.

The Council has a specific Publication Scheme in relation to Freedom of Information and also publishes information relation to Council's priorities, policies overview and advice and guidance. Any individual who has a good reason for wishing information within such publications should remain confidential should contact the Council's data protection officer or SIRO.
<http://www.walthamforest.gov.uk/Pages/Services/foi>

14. Subject Consent

In many instances the Council may only process personal data with the consent of the individual concerned. Where sensitive personal data is concerned, for example, data relating to health, race, gender, criminal convictions express consent to processing the data must be obtained. Any processing without consent must be lawful, i.e. the purpose of processing must be necessary and comply with one or more of the other conditions that the Data Protection Act sets out. For example,

the processing of certain sensitive data is necessary to operate the Council's policies such as health and safety and equal opportunities and may be processed without explicit consent where appropriate.

15. Data Retention, Storage and Destruction:

Effective file keeping and data management are vital to all the Council to carry out its business functions.

In order to comply with the 1998 Act, personal data must be:

- Retained for only as long as necessary. The Council has a records retention schedule, which identifies statutory and corporate retention periods. Where no statutory period is identified, 6 years is regarded as the maximum period for retention, though a shorter period may sometime be appropriate.
- Retrievable and easily traced from storage
- All data and records should be stored securely to avoid misuse or loss.
- Stored appropriately having regards to confidentiality and the sensitivity of the material recorded
- All information of a confidential or sensitive nature must be securely destroyed when no longer required.

The Council has a Records Management Policy that provides further details in respect of procedures surrounding retention, storage and destruction of data.

16. Information Governance

The Council has developed an Information Governance Strategy and Policy that sets out the Council's approach to effective information governance arrangements. The aim of the Strategy will be to ensure legal compliance and to that personal data controlled by the Council is used for the better delivery of Council services for the benefit of residents and the borough.

The objectives of the Information Governance Policy will be:

Information Security: To apply security measures that are appropriate to the contents of information

Legal Compliance: To achieve a balance between security and openness and comply with the relevant legislation.

Information Quality: To support the provision of quality service by the availability of quality information.

Information & Records Management: To ensure that the storage, movement, archiving, disposal of information and records is properly managed.

Information Sharing: To ensure that information is effectively shared internally and between partner organisations while complying with the law and best practice standards.

Awareness and Guidance: To develop supporting arrangements which provide employees with training thereby raising awareness and gaining access to information governance policies and guidance.

The Strategy will provide clear direction to managers and staff and an information governance structure led by an Information Governance Board (IGB) has been set up in order to promote and managed information governance and security within the Council.

17. Role and Responsibilities (see also 8 & 10 above)

Key roles in data protection compliance are set out below:

Chief Executive: Overall responsibility and accountability of information governance within the organisation.

Senior Information Risk Officer

(SIRO): The Information Governance Lead within the Council and is nominated by the Chief Executive. In addition, the SIRO is the chair of the Information Governance Board.

Caldicott Guardian: A Caldicott Guardian is the officer responsible for protecting the confidentiality of social care service user information and enabling appropriate information-sharing. Currently, this is the Head of Assessment and Care Management of the Council.

Information Asset Owners: Are senior members of each directorate and is a nominated officer for one or more identified information asset of the Council. The information Asset Owner has to identify and document the scope of the of all information assets the own. In addition, IAO review and prioritise the perceived risks and oversight of actions agreed to mitigate those risks.

All Managers: Should ensure that the requirements of the Information Governance policy are built into local procedures and an on-going compliance takes place on a daily basis.

All Staff are responsible for ensuring that they comply with the Information Governance policy and security policies and procedures that are relevant to their service.

18. Complaints about Data Protection

Complaints in relation to breaches of data protection will be dealt with under the Council's Corporate Complaints procedure. If dissatisfied with the Council's response, any individual may make a complaint to the Information Commissioner who may carry out an assessment as to whether or not the Council has fully complied with the requirements of the Act. The ICO will normally write to the Council with its decision but in more serious cases may take enforcement action requiring the Council to take steps to comply with the Act and / or in the most serious cases may initiate criminal proceedings for offences under the Act

19. Advice and Training

The Council has appointed its Data Protection Officer, as required, to help meet the aims and requirements of the Act. As far as practicable, the Council will provide training for employees and members to comply with this Policy.

The Council's Organisational Development team has developed e-learning packages in respect of data protection and protecting information. Specialist e-learning courses on matters relating to social care information also exist and Legal Services also provide specialist training.

The Council's Legal Service provides advice in relation to data protection and information law matters, including but not limited to policy matters, individual subject access requests, exemptions, disclosures and ICO complaints.

20. Policy Governance

The following table identifies who within Waltham Forest Council is Accountable, Responsible, Informed or Consulted with regards to this policy. The following definitions apply:

- Responsible – the person(s) responsible for developing and implementing the policy.
- Accountable – the person who has ultimate accountability and authority for the policy.
- Consulted – the person(s) or groups to be consulted prior to final policy implementation or amendment.
- Informed – the person(s) or groups to be informed after policy implementation or amendment.

Responsible	Information Governance and Security Officer
Accountable	Head Of ICT (Senior Information Risk Owner)
Consulted	Information Governance Board
Informed	All Council Employees, All Temporary Staff, All Contractors.

21. Monitoring, Review and Revision

The Information Governance Board will agree monitoring processes of the level of compliance with the Act within the Council. Non-compliance identified in the

monitoring process will be reported to the relevant Director and regular reports will be provided to Management Board. Compliance with the Council's duties in respect of subject access requests form part of the Council's performance management framework.

This policy will be reviewed as it is deemed appropriate, but as a minimum every 12 months and will be undertaken by the Information Governance and Security Officer and submitted to the Information Governance Board.

Annex B. For any kind of Leaders' and Mayors' Board terms of reference

The meetings of the Leaders' and Mayors' Board will be chaired by the Chair of NELSA or her/his Vice Chair.

The first Vice Chair of NELSA shall be the Leader or Mayor of Authority Six and thereafter on rotation in accordance with the principles of clause 7.3.

Membership of the Leaders' and Mayors' Board is limited to members from the 6 key partner organisations. The Leaders' and Mayors' Board may invite persons who are not members of the Leaders' and Mayors' Board to attend meetings in an advisory capacity, but such persons will not have voting rights.

Substitutions at the Leaders' and Mayors' Board will be allowed providing that the substitute is a bone fide representative and an executive member of the body nominating the substitute.

In order for the Board to make decisions of an important nature which affect the management or policy of NELSA then NELSA would require an attendance of at least 4 out of the 6 key partner organisations to be present.

The majority of decisions made by partners are by consensus and dependent on reaching mutual accord. This is an important facet of the work of NELSA as it encourages and nurtures partnership working for the benefit of the sub-region. However, it is accepted that, on occasions, decisions may have to be made by voting. Decisions will be made by a simple majority, with each of the 6 key partner organisations having one vote. Voting should be through Members, however if a Councillor from one of the key partner organisations is not present then a senior officer of that local authority may vote in her/his place. Voting will be by a show of hands. In the event of an equality of votes, the Chair will be entitled to a second or casting vote.

Meetings of the Leaders' and Mayors' Board will be held on a on a quarterly basis.

Annex C Task and Finish Groups' Terms of reference

The meetings will be chaired by either the CEO or the most appropriate officer as decided by the Leaders' and Mayors' Board of the Local Authority which holds the Chair of NELSA, or a substitute nominated by the Chair, or agreed at the meeting, if s/he is unable to attend.

Membership of the Task and Finish Groups' will be drawn from officers of the member authorities. The Task and Finish Groups' may invite persons who are not members of the Task and Finish Groups' to attend meetings in an advisory capacity, but such persons will not have voting rights.

Substitutions at the Task and Finish Groups' will be allowed providing that the substitute is a bone fide representative of the body nominating the substitute.

In order for the Task and Finish Group to make decisions of an important nature which affect the outcome of the Group, its purpose, the Key Objectives, the budget and any other such issues then the Task and Finish Group would require an attendance of at least 4 out of the 6 key partner organisations to be present.

The majority of decisions made by partners are by consensus and dependent on reaching mutual accord. This is an important facet of the work of NELSA as it encourages and nurtures partnership working for the benefit of the sub-region. However, it is accepted that, on occasions, decisions may have to be made by voting. Decisions will be made by a simple majority, with each of the 6 member organisations having one vote. Voting will be by a show of hands. In the event of an equality of votes, the Chair will be entitled to a second or casting vote.

Each member of the Task and Finish Groups' shall be responsible for reporting that Board's deliberations to its respective body or organisation and for implementing any actions agreed by their representative at the Task and Finish Groups'

Annex D Contributions

[INSERT DETAILS OF CONTRIBUTIONS (INCLUDING FINANCIAL, STAFFING, PREMISES, USE OF IT ETC) THAT THE PARTIES ARE WILLING TO COMMIT. THIS SHOULD ALSO INCLUDE ANY ARRANGEMENTS FOR CROSS-CHARGING AND OTHER PROJECT COSTS (FOR EXAMPLE ANY CONSULTANT'S COSTS THAT MAY NEED TO BE PAID)]

Each Authority shall pay the total sum of £10,000 per year as membership fees in accordance with clause 4 of this Protocol Agreement. This funding will provide funding for the events, campaigns and publications and expert advice.

The fees payable shall be paid as a single lump sum at the start of each financial year for the whole term of the Protocol until it is terminated in line with clause 12.2 above.

The full details of the management of the membership contributions shall be set out in a separate, legally binding agreement between the six Parties to this Protocol.

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DATED _____ 2015

LONDON BOROUGH OF BARKING AND DAGENHAM

LONDON BOROUGH OF ENFIELD

LONDON BOROUGH OF HAVERING

LONDON BOROUGH OF NEWHAM

LONDON BOROUGH OF REDBRIDGE

LONDON BOROUGH OF WALTHAM FOREST

**INTER AUTHORITY AGREEMENT
IN RELATION TO FUNDING FOR NELSA**

THIS AGREEMENT is made the

2015 between

1. The Mayor and Burgesses of the London Borough of Barking & Dagenham, Civic Centre, Dagenham, RM10 7BN (“Barking & Dagenham “)
2. The Mayor and Burgesses of the London Borough of Enfield, (Civic Centre, Silver Street, Enfield, EN1 3XA (“Enfield”)
3. The Mayor and Burgesses of the London Borough of Havering, Town Hall, Main Road, Romford RM1 3BB (“Havering”)
4. The Mayor and Burgesses of the London Borough of Newham, Town Hall, Barking Road, East Ham, London E6 2RP (“Newham”)
5. The Mayor and Burgesses of the London Borough of Redbridge, 128-142 High Road, Ilford IG1 1DD (“Redbridge”) and
6. The Mayor and Burgesses of the London Borough of Waltham Forest, Town Hall, Forest Road, Walthamstow, London E17 4JF (“Waltham Forest “)

(Hereinafter jointly referred to as “the Boroughs”)

BACKGROUND

- (a) The Parties to this Agreement are all members of the North East London Strategic Alliance (“NELSA”) a strategic partnership constituted at the political level for the purposes of a unified political consensus to formulate a clear vision for the improvement and development of the north east London region.
- (b) The key objectives of NELSA include the following; to conduct research and build consensus in order to effect change at a national level for the benefit of the north east London region, to act as champions and ambassadors for north east London and to influence key decision makers in order to achieve the relevant investment and funding for the enhancement of the area.
- (c) The Parties have established this partnership and group working model on the basis of the Partnership Protocol attached to this Agreement at Appendix One. NELSA is driven by the Leaders’ and Mayors’ of each Authority under the auspices of a Leaders’ and Mayors’ Board whose Terms of Reference are set out in Appendix B to the Partnership Protocol.
- (d) This Agreement has been set up as a legally binding arrangement between the Boroughs supplemental to the Partnership Protocol in order to ensure that the funding that is contributed by each of the Boroughs towards NELSA’s activities in accordance with Annex D of the Protocol is managed and expended in line with the terms of this Agreement.

IT IS HEREBY AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

- 1.1 Words importing the singular shall include the plural and vice versa. Words importing any gender shall include all genders and words importing persons shall include bodies incorporate, unincorporated associations and partnerships.
- 1.2 Clause headings are inserted for reference only and shall not affect the interpretation or construction of this Agreement.
- 1.3 In this Agreement, the following words and expressions have the following meanings

Annual Budget	Shall mean the aggregate of all sums paid each Financial Year by each of the Parties
Annual Contribution	Shall mean the sum paid each Financial Year by each of the Parties in accordance with paragraph 9.2
Financial Year	Shall mean 1 April – 31 March
NELSA	Shall mean the strategic partnership established by the Boroughs in accordance with the Protocol attached as Appendix One to this Agreement
Lead Borough	Shall mean one of the Parties to this Agreement which shall take on the lead responsibility for delivering particular activities as from time to time is identified, defined and agreed under the Agreement
Leaders' and Mayors' / Leaders' and Mayors' Board	Shall mean the members of the Leaders' and Mayors' Board as constituted under the NELSA Partnership Protocol terms.
Partnership Protocol	Shall mean the Partnership Protocol for NELSA attached to this Agreement at Appendix One.
Task and Finish Group	Shall mean the groups set up by the Leaders' and Mayors' Board in accordance with the terms of the Partnership Protocol.
The Boroughs	Shall mean the London Boroughs of Barking & Dagenham, Enfield, Havering, Newham, Redbridge and

Waltham Forest.

The Parties Shall mean the Mayor and Burgesses of the London Boroughs of Barking & Dagenham, Enfield, Havering, Newham, Redbridge and Waltham Forest.

2. **CONSIDERATION**

2.1 In consideration of the mutual agreements set out herein the Parties have granted the rights and accepted the obligations set out herein.

3. **ENABLING POWERS**

3.1 This Agreement is made pursuant to Section 1(1)(b) of the Local Authorities (Goods and Services) Act 1970 and Section 1 of the Localism Act 2011 (and all the other enabling powers).

3.2 It shall be the responsibility of each Party to ensure they have the necessary delegations and decisions in place to give effect to this Agreement and by the act of entering into this Agreement have confirmed each of the Boroughs has met the requirements of this Clause 3.2.

3.3 The general terms of the Partnership Protocol were considered and approved by the Cabinet of each of the six Boroughs on the dates specified in Appendix Two. The Leaders' and Mayors' for each of the Boroughs acting under delegated authority signed and agreed the Partnership Protocol on the dates specified in Appendix Two.

4. **COMMENCEMENT**

4.1 This Agreement shall commence from the date that the Partnership Protocol has been signed by all the Parties and shall continue until terminated in accordance with paragraph 10.1 or 10.4.

5. **OBJECTIVES**

5.1 The main purpose of establishing the arrangements set out in this Agreement is for the Boroughs to collaborate on and coordinate a range of activities and opportunities for the purposes of achieving the key objectives of NELSA, which include the following:

5.1.1 Research and building consensus around the needs and opportunities of the sub-region of north east London;

- 5.1.2 Raising the profile of north east London and making the strategic case for public and private sector investment;
 - 5.1.3 To work with existing partnerships and develop new partnerships on behalf of the region in order to facilitate the delivery of improved services for the residents of each of the Boroughs;
 - 5.1.4 To develop and implement a collaborative programme;
 - 5.1.5 Act as ambassadors for the area, influencing key decision-makers, the development of policy in London and co-ordinating relationships between north east London and regional and central Government
 - 5.1.6 Such other objectives as the Boroughs jointly agree are conducive to the joint working arrangements under this Agreement.
- 5.2 Such objectives as set out in accordance with paragraphs 5.1.1 to 5.1.6 above shall collectively be referred to as the Key Objectives and may be amended and varied from time to time as agreed in accordance with paragraph 7.2 of this Agreement.

6. **THE LEADERS' AND MAYORS' BOARD**

- 6.1 The Leaders' and Mayors' Board as set up for the purpose of developing and managing the achievement of the Key Objectives shall be in control of and have charge of the Annual Contributions that each of the Boroughs must pay as their membership fees for joining NELSA.
- 6.2 The Leaders' and Mayors' Board shall be accountable to the Boroughs for the management of the Annual Contributions and shall on request provide reports to and/or arrange for the Chair (or other representative if required) to attend meetings of each or any of the six Boroughs including but not limited to their respective scrutiny commissions.

7. **POWERS**

- 7.1 The Leaders' and Mayors' shall not have any delegated powers other than those expressly set out in this Agreement or as may be agreed between the Parties in accordance with the procedure for agreement set out in paragraph 7.2 below. Anything undertaken by the Leaders' and Mayors' Board which cannot be delivered directly by the Leaders' and Mayors' Board or which shall require contractual or other arrangements to be entered into to deliver the Key Objectives shall be undertaken through one of the Parties who shall be identified in accordance with the procedure for agreement as set out in paragraph 7.2 below, to act as the Lead Borough on that particular activity, or as may be delegated to it by the relevant Task and Finish Group as set up and approved by the Leaders' and Mayors' Board.

- 7.2 Unless otherwise specified in the Agreement the procedure for agreement shall require the consensus of all Parties through the Leaders' and Mayors' Board of the Boroughs who shall reach agreement at the Leaders' and Mayors' Board in writing.
- 7.3 The Parties shall agree in accordance with the procedure for agreement in paragraph 7.2 what activities shall be undertaken, which of these activities shall be delivered by one of the Parties acting as Lead Borough. Where delivery shall be by a Lead Borough the Parties shall agree which of them shall take the Lead Borough role and what resources (if any) need to be sourced and the estimated costs to be met in accordance with Clause 9 of the Agreement for that activity.
- 7.4 The Parties have agreed that the following areas of activity shall be the initial activities to be undertaken:-
- 7.4.1 To manage the Annual Budget, receive income, pay out expenses and reimburse costs of agreed activities in accordance with an agreed programme of activity and cost (such a programme to be agreed at Leaders' and Mayors' Board or at Task and Finish Groups.)
- 7.4.2 The initial activities to be undertaken would include the organisation and delivery of events, campaigns, the production of publications and the commissioning of expert advice and consultants to provide specific deliverables in order to achieve the Key Objectives of NELSA.
- 7.5 Additional activities to those set out in paragraph 7.4.1 and 7.4.2 above shall be agreed between the Parties in accordance with the procedure for agreement set out in paragraph 7.2 above. All additional activities agreed by the Boroughs shall be evidenced in writing against this Agreement.

8. LEAD BOROUGH ARRANGEMENTS

- 8.1 Where necessary a Lead Borough shall be identified from amongst the Parties to implement any necessary activities under this Agreement.
- 8.2 It is agreed that the initial activities in relation to paragraph 7.4.1 should be undertaken by Enfield. For the purposes of paragraph 7.4.1 Enfield will be the lead borough and will be subject to the provisions contained in this Agreement and be responsible for the day to day management of the Annual Budget.
- 8.2.1 In discharging the Annual Budget as outlined in paragraph 7.4.1 it is agreed that the Lead Borough shall be Enfield.
- 8.3.1 In discharging the Annual Budget activity Enfield will adopt standard Local Government financial control practices and principles as shall apply from time to time.

- 8.3.2 For each Financial Year Enfield will produce an Annual Budget for agreement at Leaders' and Mayors' Board in advance of the Financial Year start and by no later than 1 March in any year which shall cover all aspects of the agreed activity to meet the Key Objectives and a cash flow statement.
- 8.3.3 Enfield will produce where practicable a statement of expenditure and income and financial commitments for every Leaders' and Mayors' Board which takes place quarterly or where not practicable at a minimum frequency of every six months from the commencement of this Agreement.
- 8.3.4 Enfield will reimburse agreed and approved items of expenditure as submitted in accordance with paragraph 8.5
- 8.5 Subject to the inclusion of sufficient funds in the Annual Budget Enfield will reimburse costs for any Lead Borough activity carried out under this Agreement within 30 days of submission of a statement of expenditure provided that the said statement of expenditure is agreed as reasonable by Leaders' and Mayors' Board (not including the Party submitting the said statement) such agreement to be provided within 30 days of submission of the statement of expenditure. Such statements of expenditure shall include all relevant proofs and details of expenditure as would ordinarily be expected by an authority acting reasonably.
- 8.6 In the event that additional Lead Boroughs are identified for certain activities under this Agreement they shall submit statements of expenditure as required in paragraph 8.5. Payments shall be made in accordance with the procedure set out in paragraph 8.5.

9. THE ANNUAL BUDGET

- 9.1 Enfield shall be the Lead Borough responsible for administering the Annual Budget.
- 9.2 Subject to the provisions of paragraph 9.3 each Party will pay an Annual Contribution, the sum of which shall be agreed in accordance with Annex D of the Protocol until termination of the Protocol and this Agreement such payments to be made on or before the 30 April in each year until termination of the Protocol and this Agreement.
- 9.3 The first Annual Contribution shall be payable within 30 days of the commencement of this Agreement. Such payment shall be the contribution payable from April 2015 to March 2016. Thereafter the payments particularised in paragraph 9.2 shall fall due.
- 9.4 All agreed costs will be shared equally and be met from the Annual Budget.
- 9.5 Any underspends in any Financial Year will be carried forward unless all Parties agree to be reimbursed. Such agreement to be reached in accordance with paragraph 7.2 above.

9.6 In the event of any overspend caused by negligence, breach of this Agreement or authority being exceeded by any Party to this Agreement, that Party shall be solely responsible for the costs arising.

10. **TERMINATION AND DISSOLUTION**

10.1 This agreement shall terminate on the same date as the Partnership Protocol is terminated.

10.2 In the event of termination a final account will be drawn up detailing the costs and liabilities arising from such termination. Such costs and liabilities shall include any cost of terminating any formal arrangements entered into.

10.3 Any net costs after deduction of any income or Annual Contributions remaining will be shared equally between the Boroughs.

10.4 In the event of termination and further to the final account being drawn up and settled, any remaining balance in the Annual Budget shall be divided equally amongst the Parties who were party to the agreement at the time of such termination.

10.5 In the event of one or more of the Boroughs wishing to withdraw from this Agreement, but where the Leaders' and Mayors' Board effectively continues then the withdrawing Borough[s] agree that the Annual Contributions it has paid into NELSA will not be repayable to the withdrawing Borough and will remain in the Annual Budget to be expended as the remaining Boroughs agree upon in accordance with clause 7.2. This will include any costs of terminating formal agreements and costs that fall on the remaining Boroughs not able to be defrayed by other action.

10.6 Any Borough wishing to withdraw shall be required to give three months' notice of the withdrawal, such notice to be given on the same date as the withdrawing Borough gives notice of resignation from NELSA in accordance with the Partnership Protocol terms. Such notice period may only be reduced with the written agreement of all non-withdrawing Boroughs.

10.7 The withdrawing Party agrees that upon the date its written resignation notice is tendered it does not have share of any the assets accrued by NELSA, but it will have a share of any liabilities accumulated while it was a member of NELSA. The withdrawing Party therefore agrees to contribute towards any liabilities accrued during its time as a NELSA member in equal proportion to the remaining members. The withdrawing Party will not be responsible for any new liabilities incurred on and/or after the date of its written resignation notice.

11. **ENTIRE AGREEMENT**

- 11.1 This Agreement together with any appendices (except Appendix One) to it constitutes the entire agreement between the Parties with respect to the matters dealt with therein.
- 11.2 For the avoidance of doubt the terms of the Partnership Protocol and Appendix One thereto are not legally binding on the Parties as they operate to govern the informal working arrangements of NELSA only.

12. **NO PARTNERSHIP**

- 12.1 Nothing in this Agreement shall constitute or be deemed to constitute a partnership between any of the Parties and except as expressly provided herein none of the Boroughs shall have any authority to bind the others in any way save as permitted by this Agreement.

13. **INSURANCE**

- 13.1 During the term of the Agreement and for a period of 6 years thereafter (without prejudice to its obligations under the Agreement), the Parties shall:
- 13.1.1 Hold employers' liability insurance in the sum of not less than £10,000,000 (Ten Million pounds) per incident;
- 13.1.2 Hold insurance in respect of liability for death or bodily injury to any person, or loss of or damage to property or any other loss or damage arising out of the performance or attempted or purported performance or non-performance of the Agreement in a sum not less than £5,000,000 (Five Million pounds) per incident; and
- 13.1.3 Hold professional indemnity insurance not less than £1,000,000 (One Million pounds) per incident.

14 **INDEMNITIES**

- 14.1 The Parties hereto agree to indemnify the Lead Borough against any costs reasonably and properly incurred, losses, liabilities and proceedings which the Lead Borough may suffer as a result of or in connection with its obligations hereunder provided and to the extent that such costs, losses, liabilities and proceedings over and above that which each borough to this Agreement is required to contribute and such extra costs are not due to any avoidable negligent act or omission (determined at law) of the Lead Borough or breach by the Lead Borough of its obligations hereunder. Any payments made to the Lead Borough under this paragraph 1.1 shall be met from the Annual Budget.
- 14.2 Any Lead Borough appointed hereunder shall indemnify the other Parties against any costs, losses, liabilities and proceedings over and above that which each borough to this Agreement is required to contribute and such costs which the other Party or Parties may suffer as a result of or in connection with any

breach of the Lead Borough's obligations hereunder and/or any avoidable negligent act or omission (determined at law) in relation thereto.

- 14.3 Each borough to this Agreement shall inform the other boroughs at the earliest opportunity of any issue or matter or legal process or proceedings which may affect the other Boroughs obligations under this Agreement.

15. **WAIVER**

- 15.1 No failure to exercise and no delay in exercising on the part of any of the Parties any right power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right power or privilege preclude any other or further exercise thereof or the exercise of any other right power or privilege.

16. **EXECUTION**

- 16.1 This Agreement is executed by each Party by executing as a Deed the annexed Memorandum of Participation on behalf of that Party and such Memorandum of Participation shall be evidence of execution by that Party when Memoranda executed by all the Parties are incorporated into this Agreement.

17. **DISPUTE RESOLUTION**

- 17.1 Any dispute or difference arising out of or connected with this Agreement shall be identified by written notice from one Party to the other Party or Parties in dispute who shall within 7 working days (or such date agreed by all six Boroughs to this Agreement) of the notice meet to attempt in good faith to resolve the dispute amicably on a full and final basis.

- 17.2 If the Parties are not able to conduct such meeting within the 7 working day period (or other agreed period) or such meeting has taken place but the dispute or difference remains unresolved then it shall be referred to Leaders' and Mayors' Board place but if the dispute or difference remains unresolved then it may be referred to mediation if the Parties in dispute so agree (such mediation to be conducted as agreed between the Parties in dispute) or in the event that one or more of the Parties in dispute does not agree mediation it shall be referred to any other dispute resolution as agreeable by the Parties or an agreed independent expert and the Parties agree to abide by the expert's decision without prejudice to the Parties' rights in law. In the absence of agreement a mediator or expert (whichever is the preferred route) shall be appointed by the President of the Law Society such appointment to be binding on the six Boroughs. An appointed mediator or expert shall in addition to determination of the dispute or difference set the process, procedure and timetable for determination of the dispute or difference.

All costs relating to resolving the dispute or difference shall be met by the Parties to this Agreement bearing their own costs or apportioned as

appropriate by the mediator/expert on the basis that resolution under this paragraph 18 was necessary.

- 17.3 Nothing in this paragraph 18 or the Agreement as a whole shall prejudice the six Boroughs legal right to apply to the English Courts for emergency relief or for determination of a point of law.

18. **NOTICES**

- 18.1 All notices or decisions which are required to be given under this Agreement shall be in writing and shall be sent to the address of the recipient set out in this Agreement or such other address as the recipient may designate by notice given in accordance with the provisions of this paragraph. Any such notice may be delivered personally or by first class prepaid letter shall be deemed to have been served if by personal delivery when delivered if by first class post 48 hours after posting.

19. **DATA PROTECTION**

- 19.1 The Parties shall ensure full compliance with the Data Protection Act 1998 (hereinafter called the "1998 Act") and all other legislation relating to the collection and use of information as applies from time to time in respect of the control and processing of any information required under this Agreement. All Parties shall ensure their notifications under Section 18 and 19 of the 1998 Act are up to date and where necessary include the activities of this Agreement where the Party acts as data controller for the purposes of the information.
- 19.2 Any information provided by a Party to this Agreement who is a data controller of the said information to another Party shall be provided to that Party as Data Processor (as defined by the 1998 Act) only and nothing in this Agreement shall allow the receiving Party to treat the information as though they were the data controller.

All processing by the Parties of any information under this Agreement shall be carried out in accordance with the Data Protection Principles (as defined by the 1998 Act).

- 19.3 Where any Party receives a subject access request for information held as a result of the activities carried out in accordance with this Agreement the Parties shall fully cooperate in complying with the obligations under the 1998 Act in relation to that data.

20. **FREEDOM OF INFORMATION**

- 20.1 The Parties recognise that they are subject to legal duties which may require the disclosure of information under the Freedom of Information Act 2000 or the Environmental Information Regulations 2002 or any other applicable legislation or codes governing access to information and that the Parties may be under an

obligation to provide information on request. Such information may include matters relating to, arising out of or under this Agreement in any way.

20.2 The Parties recognise that in order to facilitate openness and accountability the general view is that all relevant information concerning its arrangements should be subject to disclosure unless the information is exempt in accordance with the provisions of the legislation and where applicable the public interest in withholding the information outweighs the public interest in disclosing it.

20.3 Where any Party receives a request for information held the Parties shall fully cooperate in complying with the obligations under the Freedom of Information Act and all other relevant legislation in relation to that data.

21. **SUCCESSORS BOUND**

21.1 This Agreement shall be binding on and shall endure for the benefit of the successors and assigns (as the case may be) of each of the Parties.

22. **ASSIGNMENT**

22.1 None of the Parties may assign its rights and obligations in whole or in part hereunder without the prior written consent of the other Parties.

23. **CONTINUING AGREEMENT**

23.1 All provisions of this Agreement shall so far as they are capable of being performed and observed continue in full force and effect notwithstanding termination except in respect of those matters then already performed.

24. **GOOD FAITH**

24.1 Each of the Parties undertakes with each of the others to do all things reasonably within its power which are necessary or desirable to give effect to the spirit and intent of this Agreement.

25. **SEVERABILITY**

25.1 Notwithstanding that any provision of this Agreement may prove to be illegal or unenforceable the remaining provisions of this Agreement shall remain in full force and effect.

26. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

26.1 Nothing contained in this Agreement confers or purports to confer any rights to enforce any of its terms pursuant to the Contracts (Rights of Third Parties) Act 1999 on any person who is not a party hereto.

27. **VARIATION**

27.1 This Agreement may be varied by agreement in writing of the Parties such agreement to be reached in accordance with the procedure for agreement set out in paragraph 7.2 above.

MEMORANDUM OF PARTICIPATION

**THE COMMON SEAL OF THE MAYOR
AND BURGESSES OF THE LONDON BOROUGH OF BARKING AND DAGENHAM**
was hereunto affixed in the presence of:

Authorised Signatory:

**THE COMMON SEAL OF THE MAYOR
AND BURGESSES OF THE LONDON
BOROUGH OF ENFIELD** was hereunto
affixed in the presence of:

Authorised Signatory:

**THE COMMON SEAL OF THE MAYOR
AND BURGESSES OF THE LONDON
BOROUGH OF HAVERING** was hereunto
affixed in the presence of:

Authorised Signatory:

**THE COMMON SEAL OF THE MAYOR
AND BURGESSES OF THE LONDON
BOROUGH OF NEWHAM** was hereunto
affixed in the presence of:

Authorised Signatory:

THE COMMON SEAL OF THE MAYOR

**AND BURGESSES OF THE LONDON
BOROUGH OF REDBRIDGE** was hereunto
affixed in the presence of:

Authorised Signatory:

**THE COMMON SEAL OF THE MAYOR
AND BURGESSES OF THE LONDON
BOROUGH OF WALTHAM FORFEST** was hereunto
affixed in the presence of:

Authorised Signatory

APPENDIX ONE

**PARTNERSHIP PROTOCOL FOR NORTH EAST LONDON STRATEGIC
ALLIANCE**

APPENDIX TWO:

APPROVALS:

The general terms of the Partnership Protocol were considered and approved at a meeting of the executive of each the six boroughs on the following dates:

London Borough of Barking and Dagenham:

London Borough of Enfield:

London Borough of Havering:

London Borough of Newham:

London Borough of Redbridge:

London Borough of Waltham Forest:

The Leaders' and Mayors' for each of the six boroughs acting under delegated authority signed and agreed this Protocol on the following dates:

Cllr Darren Rodwell
Leader – London Borough of Barking and Dagenham

Signed.....Date.....

Cllr Doug Taylor
Leader – London Borough of Enfield

Signed.....Date.....

Sir Robin Wales
Mayor – London Borough of Newham

Signed.....Date.....

Cllr Roger Ramsey
Leader – London Borough of Havering

Signed.....Date.....

Cllr Jas Athwal
Leader – London Borough of Redbridge

Signed.....Date.....

Cllr Chris Robbins
Leader – London Borough of Waltham Forest

Signed.....Date.....

Cabinet

2 June 2015

Title: Debt Management Performance and Write-Offs 2014/15 (Quarter 4)	
Report of the Cabinet Member for Finance	
Open Report	For Information
Wards Affected: None	Key Decision: No
Report Author: Steve Cooper, Head of Revenues	Contact Details: Tel: 07972003726 E-mail: steve.cooper@elevateeastlondon.co.uk
Accountable Director: Jonathan Bunt, Chief Finance Officer	
Summary	
<p>This report sets out the performance of the Council's partner, Elevate East London, in carrying out the debt management function on behalf of the Council and covers the fourth quarter of the year 2014/15. It also includes details of debt written off in accordance with the write off policy approved by Cabinet on 18 October 2011.</p>	
Recommendation(s)	
<p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Note the contents of this report as it relates to the performance of the debt management function carried out by the Revenues and Benefits service operated by Elevate East London, including the performance of enforcement agents; and (ii) Note the debt write-offs for the fourth quarter of 2014/15 and that a number of these debts will be published in accordance with the policy agreed by Cabinet. 	
Reason	
<p>Assisting in the Council's Policy aim of ensuring a well run organisation delivering its statutory duties in the most practical and cost-effective way. It will ensure good financial practice and adherence to the Council's Financial Rules to report on debt management performance and total debt write-off each quarter.</p>	

1. Introduction and Background

- 1.1 The Council's Revenues, Benefits, General Income and Rents Service is operated by the Council's joint venture company, Elevate East London LLP (Elevate). The service is responsible for the management of the Council's debt falling due by way of statutory levies and chargeable services. Debts not collected by Elevate are not included in this report such as parking and road traffic debt prior to warrants being granted, hostel and private sector leasing debt but will be considered for inclusion for the 2015/16 financial year following comments by PAASC.

- 1.2 This report sets out performance for the fourth quarter of the 2014/15 municipal and financial year and covers the overall progress of each element of the service since April 2014. In addition it summarises the debts that have been agreed for write off in accordance with the Council's Financial Rules. All write offs are processed in accordance with the Council's debt management policy agreed on 18th October 2011.

2. Performance and Issues

- 2.1 Set out in Table 1 below is the performance for quarter four of 2014/15 achieved for the main areas of debt managed by Elevate.

Table 1: Collection Rate Performance – 2014-15 Quarter 4

Type of Debt	Annual Target	Performance	Variance	Actual collected £m
Council Tax	94.0%	94.3%	+0.3%	54.844
NNDR	98.1%	97.9%	-0.2%	58.973
Rent	97.20%	96.69%	-0.51%	97.379
Leaseholders	97.50%	98.83%	+1.33%	3.644
General Income	95.0%	95.35%	+0.35%	97.203

Council Tax Collection Performance

- 2.2 Council Tax collection ended the financial year 0.3% above the target. Collection of Council Tax, from those in receipt of Council Tax Support (CTS) and with a sum to pay, at year end was 76.3%. The Council adopted the same CTS Scheme for 2014/15 as it administered in 2013/14 meaning that the calculation for any working age claimant is based upon 85% of the relevant Council Tax liability.
- 2.3 For the financial year 2015/16 the Council has revised its CTS scheme. The most significant changes being that the maximum CTS allowable for working age residents in receipt of support is 75% of their Council Tax liability and that claims cannot be backdated. As already noted the collection rate from those in receipt of CTS is significantly below those not in receipt of CTS and this is considered unlikely to change under the new scheme.
- 2.4 The Council has agreed to increase the resource in Elevate's Council Tax collection team during 2015/16 on an invest to save basis to seek to continue overall improvements in collection.

Council Tax Arrears

- 2.5 By the end of the financial year £1,635,400 had been collected for previous years' arrears, this is above the target of £1,500,000.
- 2.6 The collection of Council Tax arrears outstanding at the end of each financial year continues over subsequent years. The table below shows the percentage of

collection since 2009/10. The charge year figure below is the in-year collection rate achieved by 31 March of each year.

Table 2: Council Tax Arrears Collection

As at 31 March 2015						
Council tax collection (percentage)						
Year	Charge year	Year 1	Year 2	Year 3	Year 4	Year 5
2009/10	92.9%	95.0%	95.7%	96.1%	96.4%	96.6%
2010/11	92.9%	95.0%	95.6%	96.0%	96.3%	
2011/12	94.1%	95.7%	96.3%	96.5%		
2012/13	94.6%	96.2%	96.6%			
2013/14	94.1%	96.0%				

- 2.7 There has been an increase of 3.7% in collection between 2009/10 and 2014/15.
- 2.8 During 2014/15 enforcement action continued against those with arrears from 2013/14 and earlier years. Where appropriate, attachments to earnings or benefit are applied to a debtor's account. These are identified via a segmentation process which identifies those debtors receiving benefit or where employer's details are held and this process is always followed prior to referral for enforcement agent action. This ensures that only cases where there is no alternative to "other" enforcement action are referred to the enforcement agent.
- 2.9 The payment arrangement procedure ensures that those requiring more time to pay are managed appropriately. Those that fail to adhere to the terms of the arrangement are quickly identified and recovery action is continued.

Business Rates (NNDR) Collection Performance

- 2.10 The NNDR collection rate reached 97.9% by the end of the fourth quarter. This was 0.2% below the target for the year but 0.9% above the previous year. Over the last two years there has been a total increase of 2.8% in collection which represents a significant improvement in performance.
- 2.11 The financial climate continues to have a detrimental effect upon businesses within the Borough making collection of Business Rates increasingly challenging.
- 2.12 Ratepayers are contacted as soon as they fall behind with payments in order to try and stop them slipping further into arrears and therefore avoid recovery action and additional costs.
- 2.13 Where recovery is required, debts are now being placed with two enforcement agents compared to only one in 2013/14. A third enforcement agent is also in place to try and effect recovery where the first placement of debts is unsuccessful.
- 2.14 Rates avoidance activity by certain companies affected the collection rate during the year. The perception is that companies are exploiting loopholes in current legislation and at the end of 2014/15, £420,000 of debt was identified as being uncollectable, £270,000 of which was due in the year. These companies are claiming that empty properties they own are being let for short periods of time and then vacated again,

allowing them to claim empty exemptions. Central government has recently conducted a survey of local authorities regarding this matter; to which the Council responded, and there is expectation that legislation will be amended to close this loophole. Elevate continues to visit empty properties on a regular basis to ensure that evidence of avoidance can be obtained and the correct company be held liable. Elevate are also consulting specialised Business Rates solicitors on individual cases as to the feasibility of taking further legal action.

- 2.15 During 2014/15, £220,000 debt was also uncollectable due to companies being dissolved or going into liquidation. Between these and the rates avoidance cases, 0.83% of the 2014/15 debt is now identified as uncollectable.

Rent Collection Performance

- 2.16 The Rent collection rate had reached 96.69% by the end of the fourth quarter. This was 0.51% below the stretch target for the year.
- 2.17 There are a number of factors that impacted on rent collection during 2014/15:
- a. Discussions held with tenants in arrears indicate that many are being negatively impacted by the effects of Welfare Reform and the number of additional bills that they now have to pay including Council Tax.
 - b. The number of possession proceedings started in the second half of the year was 389 compared to 245 in the first half. This demonstrates that tenants are facing increasing financial hardship.
 - c. Fewer evictions were approved by the Council in 2014/15 than in 2013/14 and 2012/13. Whilst the decision to evict a tenant is seen as an absolute last resort and every possible effort is made to assist them with their rent problems, arrears continue to accrue on the majority of possession cases which significantly impacts on rent collection performance.
 - d. The addition of the collection of rent for B&D Reside on behalf of the Housing service diverted resources temporarily. The resource for Reside collection has been reviewed for 2015/16.
- 2.18 In order to counter the pressures highlighted above, the rents team continued to take various actions to improve performance in rent collection:
- a. A review of recovery processes now ensures that avoidable arrears are minimised with the procedures agreed between the Council and Elevate. The Council's Housing team and Elevate's Rents team continue to work together to reduce avoidable debt and make process improvements.
 - b. New staff recruited to the contact centre have been trained on rents so that they can ensure that callers are fully advised on their obligation to prioritise rent payments.
 - c. Elevate has links with the Job Shop and all early stage arrears letters now carry details about how to get advice on obtaining or improving employment opportunities.
 - d. Elevate contact tenants as soon as arrears start to accrue there are also visiting campaigns were used regularly throughout the year
 - e. Elevate also increased its focus in terms of making evening telephone calls to tenants in order to get agreements to clear arrears.

Reside Collection Performance

- 2.19 In addition to collecting rent owed on Council tenancies, Elevate also collect the rent for the Barking & Dagenham Reside portfolio on behalf of the Housing service who are the managing agent. In the last quarter, the portfolio became fully let and the total value of the collectable debt increased to over £4m. A number of issues in relation to the tenancies, which inhibited the ability to pursue debts, were resolved during the year. This meant that recovery action could be escalated to possession proceedings in the County Court and a number of evictions will subsequently took place in April 2015. At the end of March collection had reached 96.90%.

Leaseholders' Debt Collection Performance

- 2.20 Leasehold collection target for 2014/15 was 97.5%, an increase of 5.7% on the 2013/14 target and reflective of previous strong collection performance. At the end of the financial year collection reached 98.83%, which was 1.33% above profile. Elevate has achieved this ongoing improvement by maintaining a rigorous recovery timetable throughout the year ensuring late payers are consistently reminded to pay as early as possible.

General Income Collection Performance

- 2.21 General Income is used to describe the ancillary sources of income available to the Council which support the cost of local service provision. Examples of areas from which the Council derives income collected by Elevate include: social care charges; rechargeable works for housing; nursery fees; trade refuse; hire of halls and football pitches. The Oracle financial system is used for the billing and collection of these debts and is also used to measure the performance of Elevate for its activities across all lines.
- 2.22 At the end of the financial year collection reached 95.35%, which was 0.35% above target.

A&CS Homes and A&CS Residential – Collection of Social Care Charges (home and residential)

- 2.23 The Council's Fairer Contribution Policy commenced from October 2011 and applies to home care. Residential care charges are covered by the Department of Health's *Charging for Residential Accommodation Guide* (CRAG).
- 2.24 Collection of debt for Home and Residential Care is reported separately. The agreed measure for 2014/15 is the amount collected against the in-year debt that has been invoiced.
- 2.25 Residential care debt which the Council has secured with a charging order against the client's assets, usually their property, is not included in these figures.
- 2.26 The collection rate for Home Care by the end of the year had reached 80.02% which was 0.02% above the target.
- 2.27 The collection rate for residential care debt for 2014/15 was 89.04%.

- 2.28 The debt recovery process for these debts is similar to that of other debts, but with added recognition given to particular circumstances. In order to ensure that action taken is appropriate and to maximise payments, each case is considered on its own merits at each stage of the recovery process and wherever possible payment arrangements are agreed. In addition a further financial reassessment of a client's contribution is undertaken where there is extraordinary expenditure associated with the care of the service user. The relevant procedures have been updated to take account of the Care Act.

Penalty Charge Notices (PCN) – Road Traffic Enforcement

- 2.29 This recovery work only includes debts due to Penalty Charge Notices (PCNs) for parking, bus lane and box junction infringements once a warrant has been obtained by Environmental and Enforcement Services (Parking Services) from the Traffic Enforcement Centre (TEC). Elevate enforce these warrants through enforcement agents acting on behalf of the Council and closely monitor the performance of these companies. *Overall* collection rates on PCNs would be reported by Parking Services. Elevates collection performance is measured only once a batch of warrants has expired, i.e. after 12 months. Since April 2014, 18 batches of warrants have expired for which the collection rate was 12.85%.
- 2.30 Effective collection of warrants is affected by how long it takes to obtain the warrant after the PCN is issued. On average through 2014/15 Elevate received warrants from Parking Services 7 months after the PCN was issued. Consequently Enforcement Agents' "propensity to pay" analysis of warrants classified most of them either 'poor' or 'hopeless' because older, aged debt is much harder to collect. This has adversely affected the overall success of collection against the target and a review of the end to end process for parking is underway to improve the overall collection of monies due.
- 2.31 The total amount of cash collected through enforcement of road traffic warrants was £368,620.

Housing Benefit Overpayments

- 2.32 By the end of quarter four of 2014/15 collection totalled £3.628m which was £397,000 above target.
- 2.33 During the third quarter central government initiated the "Real Time Information (RTI)" process; this meant that HMRC data was made available to the Department of Works and Pensions. This information was further shared with local authorities and data was matched against Council records. This has resulted in £1.32m of additional overpayments being raised from November 2014 to March 2015. This has been deemed a success by government and it has been announced that RTI will continue during 2015/16 to help ensure HB claims are kept in line with HMRC records thus ensuring that the accuracy of HB records is maximised.

Enforcement Agent (Bailiff) Performance

- 2.34 Enforcement agent action is a key tool for the Council to recover overdue debts but is only one area of collection work. This action is always one of last resort. The start of the local Council Tax Support (CTS) scheme in 2013/14 meant around 13,000

additional households became liable to pay Council Tax. The additional debt recovery action seen in 2013/14 as a result of CTS has been repeated during 2014/15. This is not a static group as residents move in and out of work. Elevate's ability to collect sums due on behalf of the Council continues to be made progressively harder as welfare reforms take effect alongside the cumulative yearly effect of CTS on arrears leading to residents overall indebtedness increasing. This position will continue in 2015/16.

- 2.35 Information on the performance of the enforcement agents is set out in the table below by type of debt for 2014/15. It should be noted the debt recovery process for in-year collection does not reach the stage of enforcement action for Council Tax and NNDR until the second quarter.

Table 3: Enforcement Agent Collection Rates – 2014-15

Service	Value sent to enforcement agents £	Total collected by enforcement agents £	Collection rate
Council Tax	£5,612,131	£641,059	11.42%
NNDR	£1,457,591	£298,593.63	20.49%
Commercial rent	0.00	0.00	NA
General Income	£36,205.48	£12,221.80	33.75%

Arrears

- 2.36 At the end of the fourth quarter across all lines of debt the total amount of arrears outstanding was £38.9m compared to £45.2m at the start of the financial year. Housing benefit overpayments arrears have increased because of the RTI government initiative described in 2.33..Other areas of debt require tracing to establish current whereabouts and processing for write off.
- 2.37 A comparison of arrears outstanding at the start and the end of the financial year is provided below:

Table 4: Arrears Comparison Figures – 2014-15

Debt value at date	Council Tax	NNDR	General Income	HBOP	Rents: Former Tenant	Leasehold	Rents: Current Tenants	Total
1/4/14	£18.0m	£5.5m	£2.5m	£11.0m	£2.0m	£2.20m	£4.0m	£45.2m
31/3/15	£15.8m	£4.1m	£0.61m	£13.7m	£1.4m	£31k	£3.3m	£38.9m

Debt Write-Offs: Quarter 4 2014/15

- 2.38 All debt recommended for write off is administered within the Council’s policy by Elevate. The authority to “write off” debt remains with the Council. The value of debt recommended to the Chief Finance Officer and subsequently approved for write off during the fourth quarter of 2014/15 totalled £808,195. This is higher than in quarter three as “Former Tenant” write-offs took place during this quarter. The value and number of cases written off in quarter four is provided in Appendix A.
- 2.39 1,058 debts were “written off” in quarter four for which the reasons are set out below. The percentage relates to the proportion of write offs by value:

Table 5: Write Off Numbers – 2014-15 Quarter 4

Absconded/not traced	Uneconomic to pursue	Debtor Insolvent	Deceased	Other reasons
243 (37.7%)	605 (51.5%)	13 (0.5%)	132 (7.3%)	65 (3.0%)

(The ‘other reasons’ category includes examples such as: where the debt liability is removed by the Court or the debtor is living outside the jurisdiction of the English Courts and is unlikely to return).

- 2.40 The figures in Appendix B show the total write-offs for 2011/12, 2012/13, 2013/14 and for 2014/15.

Publication of Individual Details of Debts Written Off (Appendix C)

- 2.41 In line with Council policy established in 2007, due to the difficulties of finding absconding debtors, a list showing the details of some debtors who have had debts written off is attached to this report at Appendix C. The list has been limited to the ten largest debts only and can be used in the public domain.

3. Financial Implications

Implications completed by: Kathy Freeman, Group Finance Manager

- 3.1 Collecting all sums due is critical to the Council’s ability to function. In view of this, monitoring performance is a key part of the monthly meetings with Elevate.
- 3.2 The monthly meetings between Elevate and the Council focus on the areas where the targets are not being achieved and discuss other possibilities to improve collection.
- 3.3 As at year end, Elevate have exceeded collection targets for Council Tax, leaseholders and general income. This has generated an additional £1.02m of income. NNDR debts are 0.2% below target which is £120,000 less income and rents are 0.51% below target, resulting in £513,000 less rental income compared to the target.
- 3.4 The Council has written off debts of £808,195 which is significantly higher than the £85,569 written off in quarter 3 due to a large number of former tenant arrears written off. The cumulative write off for the year is £2,268,652. It is important that

bad debts are written off promptly for budgeting purposes so the Council can maintain appropriate bad debt provision.

- 3.5 The Council has initiated two projects to review previously written off debt to identify if any is now recoverable. Both exercises are on a 'no collection, no fee' basis with any monies collected shared between the Council and the collecting partner.

4. **Legal Implications**

Implications completed by: Paul Feild, Senior Governance Lawyer

- 4.1 Monies owed to the Council in the form of debts are a form of asset that is the prospect of a payment sometime in the future. The decision not to pursue a debt carries a cost and so a decision not to pursue a debt is not taken lightly.
- 4.2 The Council holds a fiduciary duty to the ratepayers and the government to make sure money is spent wisely and to recover debts owed to it. If requests for payment are not complied with then the Council seeks to recover money owed to it by way of court action once all other options are exhausted. While a consistent message that the Council is not a soft touch is sent out with Court actions there can come a time where a pragmatic approach has to be taken with debts as on occasion they are uneconomical to recover in terms of the cost of process and the means of the debtor to pay. The maxim *no good throwing good money after bad* applies. In the case of rent arrears, the court proceedings will be for a possession and money judgement for arrears. However a possession order and subsequent eviction order is a discretionary remedy and the courts will more often than not suspend the possession order on condition the tenant makes a contribution to their arrears.
- 4.3 Whilst the recent use of Introductory Tenancies as a form of trial tenancy may have some impact as only those tenants with a satisfactory rent payment history can expect to be offered a secure tenancy, the best approach is to maintain a dialogue with tenants and highlight the importance that payment of rent and Council tax ought to be considered as priority debts rather than credit loans as without a roof over their heads it will be very difficult to access support and employment.
- 4.4 The decision to write off debts has been delegated to Chief Officers who must have regard to the Financial Rules.

5. **Other Implications**

- 5.1 **Risk Management** - No specific implications save that this report acts as an early warning system to any problems in the area of write offs.

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

List of appendices:

- Appendix A – Debt Write Off Table for Quarters 1 2, 3 and 4 for 2014/15.
- Appendix B – Total debts written off in 2011/12, 2012/13, 2013/14 and 2014/15.
- Appendix C – Ten Largest Debts Written Off in Quarter 4, 2014/15

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Table 1: Debts Written Off During Quarter 1 2014/15

Write-offs		Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
Apr-14	Under 2k	5,683	3,502	0	0	0	0	9,185
	Over 2k	0	0	0	0	68,034	0	68,034
	Over 10k	0	0	0	0	0	0	0
	Total	5,683	3,502	0	0	68,034	0	77,219
May-14	Under 2k	5,357	338	27,505	0	0	0	33,200
	Over 2k	6,924	4,991	0	0	0	0	11,915
	Over 10k	0	0	0	0	0	0	0
	Total	12,281	5,329	27,505	0	0	0	45,115
Jun-14	Under 2k	24,839	17,317	121,487	211	0	0	163,854
	Over 2k	3,483	0	0	0	0	0	3,483
	Over 10k	0	0	0	0	0	0	0
	Total	28,322	17,317	121,487	211	0	0	167,337
Quarter 1 Totals		46,286	26,148	148,992	211	68,034	0	289,671

Table 2: Debts Written Off During Quarter 2 2014/15

Write-offs		Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
Jul-14	Under 2k	36,615	1,331	38,583	201	21,835	0	98,565
	Over 2k	51,981	0	0	0	0	0	51,981
	Over 10k	22,544	11,227	0	0	0	337,986	371,757
	Total	111,140	12,558	38,583	201	21,835	337,986	522,303
Aug-14	Under 2k	6,354	1,593	15,141	0	0	0	23,088
	Over 2k	0	0	0	0	0	0	0
	Over 10k	0	0	0	0	0	0	0
	Total	6,354	1,593	15,141	0	0	0	23,088
Sep-14	Under 2k	56,321	532	10,157	1,400	0	0	68,410
	Over 2k	9,842	2,944	256,086	0	0	179,215	448,087
	Over 10k	0	0	23,329	0	0	0	23,329
	Total	66,163	3,476	289,572	1,400	0	179,215	539,826
Quarter 2 Totals		183,657	17,627	343,296	1,601	21,835	517,201	1,085,217

Table 3: Debts Written Off During Qtr 3 2014/15

Write-offs		Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
Oct-14	Under 2k	15,110	664	0	0	0	0	15,774
	Over 2k	0	0	0	0	0	0	0
	Over 10k	0	0	0	0	0	0	0
	Total	15,110	664	0	0	0	0	15,774
Nov-14	Under 2k	9,228	1,922	0	0	23,235	0	34,385
	Over 2k	0	0	0	0	0	0	0
	Over 10k	0	0	0	0	0	0	0
	Total	9,228	1,922	0	0	23,235	0	34,385
Dec-14	Under 2k	7,307	3,532	0	0	24,571	0	35,410
	Over 2k	0	0	0	0	0	0	0
	Over 10k	0	0	0	0	0	0	0
	Total	7,307	3,532	0	0	24,571	0	35,410
Quarter 3 Totals		31,645	6,118	0	0	47,806	0	85,569

Table 4: Debts Written Off During Qtr 4 2014/15

Write-offs		Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
Jan-15	Under 2k	10,545	4,678	49,867	1,283	14,384	0	
	Over 2k	0	11,611	0	0	0	0	
	Over 10k	0	0	0	0	0	0	
	Total	10,545	16,289	49,867	1,283	14,384	0	92,368
Feb-15	Under 2k	11,700	2,736	36,058	0	24,370	0	
	Over 2k	0	0	0	0	0	0	
	Over 10k	0	0	0	0	0	0	
	Total	11,700	2,736	36,058	0	24,370	0	74,864
Mar-15	Under 2k	7,636	5,664	39,496	70	28,578	0	
	Over 2k	0	14,092	534,667	0	0	0	
	Over 10k	0	0	10,759	0	0	0	
	Total	7,636	19,756	584,922	70	28,578	0	640,962
Quarter 4 Totals		29,881	38,781	670,847	1,353	67,332	0	808,194

Table 5: Write-off Count Quarter 4

Write-offs		Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
Jan-15	Under 2k	37	40	155	1	49	0	282
	Over 2k	0	2	0	0	0	0	2
	Over 10k	0	0		0	0	0	0
	Total	37	42	155	1	49	0	284
Feb-15	Under 2k	94	15	198	0	102	0	409
	Over 2k	0	0	0	0	0	0	0
	Over 10k	0	0	0	0	0	0	0
	Total	94	15	198	0	102	0	409
Mar-15	Under 2k	42	21	67	1	97	0	228
	Over 2k	0	3	133	0	0	0	136
	Over 10k	0	0	1	0	0	0	1
	Total	42	24	201	1	97	0	365
Quarter 4 Totals		173	81	554	2	248	0	1,058

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Table 6: Debts written off during 2011/12

Write Offs	Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
2011/12 Totals	£260,487	£145,284	£987,383	£2,808	£205,789	£772,683	£2,374,434

Table 7: Debts written off during 2012/13

Write Offs	Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
2012/13 Totals	£110,876	£141,896	£886,890	£23,360	£1,015,408	£569,842	£2,748,272

Table 8: Debts written off during 2013/14

Write Offs	Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
2013/14 Totals	£141,147	£256,804	£806,989	£8,681	£80,755	£221,380	£1,515,756

Table 9: Debts written off during 2014/15

Write Offs	Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
2014-15 Totals	£291,469	£88,675	£1,163,134	£3,166	£205,007	£517,201	£2,268,651

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APPENDIX C

NAME	AMOUNT	DEPARTMENT	REASON
MR COLIN GIBBS	£10,758.72	Rents	<p>This case was delayed due to Housing Benefit claims and four adjourned court hearings during which arrears continued to accrue.</p> <p>Tenancy ended 09.03.2014. Tenant was evicted for non-payment of rent.</p> <p>No forwarding address found via Experian. Debt was also referred to Bailiffs for tracing with no result.</p>
MISS BOLANLE AFUAPE- AKANBI	£9,414.67	Rents	<p>Possession proceedings were taken in 2006 and 2007. Both were cancelled when the tenant brought the rent account up to date.</p> <p>Further arrears started to accrue in 2010 with various arrangements agreed and then broken.</p> <p>An outright possession order was granted in December 2011. The tenant made several applications to suspend the eviction which were eventually dismissed by the court.</p> <p>Tenancy ended 09.12.2012. Tenant was evicted for non-payment of rent.</p> <p>Two Experian searches have been made, the first 6 months after the eviction. No forwarding address has been found.</p>
MISS SOFIA MALE	£8,729.40	Rents	<p>Possession proceedings were taken in 2011 after a number of arrangements were made and broken.</p> <p>An outright possession order was made in May 2011</p> <p>Tenancy ended 21.08.2011. Tenant was evicted for non-payment of rent.</p> <p>The debt was referred to a debt collection agency and returned as</p>

			<p>uncollected in 2012.</p> <p>The debt was again referred to a debt collection agency in 2014 with no success.</p> <p>No forwarding address was found following an Experian trace.</p>
MR SCOTT W RUSSELL	£8,608.73	Rents	<p>Possession proceedings were taken in September 2011 after a number of arrangements were made and broken.</p> <p>Tenancy ended 18.03.2012. Tenant was evicted for non-payment of rent.</p> <p>The debt was referred to a debt collection agency in 2012 and returned as uncollected.</p> <p>The debt was again referred to a debt collection agency in 2014 with no success.</p> <p>No forwarding address was found following an Experian trace.</p>
MR DANIEL CUTTS	£8,545.97	Rents	<p>Possession proceedings were started in February 2011 following which a number of arrangements were made and broken.</p> <p>At a court hearing in January 2012 the judge adjourned proceedings on terms of current rent plus £3.40 per week. The terms of the order were not kept to.</p> <p>Further hearing was held in February 2014 and an outright possession was granted.</p> <p>Tenancy ended 15.05.2014. Tenant was evicted for non-payment of rent.</p> <p>No forwarding was found via an Experian trace. The account was passed to an Enforcement Agent but was returned with no trace.</p>

MRS NATALIE ABBOTT	£8,401.40	Rents	<p>Possession proceedings were started 5 times between 2002 and 2011. All proceedings were eventually cancelled as the tenant brought the account up to date.</p> <p>Further proceedings were started in February 2012, however the eviction was not carried out immediately due to specific circumstances of the he tenant.</p> <p>Tenancy ended 1.04.2012. Tenant was evicted for non-payment of rent.</p> <p>Two Experian traces have been carried out but no forwarding address has been found.</p>
MISS SIOBHAN TUMBER	£8,374.28	Rents	<p>Notice of Possession Proceedings served in October 2010.</p> <p>Court hearing set for May 2011 was adjourned and a new date of July 2011.</p> <p>Tenancy ended 19.02.2012. Tenant was evicted for non-payment of rent</p> <p>Experian traces were carried out but no forwarding address has been found.</p>
MRS LYNETTE SUTHERLAND- BIRD	£7,939.73	Rents	<p>The account was continuously in arrears since the tenancy started. A number of arrangements were made and broken.</p> <p>At a Possession hearing in March 2013 a twenty eight day possession order was awarded with an eviction date of October 2013. The tenant made an application to the court, and the judge suspended the eviction.</p> <p>Payments were again not made so a second hearing was held in March 2014.</p> <p>Tenancy ended 16.03.2014. Tenant was evicted for non-payment of</p>

			rent Experian traces were carried out but no forwarding address has been found.
MS MARY RYAN	£7,837.92	Rents	<p>Notice of Seeking Possession was served July 2011 with a court hearing in January 2012. A twenty eight day order was granted.</p> <p>Rents worked with a solicitor and other agencies to try to assist the tenant but eventually an eviction became necessary.</p> <p>Tenancy ended 13.10.2013. Tenant was evicted for non-payment of rent.</p> <p>Experian traces were carried out but no forwarding address has been found.</p>
MR SHARANGEN SOORI	£7,764.29	Rents	<p>Notice of Seeking Possession was served in September 2010 with a court hearing in March 2011.</p> <p>Tenancy ended 21.08.201. Tenant was evicted for non-payment of Rent</p> <p>Debt was referred to a debt collection agency in October 2012 but returned uncollectable.</p> <p>Experian traces were carried out but no forwarding address has been found.</p>