

Notice of Meeting

CABINET

Tuesday, 15 December 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

Date of publication: 7 December 2015

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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 10 November 2015 (Pages 3 - 12)

4. Budget Monitoring 2015/16 - April to October (Month 7) (Pages 13 - 56)

5. Corporate Delivery Plan - Quarter 2 (2015/16) Update (Pages 57 - 114)

6. Barking Housing Zone Update and Clockhouse Avenue / Broadway Project (Pages 115 - 124)

Appendix 2 to this report is contained within the exempt section of the agenda at Item 12.

7. Contract for Provision of Agency and Temporary Staff (Pages 125 - 137)

8. **Procurement of New Nursery Service and Annual Childcare Sufficiency Assessment Report 2015 (Pages 139 - 154)**
9. **Debt Management Performance and Write-Offs 2015/16 (Quarter 2) (Pages 155 - 173)**
10. **Any other public items which the Chair decides are urgent**
11. **To consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

Private Business

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

12. **Appendix 2 - Barking Housing Zone Update and Clockhouse Avenue / Broadway Project (Pages 175 - 176)**

Contains commercially confidential information (paragraph 3)
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, 10 November 2015
(7:03 - 8:30 pm)

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

57. Declaration of Members' Interests

There were no declarations of interest.

58. Minutes (13 October 2015)

The minutes of the meeting held on 13 October 2015 were confirmed as correct.

59. Budget Monitoring 2015/16 - April to September (Month 6)

The Cabinet Member for Finance and Central Services introduced the report on the Council's capital and revenue position for the 2015/16 financial year, as at 30 September 2015.

The General Fund showed a projected end of year spend of £157.5m against the approved budget of £151.4m, which represented a slightly improved position to that at 31 August. The projected overspend of £6.1m continued to be largely attributable to the ongoing pressures within the Children's Social Care service and the Cabinet Member confirmed that the remedial measures contained within the Children's Social Care Ambition and Financial Efficiency (SAFE) Programme action plan, together with pressures identified in other Directorates, would continue to be closely monitored.

The Housing Revenue Account (HRA) continued to show a predicted breakeven position and the in-year General Fund savings for 2015/16 were largely on target, with a forecast saving of £21.889m against the overall target of £23.52m. In respect of the Capital Programme, the Cabinet Member referred to the mid-year reprofiling to reflect updated work / build programmes and advised on a number of new capital schemes for inclusion in 2015/16, the overall effect being a reduced Capital Programme of £131.511m.

Cabinet **resolved** to:

- (i) Note the projected outturn position for 2015/16 of the Council's General Fund revenue budget at 30 September 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 2015/16 savings at 30 September 2015, as detailed in paragraph 2.11 and Appendix B of the report;
- (iii) Note the overall position for the HRA at 30 September 2015, as detailed in paragraph 2.12 and Appendix C of the report; and

(iv) Approve the inclusion of new capital schemes shown below totalling £11.898m and the re-profiled 2015/16 Capital Programme of £131.511m, as detailed in paragraph 2.13 and Appendix D of the report:

• Parsloes Park Artificial Turf Pitch	£0.06m
• Bus Stop Accessibility Improvements	£0.097m
• Gascoigne Estate	£3.0m
• External Fabrics - Blocks	£0.141m
• Decent Homes (North) Programme	£3.1m
• Decent Homes (South) Programme	£4.6m
• Fire Safety Works Programme	£0.9m

60. Fees and Charges 2016

The Cabinet Member for Finance and Central Services presented a report on the proposed fees and charges for Council services, the majority of which were proposed to come into effect from 1 January 2016.

The Cabinet Member advised that all fees and charges were assessed against the Council's Charging Policy framework and, in most cases, were to be subject to only a small increase to reflect the current low rate of inflation. Some charges were to be frozen in order to remain affordable and competitive, while others were to be subject to larger increases to bring them into line with comparable services and/or to assist in achieving a 100% direct cost recovery position over a period of time, such as the new charging regime for Eastbury Manor House.

Members discussed a number of issues which included:

- Barking Market – The proposed increase of 2% for cash payments made to the Council would be subject to a 28-day statutory consultation with those affected, as would many of the proposed increases throughout the schedule. The Leader also advised on the ongoing consultation with Barking Market traders on the contribution that the market may have as part of the regeneration plans for Barking Town Centre.
- Over 60's Leisure Offer – It was confirmed that although not included in the schedule, the fee would remain at the equivalent rate of £1 per week.
- Bulky Waste – The Cabinet Member for Environment undertook to ensure that the charges currently displayed on the Council's website were updated accordingly.

The Cabinet Member for Children's Services and Social Care suggested that, in future, the Cabinet should review the annual fees and charges earlier in the year to enable full consideration to be given to the schedule. The Cabinet Member for Adult Social Care and Health felt, however, that individual Cabinet Members should continue to be responsible for the detailed review of fees and charges within their respective portfolios and, therefore, any comments that other Cabinet Members may have should be fed through that route.

Cabinet **resolved** to:

- (i) Agree the proposed fees and charges as set out in Appendix A to the

report, to be effective from 1 January 2016 unless otherwise stated;

- (ii) Note the fees and charges no longer applicable from 1 January 2016, as set out in Appendix B to the report; and
- (iv) Delegate authority to the Corporate Director of Children's Services, in consultation with the Strategic Director of Finance and Investment and the Cabinet Members for Finance and Education and Schools, regarding the setting of fees and charges which are applied from September for schools and academic year-based activities.

61. Care and Support Charging Policy

Further to Minute 104 (16 February 2015), the Cabinet Member for Adult Social Care and Health presented a report on plans to consult on proposed revisions to the Council's Care and Support Charging Policy in respect of elements of discretionary charges permitted under the Care Act 2014.

The Cabinet Member explained that it had always been the intention to review the Council's policy within 12 months because of the impending introduction by the Government of a cap on care costs from April 2016. However, following strong concerns expressed by, amongst others, the Local Government Association regarding the timetable for implementation and pressures on adult social care, the Government had decided to delay the implementation until April 2020. With that in mind, the review of the Council's policy had been focussed on the appropriateness of the discretionary aspects of the Charging Policy as follows:

- Disability Related Expenditure (DRE) Disregard - the intention was for the DRE disregard to remain unchanged from the levels approved by the Cabinet in February 2015;
- Charges to carers who were eligible to support - the principle of introducing a charging regime which reflected the important role that carers played in supporting others to remain healthy, independent and less reliant on more expensive health and social care services, whilst also recognising the need to apply a fair and equitable policy for all.

Cabinet **resolved** to:

- (i) Agree that the Council consults on proposed revisions to the Care and Support Charging Policy in the following areas where discretion can be applied:
 - The level of the disability related expenditure (DRE) disregard automatically applied to the financial assessment;
 - The principle of charging for care and support services provided to carers who meet the eligibility criteria for services in their own right.
- (ii) Note that a further report shall be presented to the Cabinet in February 2016 advising on the outcome of the public consultation and, if appropriate, presenting a revised draft Care and Support Charging Policy for approval.

62. Disabled Facilities Grants: Introducing Legal Charges on Properties

The Cabinet Member for Adult Social Care and Health introduced a report on the potential introduction of a scheme whereby a legal charge would, in certain circumstances, be placed on a property that had undergone adaptations funded from the Council's Disabled Facilities Grant scheme.

The Cabinet Member advised on the key provisions within the Housing Grants, Construction and Regeneration Act 1996 that enabled local authorities to recover Disabled Facilities Grant award monies, which were:

- The grant application exceeded £5,000 and the recipient of the grant had a financial interest in the whole or part of the property to which the adaptation was being made;
- The Council could recover from a minimum of £5,000 up to a maximum of £10,000;
- The recovery of the grant was up to a period of 10 years after the grant had been awarded and only after the Council had satisfied itself that:
 - The recovery of the debt would not lead to financial hardship of the individual, and /or
 - The disposal of the property by the disabled person or applicant had not occurred as a result of the physical or mental health or wellbeing of the recipient of the grant, the disabled occupant of the property or the need to care for another disabled person.

The Cabinet Member explained that the introduction of a legal charging mechanism would assist the Council in meeting the increasing demand for grants under the scheme, as funding recovered through a legal charge would be returned to the Disabled Facilities Grants budget. It was noted that a number of neighbouring Councils had already implemented legal charges.

In response to a question relating to whether the maximum claw-back of £10,000 would influence future decisions on the amount of grant to be awarded, the Cabinet Member confirmed that would not be the case and added that she would welcome an increase to the £10,000 maximum as that figure had not increased since the introduction of the legislation and was, therefore, out of line with the current costs associated with major adaptation works.

Cabinet resolved to:

- (i) Agree that the Council consults on the proposed introduction of arrangements whereby some or all of a Disabled Facilities Grant may be recoverable via the placing of a local land charge where a person in receipt of a grant has a financial interest in the property, in line with the Housing Grants, Construction and Regeneration Act 1996, in order to regularise the position and to support the growth of the scheme; and
- (ii) Note that a further report shall be presented to the Cabinet in February 2016 advising on the outcome of the public consultation and, if appropriate, presenting a draft policy for approval.

63. Review of School Places and Capital Investment - Update November 2015

Further to Minute 4 (2 June 2015), the Cabinet Member for Education and Schools presented an update report in respect of the various nursery and school expansion projects aimed at addressing the demand for places in the Borough.

The Cabinet Member referred to the increasing costs associated with school expansion and new build projects and the limited scope to meet the future demand for new school places through expansion on existing school sites. To that end, a campaign to make the Government and other influential bodies more aware of the acute difficulties faced in Barking and Dagenham was being undertaken, which included the lobbying of the Parliamentary Under Secretary of State for Schools, Lord Nash.

Members noted details of the various expansion and improvement projects proposed within the report as well as the proposed funding and procurement arrangements. In response to a question from the Leader, the Cabinet Member for Education and Schools confirmed that all schools in the Borough were signed up to a Memorandum of Understanding which established a collective responsibility for meeting the demand for school places. The Cabinet Member also referred to the Government's policy which sought to exclude local authorities from new school provision and the role that the Borough's Partnership Learning Trust may be able to play in maintaining links and ensuring the future provision of quality education throughout the family of schools.

Members spoke in support of the steps being taken by the Council and commended the work within the schools to maintain and improve children's educational standards against the backdrop of increasing demand for places and the distractions caused by the various expansion projects taking place across the Borough.

Cabinet **resolved** to:

- (i) Approve the Future Planning Programme to meet Basic Need (including SEN places) 2015 to 2021, as set out in section 2 and Appendix A of the report;
- (ii) Approve the inclusion of £1m in the Capital Programme to support the provision of nursery places for two year olds in accordance with the Department for Education (DfE) approval, as detailed in section 3 of the report;
- (iii) Approve the inclusion in the Capital Programme of £2,457,290 capital grant from the Education Funding Agency (EFA) for works at Eastbury Community School as part of the Priority Schools Building Programme which shall be procured through the PFI contractor, as set out in section 5 of the report, and note that discussions between the School and the PFI contractor may lead to further works of up to £1.5m;
- (iv) Approve an additional allocation of £400,000 from the Basic Need allocation to support the redevelopment of Eastbrook School through the Priority Schools Building Programme, as set out in sections 6 and 10.2 of the

report;

- (v) Approve the inclusion in the Capital Programme of £45,195,736 capital grant from the EFA for the development of the Riverside Free Schools, as set out in section 7 of the report;
- (vi) Agree to support the procurement of the new Greatfields School, subject to the EFA settling all allocations and agreeing a funding agreement, as set out in section 8 of the report, and note that the Council's Local Education Partnership (LEP) and internal expertise shall be utilised on the project;
- (vii) Approve the allocation of £8m from the Basic Need allocation to support the development of a new primary school in central Barking, as set out in sections 9 and 10.2 of the report;
- (viii) Agree the procurement principles as set out in section 15.2 of the report and note that all projects over £100,000 would be subject to the approval of the Council's Procurement Board in respect of the procurement route to be followed; and
- (ix) Delegate authority to the Corporate Director of Children's Services, in consultation with the Cabinet Member for Education and Schools, the Strategic Director of Finance and Investment and the Head of Legal and Democratic Services, to award the respective project contracts.

64. Barking Housing Zone - Intervention Agreements

Further to Minute 26 (21 July 2015), the Cabinet Member for Regeneration reported on proposals to progress the Barking Housing Zone project in Cambridge Road.

The Cabinet Member explained that the majority of the site was owned by Swan New Homes who would lead on the development of new, high quality apartments, aimed at attracting tenants with disposable incomes wishing to make a home in a reinvigorated Town Centre. The development would include 49 units (18%) for shared ownership as well as ground floor space for use as a creative industry hub, in support of the Council's ambitions for a Creative Industries Zone in the Borough. Under the financial arrangements for the project, the Council would forego a capital receipt for the sale of its part of the total site in favour of a 250-year lease at a peppercorn rent for the ground floor space.

In response to issues raised, the Cabinet Member for Regeneration confirmed that he would look into the steps that could be taken to prevent the new development becoming a magnet for buy-to-rent prospectors, as that would undermine the Council's aims for the area, and also explore the role that partners could have in the wider regeneration of the area. Following on from that, the Cabinet Member advised that Network Rail, who was responsible for the railway bridge, had committed £6m for improvements to the accessibility to and appearance of the Barking Station area.

Cabinet **resolved** to:

- (i) Agree to enter into an agreement with Swan New Homes to transfer the Council's freehold ownership in land in Cambridge Road, shown in red in Appendix 1 to the report, in return for a 250-year lease at a peppercorn for the ground floor space, as set out in paragraph 3.4 of the report;
- (ii) Agree to enter into an Intervention Agreement with the Greater London Authority for £650,000 of grant funding towards the shell and core and fit-out costs for the ground floor of the Cambridge Road site; and
- (iii) Endorse the funding bid submitted to the London Regeneration Fund for a programme of interventions to establish a Barking Creative Industries Zone.

65. School Funding Formula 2016/17

The Cabinet Member for Education and Schools reported on the proposed allocation of funding to schools for 2016/17.

The Cabinet Member referred to the discussions at the Schools Forum during the consultation on the proposals and highlighted some of the key changes for 2016/17, many of which were related to the narrowing of the gap between primary and secondary funding towards the national median ratio of funding. The projected overall funding for 2016/17 was £232.966m, although it was noted that the final decision would be made in January 2016 once the latest pupil census data had been validated by the Department for Education.

In response to an enquiry regarding the reduction in funding for secondary schools which operated on split sites, the Cabinet Member confirmed that the current arrangements were interim and would be reviewed in detail in due course.

Cabinet **resolved** to:

- (i) Note the outcome of the Schools Funding Formula briefing sessions at the Schools' Forum, as referred to in paragraphs 2.6 and 2.7 of the report;
- (ii) Subject to (iii) below, agree to adopt the proposed model as the method for allocating school funding in 2016/17, as set out in section 2 of the report; and
- (iii) Delegate authority to the Corporate Director of Children Services to approve the final 2016/17 school funding formula submission to the Education Funding Agency following consultation with the Schools' Forum.

66. Education Strategy 2014-2017 and Schools' Annual Performance Review 2014/15

The Cabinet Member for Education and Schools introduced a report which gave an update on the achievement against the two overarching objectives within the Education Strategy 2014-2017, namely (1) a place in a good or outstanding school or early years setting for every child and young person, and (2) exceeding national standards and then London standards, together with details of attainment levels in

national tests and exams in 2015 across the Borough's schools.

The Cabinet Member advised that 90% of the Borough's schools were expected to be at 'good' or 'outstanding' by the end of the year, with current projections suggesting that 25% of schools would be in the 'outstanding' classification which would exceed the Ofsted target of 20%. Another significant achievement during the year was the achievement of Trinity School of its third consecutive 'outstanding' inspection rating, one of only a few special schools in the country to have done so.

In relation to exam results, the Cabinet Member expressed her disappointment that GCSE performance had dropped by 5% in 2015 against the headline 5 A* to C including English and maths indicator, although she clarified that the national and London statistics had also fallen against the backdrop of raised pass marks for a grade C. There were, however, improvements in areas of Key Stage 1 and 2 and Post 16 performance which reflected positively on the excellent work being undertaken in schools in the Borough, one of note being an increase in the number of young people securing places at university, from 797 in 2013 to 853 in 2014 and with 170 (20%) of those places being at the country's top third rated universities. In response to a request from the Cabinet Member for Children's Services and Social Care, it was agreed that comparative data on university placements would be included in a future report.

The Cabinet Member referred to the main areas of focus for 2015/16, which included working with partners to reduce the number of young people not in education, employment or training (NEETS). A 14-19 Working Group was looking into the issue and the Technical Skills Academy in Barking was highlighted as offering excellent opportunities for those wishing to develop their skills after leaving school. Members discussed the greater role that schools may be able to have in identifying those young people who were at risk of falling into the NEET category and it was also suggested that the issue should be referred to the Policy Forum in view of the Council's corporate parenting responsibilities.

The Leader referred to the general improvement in educational attainments levels in Barking and Dagenham over recent years and warned of the dangers posed by the Government's forced academisation programme which he felt would undermine the Council's ability to positively influence school improvement.

Cabinet **resolved** to:

- (i) Note the performance against the overarching objectives within the Education Strategy 2014-17, as set out in section 2 of the report;
- (ii) Endorse the priorities for 2015/16, as set out in paragraph 3.1 of the report;
- (iii) Reaffirm the Council's commitment to continuing the strong partnership with all schools in the Borough to achieve the best possible outcomes and opportunities for children and young people; and
- (iv) Note the performance of schools in national tests and examinations during 2014/15, as set out in Appendix 1 to the report.

67. Low Energy Street Light Replacement Programme

The Cabinet Member for Finance and Central Services introduced a report on the proposed replacement of the Borough's existing street lights with low energy Light Emitting Diode (LEDs) lanterns, to be funded from borrowing via the UK Green Investment Bank.

The Cabinet Member explained that in addition to the environmental benefits that the project would bring through reduced carbon emissions, there would be significant financial savings for the Council of over £430,000 a year once the replacement programme had been completed.

Cabinet **resolved** to:

- (i) Approve the procurement proposals to replace c16,500 sodium street lanterns with energy efficient LED street lanterns, including the installation of a Central Management System (CMS), at an estimated total scheme cost of £7.5m (including £0.5m contingency) in accordance with the strategy set out in the report;
- (ii) Agree that the project be financed via the UK Green Investment Bank's Green Loan, as set out in option 1 in the report; and
- (iii) Delegate authority to the Strategic Director of Finance and Investment, in consultation with the Head of Legal and Democratic Services and the Cabinet Members for Finance and Regeneration, to negotiate terms and agree, execute and deliver all contract project documents to fully implement and effect the project including the Green Loan agreement and other finance documents, and award the contract to the successful bidder.

68. Print and Design Services for Council Marketing and Information Material

The Leader of the Council introduced a report on proposals to procure a new contract for the provision of print and design services for marketing and information material via a multi-lot framework agreement.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of design and print services, delivered through an EU compliant framework agreement commencing on 1 April 2016, in line with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director for Finance and Investment, in consultation with the Leader of the Council and the Head of Legal and Democratic Services, to award and enter into the framework agreement with the successful bidders in accordance with the strategy set out in the report.

69. Treasury Management Strategy Statement Mid-Year Review 2015/16

The Cabinet Member for Finance and Central Services presented an update report on the treasury management activities during the current financial year.

The Cabinet Member commented that despite the effects of low interest rates, prudent investment management had enabled additional revenue to be made available to support the Council's General Fund. In respect of the Council's investments at 30 September 2015, the Cabinet Member clarified the basis for increasing the maximum investment limit with the Royal Bank of Scotland from £50m to £90m and also responded to the suggestion that the Council should invest in the local housing market, although in respect of the latter point he agreed to keep the matter under review.

Cabinet **resolved to recommend the Assembly** to:

- (i) Note the Treasury Management Strategy Statement Mid-Year Review 2015/16;
- (ii) Note that in the first half of the 2015/16 financial year that the Council complied with all 2015/16 treasury management indicators;
- (iii) Agree to maintain the delegated authority given to the Strategic Director of Finance and Investment, in consultation with the Cabinet Member for Finance, for the duration of the 2015/16 financial year to proportionally amend the counterparty lending limits agreed within the Treasury Management Strategy Statement to take into account the additional £89m from the European Investment Bank; and
- (iv) Authorise the Strategic Director of Finance and Investment to make the necessary adjustments to the Treasury Management Strategy to reflect the borrowing of funds and the Capital Financing Requirement to accommodate the additional borrowing arising from the decision to finance the Low Energy Street Light Replacement Programme via the UK Green Investment Bank's Green Loan.

CABINET**15 December 2015**

Title: Budget Monitoring 2015/16 - April to October (Month 7)	
Report of the Cabinet Member for Finance	
Open Report	For Decision
Wards Affected: All	Key Decision: No
Report Author: Kathy Freeman Group Manager, Corporate Finance	Contact Details: Tel: 020 8227 3497 E-mail: kathy.freeman@lbbd.gov.uk
Accountable Director: Jonathan Bunt, Strategic Director of Finance and Investment	
Summary	
<p>This report provides Cabinet with an update of the Council's revenue and capital position for the seven months to the end of October 2015, projected to the year end.</p> <p>There is a projected overspend of £5.8m on the 2015/16 budget, a decrease of £0.3m from last month. The current projection consists of an overspend on the Children's Services budget of £6.6m, made up of £5.6m pressures in the service and £1m programme delivery costs, partially offset by a £0.8m additional investment income from treasury management activity and a VAT refund. There are pressures in a number of other service areas but all are currently forecast to be managed.</p> <p>The total service expenditure for the full year is currently projected to be £157.3m against the budget of £151.4m. The projected year end overspend will reduce the General Fund balance to c£20m at year end and it may reduce further if future budget gaps are not closed.</p> <p>The Housing Revenue Account (HRA) is projected to break-even, leaving the HRA reserve at £8.7m. The HRA is a ring-fenced account and cannot make or receive contributions to/from the General Fund.</p> <p>The Capital Programme budget was re-profiled last month and stands at £131.5m, inclusive of the European Investment Bank (EIB) funded general fund housing schemes, with a forecast outturn of £131.5m still on track.</p>	
Recommendation(s)	
<p>The Cabinet is recommended to:</p> <p>(i) Note the projected outturn position for 2015/16 of the Council's General Fund revenue budget at 31 October 2015, as detailed in paragraphs 2.1, 2.4 to 2.10 and Appendix A of the report;</p> <p>(ii) Note the progress against the agreed 2015/16 savings at 31 October 2015, as detailed in paragraph 2.11 and Appendix B of the report;</p>	

- (iii) Note the overall position for the HRA at 31 October 2015, as detailed in paragraph 2.12 and Appendix C of the report;
- (iv) Note the projected outturn position for 2015/16 of the Council's capital budget as at 31 October 2015, as detailed in paragraph 2.13 and Appendix D of the report;
- (v) Agree that all Chief Officers be instructed to implement any agreed 2016/17 savings during the current financial year to assist in reducing the Council's overspend, as detailed in paragraph 2.2.3 of the report; and
- (vi) Agree to the use of £0.6m of Council reserves to fund the development of business cases for the Ambition 2020 programme, as detailed in paragraph 2.9.7.

Reason(s)

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

1 Introduction and Background

- 1.1 This report provides a summary of the Council's General Fund and HRA revenue and capital positions. It also provides an update on progress made to date in the delivery of the agreed savings targets built into the 2015/16 budget, setting out risks to anticipated savings and action plans to mitigate these risks.
- 1.2 It is important that the Council regularly monitors its revenue and capital budgets to ensure good financial management. This is achieved within the Council by monitoring the financial results on a monthly basis through briefings to the Cabinet Member for Finance and reports to Cabinet. This ensures Members are regularly updated on the Council's overall financial position and enables the Cabinet to make relevant financial and operational decisions to meet its budgets.
- 1.3 The Budget report to Assembly in February 2015 provided for a target of £15.0m for the General Fund balance and the revenue outturn for 2014/15 led to a General Fund balance of £26.0m. Taking into account the currently projected overspend, together with the proposed use of the GF balance and other reserves to cover the implementation of savings proposals and budget gaps in 2015/16 and 2016/17, the remaining GF balance would be just above the target figure, as shown in the table below:

Projected Level of Reserves	£000	£000
Current GF balance		26,024
Other available reserves		7,127
Total available reserves		33,151
<u>Calls on reserves:</u>		
Implementation of savings proposals	(6,243)	
Budget Gap 2016/17	(5,170)	
Projected overspend	(5,849)	
		<u>(17,262)</u>
Projected remaining reserves		15,889

The actual cost of the implementation of savings proposals is being ascertained and this may impact positively on remaining reserves.

- 1.4 The additional level of reserves above the minimum level provides the Council with some flexibility in its future financial planning but, to take advantage of that, it is essential that services are delivered within the approved budget for the year. Overspends within directorate budgets will erode the available reserves and therefore limit the options that reserves could present in the medium term as the Council makes decisions on savings and service provision.

2 Current Overall Position

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

Council Summary 2015/16	Net Budget	Full year forecast at end October 2015	Over/(under) spend Forecast
	£000	£000	£000
Directorate Expenditure			
Adult and Community Services	51,368	51,368	0
Children's Services	64,081	70,730	6,649
Housing (GF)	98	98	0
Environment	19,477	19,477	0
Chief Executive	17,876	17,876	0
Central Expenses	(1,456)	(2,256)	(800)
Total Service Expenditure	151,444	157,293	5,849

	Balance at 1 April 2015	Forecast Balance at 31 March 2017
	£000	£000
General Fund	26,024	15,889*
Housing Revenue Account	8,736	8,736

*Includes the use of GF balances to implement savings proposals and cover potential budget gaps up to 2016/17 – see paragraph 1.3

2.2 Chief Finance Officer's comments

- 2.2.1 The current Directorate revenue projections indicate an overspend of £5.8m for the financial year, primarily due to the overspend in Children's Services. The vast majority of the overspend remains within Complex Needs and Social Care.
- 2.2.2 October's Cabinet was asked to note the cost of setting up of a temporary project team to prepare and support the delivery of an Outline Business Case aimed at managing service demand and expenditure to enable a balanced budget over the next two years. The ability of that plan to deliver savings, which will be monitored at

a detailed level, will strongly influence any decisions on a wider spend freeze or other measures to reduce the in year overspend. Some services have already put in place a mini spend freeze to enable the containment of pressures within that area.

- 2.2.3 It is very unlikely that the Children's Services position can be brought back to budget by the end of the financial year, though it is anticipated that it can be significantly reduced from the earlier reported pressures, and other actions will need to be identified to avoid a very large call on reserves in 2015/16. In the first instance, all Chief Officers have been instructed to contain any other pressures that have been identified within services and, as detailed within the later paragraphs of this report. Recent experience is of the financial position improving as the financial year progresses though there is no guarantee that this will always be the case. It is also proposed that the Strategic Director of Finance and Investment issues an instruction to all Chief Officers to implement any 2016/17 savings early in order to reduce the overspend.
- 2.2.4 Adequate reserves must be maintained to not only provide the minimum advised balance but also to enable investment in future programmes to deliver the Council's medium term financial strategy. Cabinet noted at its October meeting that the Children's Services programme is forecasting to reduce spend levels by £11m by March 2017 and therefore consideration could be given to agreeing an overspend against budget for 2015/16 with the general fund balance replenished in 2016/17 to provide the funds for investment to deliver future savings. The business case did not indicate this was achievable from within Children's Services alone with the current plan seeing the department deliver on budget in 2016/17 rather than substantially underspend.
- 2.2.5 Whilst the current forecast overspend would result in a reduction in the Council's General Fund balance, the balance will still remain above the budgeted target of £15.0m. The Strategic Director of Finance & Investment, as the Council's statutory chief finance officer, has a responsibility under statute to ensure that the Council maintains appropriate balances and the projected 2016/17 year end balance would be just above the target figure.
- 2.2.6 Looking forward, the revised MTFS approved in July includes additional funding for Children's Services and other demographic/service pressures which, along with the programme for Children's Services outlined above, would be expected to move towards a robust and deliverable budget in 2016/17.

2.3 Directorate Performance Summaries

- 2.3.1 The key areas of risk which might lead to a potential overspend are outlined in the paragraphs below. As this report reflects the position as at 31 October projected to the end of the financial year, it remains presented in the departmental structure of previous reports as the new senior management structure takes effect. For future reports, consideration will be given as to how to amend the reporting in the short and medium term.

2.4 Adult and Community Services

Directorate Summary	2014/15 Outturn £000	2015/16 Budget £000	2015/16 Forecast £000
Net Expenditure	54,025	51,368	51,368
Projected over/(under)spend			0

2.4.1 The Adult and Community Services Directorate is forecast to breakeven by year end. There are a number of pressures within the directorate amounting to c£3.5m, which the directorate is actively working towards mitigating, as shown in the table below:

Main Pressures	£000
Purchase of Adult Social Care across all client groups	2,028
Pressures against 2015-16 savings targets (see savings tracker appendix for details)	381
Abbey Leisure Centre income pressures due to delayed opening	700
Mental Health residential placement costs	265
Better Care fund performance penalty – target for reduced admissions unachieved	182
Total Pressures	3,556

2.4.2 Appendix A provides a summary by division of service and the following paragraphs explain these variances. Adult Social Care reflects an overall forecast pressure of £2.113m, a reduction from last month's forecast of £2.168m following review of estimated property debt income. The majority of the pressure, £2.028m, is due to the forecast spend on purchasing adult social care across all client groups (except mental health) based on current activity data. The pressure includes a number of high cost transition cases from Children's Services and the outcome of re-assessments under the Care Act. The number of crisis intervention cases in the system has begun to decrease slightly but is still at a significantly higher run rate than 2014/15. The service is currently taking urgent action to review cases quickly and reduce numbers. The remaining pressure is the net impact of pressure arising from the partial delivery of the Maples savings target and underspends arising from in year vacancies within the service. These budgets will continue to be monitored closely as activity levels fluctuate.

2.4.3 Commissioning and Partnership's is forecasting pressure of £0.072m. This is due to a projected £0.182m Better Care Fund (BCF) performance penalty offset by a £0.110m in year underspend against extra care budgets assuming maximum hours are not utilised. The extra care budgets are used to assist older people in self-contained housing, for example sheltered housing. Approximately 90% of budgeted hours are currently utilised. Vacancies are being held in the Youth Offending Service (YOS) in order to manage the £0.055m cut to in-year funding from the Ministry of Justice.

2.4.4 Mental Health is forecasting pressure of £0.265m due to the number of residential placements. This reflects a reduction from last month's position following a review of current placement levels and NELFT colleagues managing the admission and discharge process. It should be noted an increase in net placements over the remainder of the year would increase pressure on this budget.

- 2.4.5 Culture and Sport is forecasting pressure of £0.736m mainly due to income pressures within Abbey Leisure Centre and non delivery of saving targets. The delayed opening of the Abbey Leisure Centre has resulted in a reduction to income projections of £0.7m. This pressure will be partially mitigated by an estimated £0.25m compensation expected from the Contractors who worked on the Leisure Centre project. Delays to the Leisure Trust saving proposal equate to a pressure of £0.25m this year and risk to the additional £0.75m in 2016/17. There are further dependant Library savings which could also be at risk. There is also a net pressure of £0.036m as a result of delays to the transfer of the management of the Broadway Theatre to the Barking & Dagenham College.
- 2.4.6 The Councils initial Public Health grant allocation for 2015/16 was £14.213m, however, from the 1 October 2015, this has increased by £2.512m due to the part year transfer of the 0-5 children's public health commissioning to the Local Authority bringing the total allocation to £16.725m. At the end of the last financial year there was a £0.978m underspend which as a ring-fenced grant has been carried-forward into the current financial year. It was announced that there would be a £200m non-NHS health budget cut in year which will impact the Public Health budget. This has been confirmed as a 6.2% reduction equating to c£1m cut in funding. Spending plans have been reviewed in response to this. It should be noted that these reductions will impact on services across the council.
- 2.4.7 A challenging savings target of £4.145m is built into the 2015/16 budget. These are largely in the process of being delivered or already implemented. However, current forecasts indicate under delivery of £0.381m (see savings tracker for further details). Where under delivery has been identified, the Department is actively managing the resulting pressure.

2.5 Children's Services

Directorate Summary	2014/15 Outturn £000	2015/16 Budget £000	2015/16 Forecast £000
Net Expenditure	67,359	64,081	69,730
Projected over/(under)spend			5,649
Programme costs			1,000

- 2.5.1 The service is forecasting an overspend of £5.649m against a budget of £64.081m. The position includes the full delivery of the departments £2.065m 2015/16 saving target and reduction in previously identified overspend of £3.5m through the Social Care Ambition and Financial Efficiency programme (SAFE). In addition to this, corporate funding of £1.7m and partnership funding of £0.474m has been allocated to support the position in 2015/16. This is a positive movement of £0.131m on the position reported last month due to movements in Education and Commissioning and Safeguarding. In addition to this, delivery of the SAFE programme is expected to cost £1m in year.
- 2.5.2 The Education Service is forecast to underspend by £0.150m which is an improvement on the previous month of £0.095m. This is primarily due to underspends within the Early Years and Childcare Service and Integrated Youth Services as a result of the early delivery of 2016/17 savings and an underspend

within the School Improvement Service owing to savings from posts being frozen or inability to appoint following a recruitment campaign. However, the position is partially offset by pressures within Adult Education due to reductions in Government funding and redundancy costs.

- 2.5.3 The Commissioning and Safeguarding Service is forecast to overspend by £0.299m which is an improvement on the previous month's position of £0.036m. This has been achieved by an increase in traded income. The pressure in this service is driven by the difficulty in recruiting permanent staff and the need to use agency staff.
- 2.5.4 Significant demand pressures within the Complex Needs and Social Care (CNSC) division have continued from 2014/15 into the current financial year. Current projections indicate an overspend of £5.5m at the year end.
- 2.5.5 In October, Cabinet approved an Outline Business Case aimed at managing service demand and expenditure in order to deliver a balanced budget by the end of 2016/17. Implementation of the approved business case is now underway and progress has been made in a number of areas.
- 2.5.6 Reducing spend by the level required in the target timescale will be very challenging and will require tight governance. The SAFE Programme Board meets monthly to review progress and ensure at all times that children are not put at risk. Progress towards the savings target is reported to Cabinet via the monthly financial monitoring report.
- 2.5.7 The table below shows the original forecast overspend together with progress made to date and planned further reductions. This will bring the service to a forecast outturn position of £5.5m at the end of the year.

	Original Forecast Overspend £000	Reduction Delivered £000	Current Position £000	Planned Further Reductions £000	October forecast £000
Complex Needs					
Agency /Staffing/ASYE	3,365	(648)	2,717	(527)	2,190
Placements	3,919	(3790)	3,540	(808)	2,732
Transport	543	(343)	200	0	200
Legal	500	0	500	(300)	200
NRPF	1,600	(50)	1,550	(200)	1,350
UASC	1,128	(62)	1,066	(138)	928
Funding Adjustments	0	(2,100)	(2,100)	0	(2,100)
Total Complex Needs	11,055	(3,582)	7,473	(1,973)	5,500

2.5.8 The work streams underway are described below.

Recruiting Permanent Social Workers

At the beginning of the financial year the service was forecasting £3m overspend as a result of additional agency costs. Children's Services have already reduced costs considerably by successfully recruiting a number of permanent staff. In addition Penna have now been employed specifically to attract, recruit and retain permanent Social Workers. This is expected to further reduce staff costs in the current year with a significant full year effect in 2016/17.

Reducing the Number of Children in Social Care

Work is underway to review all Children's Social Care cases. This has identified that a number of cases can be stepped down without risk. As part of this process the project ensures that the appropriate support packages are in place for the families to allow these cases to be stepped down. As the number of cases reduce, management are expected to regularly and quickly review the current staffing establishment to identify and then release agency staff as case numbers decrease.

Commissioning and reduction in Placements

The commissioning project has a number of strands which will both reduce costs and provide suitable outcomes for children in the borough. Placements are a key focus of the commissioning workstream. They are continually reviewed as a core function and this has identified a number of children who potentially can be stepped down from their current residential placements. The SAFE project is also reviewing the placement process to ensure that the procurement process both meets the identified need of the child and is carried out in the most cost efficient way.

LAC 18+ accommodation review

Children's Services are working closely with Housing to identify accommodation in order to allow young adults who are ready to move out of supported living. The accommodation review will also look at the options for accommodation for other client groups such as NRPF/UASC. Whilst accommodation is needed in the short term the project also recognises that this will be an ongoing issue over a longer period.

SEN Transport review

A review of SEN Transport has been carried out which considers transport routes, travel training and revised eligibility criteria including consultation. This has identified savings for 2015/16 with a full year effect in 2016/17

Reduction of Families in NRPF

The NRPF service now uses a fraud officer and a home office officer to identify fraudulent claims and speed up home office decisions. The fraud officer helps the initial application process and the Home Office Officer accelerates "right to remain" decisions from the Home Office. This allows families to be moved out of NRPF more rapidly following resolution with the Home Office.

Review of Legal Costs

Children's Services are working closely with legal to identify the most cost effective way to meet the Council requirements of the service. There is a proposal to hire two advocates and to stop using 3rd party advocacy services.

Reconfigure the Pitstop programme

The Pitstop programme was based on a joint funding arrangement with LB Newham in 2015/16. Newham have withdrawn from this arrangement necessitating a review of the service.

Move ASYE training into Social Care teams

The ASYE training programme has been in operation since April 2014. The programme has had mixed results with some graduates successfully being integrated into the Social Work teams and others dropping out of the programme. We are planning to ensure that the current ASYE cohorts are given the support and training required to successfully complete the programme and graduate. Beyond this, there is currently no plan to take in a further ASYE cohort.

2.6 Dedicated School Grant (DSG)

2.6.1 The DSG is a ring fenced grant to support the education of school-age pupils within the borough. The 2015/16 DSG allocation is £231.1m, covering Individual Schools Budgets, High Needs and Early Years services.

2.7 Housing General Fund

Directorate Summary	2014/15 Outturn £000	2015/16 Budget £000	2015/16 Forecast £000
Net Expenditure	3,417	98	98
Projected over/(under)spend			0

2.7.1 Current projections indicate that this service will outturn on budget in 2015/16.

2.7.2 The primary risks to the position are the level of Bed and Breakfast placements and managing arrears. Significant savings were expected to be delivered through a reduction in temporary accommodation placements within Bed and Breakfast accommodation together with the renegotiation of Bed and Breakfast nightly rates. However, demand over recent months has been steadily increasing and is likely to be further exacerbated by ongoing Welfare Reforms.

2.7.3 The number of Bed and Breakfast placements stood at 76 at the end of October which is above the budgeted average of 68 and part of an increasing trend. However, despite peaking briefly at 81 in May, average numbers over the whole of the first 7 months of the year stand at 64. The projected average number of placements per month for the year is now estimated to be 63 with the resulting under spend used to fund additional rental payments to Private Sector Lease providers in order to ensure a continuous supply of properties, on site security and reception improvement works at several of the Council's homeless hostels, gainshare costs and also payments to the East London Housing Partnership.

2.7.4 Arrears have increased by £0.292m since the start of the financial year, although this is partly due to a backlog in processing Housing Benefit claims. The budget available to top up the provision is expected to be sufficient based upon current assumptions.

2.7.5 The opening of Butler Court Hostel has been rescheduled to facilitate the provision of additional units. The facility was initially expected to open in October with 69 units, however, now that full access has been obtained, it has been established that a further 11 units can be provided. The facility is now expected to open in February with 80 units. The enhanced refurbishment of the hostel will be funded from corporate budgets and will result in a higher level of ongoing income.

2.7.6 The combination of additional hostel units at Butler Court and 50 Wakering Road alongside active placement management is expected to deliver a breakeven position and enable the service to deliver its savings target. There are, however, significant risks in this area if Bed and Breakfast numbers increase in the short term or the reduction forecast for the latter part of the financial year does not materialise. There are also additional risks if the available supply of PSL properties does not meet demand or the amount of bad debt increases substantially above the current provision.

2.8 Environment

Directorate Summary	2014/15 Outturn £000	2015/16 Budget £000	2015/16 Forecast £000
Net Expenditure	19,687	19,477	19,477
Projected over/(under)spend			0

2.8.1 Environmental Services is forecast to breakeven at year end, however, there is increasing risk against this position. The service will need to manage pressures of £1.3m to outturn on budget. The table below summarises the main headline pressures.

Main Pressures	£000
Income Pressure	356
Staffing Pressure	354
Parking Services (Impact of De-Regulation Act 2015)	350
2015-16 Savings (see savings tracker appendix for details)	226
Stour Road building	90
Total Pressures	1,376

2.8.2 Current projections indicate pressure on meeting income targets across a number of services including refuse, cemeteries, Barking market and fleet with pressure on staffing budgets primarily within refuse and cleansing. The impact of the De-Regulation Act 2015 remains a significant risk for the service, however, the forecast remains at £0.35m following review of enforcement strategies and the income profile over the first half of the year. Mitigating action is primarily through the holding of vacancies and spends restraint within Highways, Building Control and Private Sector Housing.

2.8.3 The service has a challenging savings target of £1.7m built into the 2015/16 budget. These are largely in the process of being delivered or already implemented, however, current forecasts indicate under delivery of £0.23m. The majority of this relates to the introduction of charges for the green garden waste service which has been postponed until 2016/17. The other savings pressure relate to determining

arrangements for marketing within the public realm, the postponement of changes to prestart payments and income generation in cemeteries.

2.9 Chief Executive's Directorate

Directorate Summary	2014/15 Outturn	2015/16 Budget	2015/16 Forecast
	£000	£000	£000
Net Expenditure	18,716	17,876	17,876
Projected over(under)spend			0

- 2.9.1 Chief Executive's Directorate is currently on target to spend to budget this year though that is dependent on a number of pressures being contained within services. The current position is that these pressures will be mitigated.
- 2.9.2 There are over £2.5m of savings relating to Elevate services for 2015/16 including large individual savings relating to the transformation of ICT and Customer Services and the automation of other services. These are being monitored through joint programme boards with Elevate and Agilisys with the highest risk on parts of the automation proposals. There are also substantial ongoing demand pressures on the benefits services with high numbers of new claims and changes in circumstances that are having to be managed within existing resources. There is currently a significant backlog in processing changes of circumstance for benefit claimants. This delay results in an overpayment which is classified as a local authority error. The Department of Work and Pensions (DWP) refunds the Council for LA error overpayments, providing the overpayments are within specific thresholds. Based on current projections, the error threshold is likely to be breached, which means that the Council may not receive 100% of the overpayment back from the DWP. In order to mitigate this risk, Elevate have brought in additional resources at their own cost to reduce the backlog. The backlog is also being monitored on a weekly basis to monitor the effectiveness of the actions taken.
- 2.9.3 There are pressures totalling £0.190m within Human Resources through the under-recovery of some school buybacks.
- 2.9.4 The review of senior management has commenced and it is expected that £0.2m of the £0.3m will be delivered by the end of the year. Further work is required to deliver the savings required from the business support review.
- 2.9.5 At the end of September, Legal and Democratic Services had already achieved their income target for the year, in addition to delivering against their savings target. If the level of trading activity continues, this is likely to generate significant surplus income.
- 2.9.6 The Asset Strategy team are currently carrying out a series of rent reviews which will result in the generation of additional rental income. It is expected that the income generated will be re-invested into the commercial properties portfolio to protect or increase future revenues. Any income not invested will generate an overachievement of the income budget in the Asset Strategy team.
- 2.9.7 By Minute 24 (21 July 2015), Cabinet initially agreed funding to support the Growth Commission (£0.5m) and to provide additional capacity required for the Ambition

2020 programme (£1m). The Growth Commission will complete its review in December 2015. The initial funding enabled Ambition 2020 to develop a number of work streams to the point of outline business case, resourced both by internal secondments and external expertise. To move a number of work streams from outline to full business case will require a reduced level of resource, currently estimated at £0.6m, than the work done to date, but it needs resourcing to develop a fully thought through plan to report to Cabinet in Spring 2016. Cabinet is now asked to agree this allocation from reserves.

2.10 Central Expenses

Directorate Summary	2014/15 Outturn	2015/16 Budget	2015/16 Forecast
	£000	£000	£000
Net Expenditure	2,186	(1,456)	(2,256)
Projected over(under)spend			(800)

2.10.1 This budget covers treasury management costs (interest paid on loans and received on investments), budgets to cover the costs of redundancy and doubtful debts and a small contingency to cover any unforeseen pressures.

2.10.2 The Treasury team continues to achieve good returns on the Council's cash deposits, without a significant increase in the risk taken, in a low interest environment and a favourable variance of £0.7m is forecast against budgets for interest paid on loans and received on investments. A refund of £0.1m has been received for overpaid VAT following a review of payments made over the last two years and this has increased the projected underspend to £0.8m.

2.11 In Year Savings Targets – General Fund

2.11.1 The delivery of the 2015/16 budget is dependent on meeting a savings target of £23.5m. Directorate Management Teams are monitoring their targets and providing a monthly update of progress which is summarised in the table below. Where there are shortfalls, these will be managed within existing budgets and do not affect the monitoring positions shown above.

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

Directorate Summary of Savings Targets	Target £000	Forecast £000	Shortfall £000
Adult and Community Services	4,145	3,764	381
Children's Services	2,065	2,065	-
Housing (GF)	1,005	1,005	-
Chief Executive	14,595	13,673	922
Environment	1,710	1,484	226
Total	23,520	21,991	1,529

2.12 Housing Revenue Account (HRA)

2.12.1 The HRA is currently forecast to breakeven. More detailed monitoring information is given in Appendix C.

Income

2.12.2 Income is expected to be ahead of budget by £1.914m. This is due to an increase in the number of HRA Decants being used for Temporary Accommodation generating £1.2m additional income and increased water charges of £0.6m as notified by the water provider after Council budgets were agreed. There is a net nil impact to the HRA of the increased water charges as these are collected by the Council and passed through to the water company.

2.12.3 The main risk to the income position is collection performance and stock movements. The current performance on rent collection is 98.56% compared to the target of 99.24%. This creates a shortfall in cash collected of around £700k. Changes in government policy around repeat claims for Discretionary Housing Payments (DHP) have also impacted the allocation of DHP towards housing rents. The Housing Service has been working with Capita to analyse tenant profiles which will assist in developing intervention models and enable improved rent collection levels and reductions in rent arrears. The position will be monitored closely throughout the year. If the position is not recovered there will be an increased pressure on the bad debt provision.

2.12.4 Stock movements are monitored as level of Right to Buy sales and void levels would impact the rental income position. There have been fewer Right to Buy sales year to date, 123 compared to expected profile of 128, however, due to demand fluctuations over the course of a year, current projections continue to assume 220 sales for the year.

Expenditure

2.12.5 Expenditure is expected to be over budget by £1.914m. This is partly due to the increase in water charges payable to the water company as explained above.

2.12.6 In order to achieve a breakeven position, the Housing Service will need to manage cost pressures within the year. The most significant risk area is Repairs and Maintenance which is reporting a forecast overspend of £1.3m. This has increased from last month due to additional payroll and agency staff costs not previously forecast. Improving the position is dependant on a number of management actions including the greater use of in-house workforce over sub contractors and the implementation of a revised repairs policy. The increase in the number of HRA decants being used for Temporary Accommodation has led to additional unbudgeted void refurbishment spend in the region of £780k, however, this is offset by the additional rental income generated. The resulting pressure within Repairs and Maintenance after deducting this spend is £578k.

2.12.7 Existing pressures include restructure and efficiency savings not delivered in 2014/15, pressures on staffing budgets and pressure on sub-contractor spend due to the high levels of responsive repairs carried out by external contractors. Action to

address the position includes establishing further productivity improvements, the introduction of a revised repairs policy to manage the workload run rate and the increased utilisation of in-house staff on capital schemes and responsive jobs in place of external sub-contractors.

2.12.8 The additional income raised from HRA decant units for temporary accommodation is not sufficient to offset projected overspends and therefore a reduction of £0.1m in revenue contribution to capital is required.

HRA Balance

2.12.9 It is expected that HRA balances will remain at £8.7m at year end.

2.13 Capital Programme 2015/16

2.13.1 The Capital Programme forecast against the budget as at the end of September 2015 is as follows:

	2015/16 Current Budget £000	Actual Spend to Date £000	2015/16 Forecast £000	Variance against Budget £000
Adult & Community Services	2,192	788	2,192	0
Children's Services	27,111	14,503	27,111	0
Environmental Services	4,005	2,135	4,005	0
Chief Executive Department	7,489	3,019	7,489	0
Housing General Fund – EIB	9,222	1,719	9,222	0
Subtotal – GF	50,019	22,164	50,019	0
HRA	81,493	48,776	81,493	0
Total	131,512	70,940	131,512	0

2.13.2 The 2015/16 capital programme stands at a revised budget of £131.5m. Following the budget re-profiling exercise that was undertaken and approved last month in which the Directorates realigned their budgets with current programmes and forecasts, there are no further scheme variances to report this month. Officers will continue to monitor and report on any further variances against the budget, as well as ensuring that all external funding is drawn down from funding bodies and projects run to schedule.

2.13.3 New Capital Schemes

There are no new capital schemes this month.

2.13.4 Adult & Community Services

Adult & Community Services has a revised 2015/16 capital budget of £2.192m. There has been a £0.200m reduction in the Adult Social Care capital programme

this year following the re-profile of Direct Payments Adaptations grant. Current estimates indicate spend to budget with no funding issues.

2.13.5 **Children's Services**

Following the budget re-profiling exercise last month, Children's Services has a revised capital budget of £27.1m in 2015/16; and spend is currently forecast to budget.

2.13.6 **Environmental Services**

The Environmental Services Capital budget for 2015/16 was originally set at £4.215m. Following the budget re-profiling exercise the budget now stands at £4.004m with all schemes expected to deliver in line with the revised budget.

2.13.7 **Chief Executive**

Schemes within the Chief Executive Department have an overall budget for 2015/16 of £7.4m, having been re-profiled down from £12.4m previously; and are all still expected to spend to the revised budgets.

2.13.8 **Housing Revenue Account (HRA)**

The HRA capital programme budget for 2015/16 was originally set at £77.987m. Following the budget re-profiling exercise the approved HRA Capital Programme budget now stands at £81.493m; and is still forecast to spend to this level.

Estate Renewal – Actual spend to date indicates progress is ahead of schedule due to a high level of leasehold buy back completions and advanced progress in respect of the Gascoigne Estate demolitions.

New Build Programme - The New Build Programme is currently projected to spend in line with the overall revised budget of £26.917m.

Investment in Stock – The realigned budget for Investment in Stock is £44.845m. All of the individual projects are currently projected to spend in line with their revised budgets.

2.13.9 The detailed scheme breakdown is shown in Appendix D.

3. Financial Control

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

4. Options Appraisal

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

5. Consultation

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

6. Financial Implications

6.1 This report details the financial position of the Council.

7. Legal Issues

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

Background Papers Used in the Preparation of the Report:

Oracle monitoring reports

List of Appendices

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

GENERAL FUND REVENUE MONITORING STATEMENT

October 2015/16

Directorate	Outturn 2014/15	Revised Budget	Forecast Outturn	Forecast Variance
	£000	£000	£000	£000
<u>Adult & Community Services</u>				
Adult Social Care	31,072	25,921	28,034	2,113
Commissioning & Partnership	10,084	10,458	10,530	72
Culture & Sport	6,429	3,483	4,219	736
Mental Health	3,956	3,434	3,699	265
Public Health	785	15,688	15,688	-
Public Health grant	-	(15,688)	(15,688)	-
Management & Central Services	1,699	8,072	4,886	(3,186)
	54,025	51,368	51,368	-
<u>Children's Services</u>				
Education	4,660	4,642	4,492	(150)
Complex Needs and Social Care	42,564	39,063	44,563	5,500
Commissioning and Safeguarding	9,166	9,371	9,670	299
Other Management and Programme Costs	10,969	11,005	11,005	-
SAFE programme expenditure	-	-	1,000	1,000
	67,359	64,081	70,730	6,649
<u>Children's Services - DSG</u>				
Schools	176,960	182,336	182,336	-
Early Years	19,329	16,549	16,549	-
High Needs	28,807	28,087	28,087	-
Non Delegated	737	918	918	-
Growth Fund	2,375	3,250	3,250	-
School Contingencies	-	(22)	(22)	-
DSG/Funding	(228,208)	(231,118)	(231,118)	-
	-	-	-	-
<u>Environment & Enforcement</u>				
	19,687	19,477	19,477	-
<u>Housing General Fund</u>				
	3,417	98	98	-
<u>Chief Executive Services</u>				
Chief Executive Office	12	(10)	(10)	-
Strategy & Communication	(2)	1,187	1,187	-
Legal & Democratic Services	(192)	470	470	-
Human Resources	(89)	562	752	190
Corporate Finance & Assets	16,384	14,405	14,215	(190)
Regeneration & Economic Development	2,603	1,262	1,262	-
	18,716	17,876	17,876	-
<u>Other</u>				
Central Expenses	(6,579)	(12,730)	(13,530)	(800)
Levies	9,809	10,755	10,755	-
Budgeted Reserve Drawdown	(1,044)	-	-	-
Contingency	-	519	519	-
	2,186	(1,456)	(2,256)	(800)
TOTAL	165,390	151,444	157,293	5,849

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Directorate Savings Targets: Progress at Period 7 (October 2015)

Adult and Community Services

Ref:	Detail	Current Position (please also state if a project is required to deliver the savings)	Target	Forecast	Variance
			£000	£000	£000
ACS/SAV/01	Workforce remodelling	Achieved	584	584	0
ACS/SAV/02a	Safeguarding adults - quality assurance and protection of property	Achieved	104	104	0
ACS/SAV/02b	Safeguarding adults - Domestic Violence and Hate Crime	Achieved	22	22	0
ACS/SAV/03a	Older People accommodation based services - review of Kallar Lodge	Achieved	100	100	0
ACS/SAV/06a	Personalisation of Learning Disability Day Services and consequential closure of The Maples.	The Maples closed in September 2015. Delays occurred due to the process required to identify solutions with individual service users and their families.	257	166	91
ACS/SAV/06b	Staffing efficiencies at 80 Gascoigne Road.	Achieved	70	70	0
ACS/SAV/07	Withdraw subsidy from Relish café.	Achieved	120	120	0
ACS/SAV/10	Care and support in the home focused on people with doubling up of care staff as a result of high needs	On track to be delivered.	85	85	0
ACS/SAV/12d	Community Interest Company delivering a range of services using creative arts	Achieved	16	16	0
ACS/SAV/12f	The Foyer Supported Living for 18-24 year olds	Achieved	275	275	0
ACS/SAV/12h	Summerfield House supported living for mothers aged 16-24 and their babies	Achieved	143	143	0
ACS/SAV/12i	Bevan House supported living for vulnerable families	On track to be delivered.	98	98	0
ACS/SAV/13b	Increase in social care income budget.	Expected to be delivered	300	300	0
ACS/SAV/15a	Integration and Commissioning and Directorate Support teams	Achieved	200	200	0

Appendix B

Ref:	Detail	Current Position (please also state if a project is required to deliver the savings)	Target £000	Forecast £000	Variance £000
ACS/SAV/16	Alcohol Services for adults and young people - to fund from Public Health grant	Achieved	495	495	0
ACS/SAV/17	Reduce range of crime and Anti Social Behaviour interventions - Victim Offender Location Time work	Achieved	47	47	0
ACS/SAV/18	Community Safety and IOM work - fund the Anti Social Behaviour Team from a range of funding streams rather than the GF	Achieved	75	75	0
ACS/SAV/19	Youth Offending Service reduction in Out of Court work	Achieved	92	92	0
ACS/SAV/24	School library service to be full cost recovery and Home Library Service to be delivered by volunteers.	Achieved	56	56	0
ACS/SAV/26	Delete Libraries casual staffing budget and transfer of centrally controlled costs	Achieved	35	35	0
ACS/SAV/23a	Reduce book fund	Achieved	10	10	0
ACS/SAV/29a	Broadway Theatre - transfer to College	Achieved	200	200	0
ACS/SAV/30	Community Halls - community managed or close	Achieved	52	52	0
ACS/SAV/31	Leisure centres - Management and reception staff	Expected to be delivered	47	47	0
ACS/SAV/32	Leisure centres - extraordinary increase in net income	Unlikely to be delivered due to pressure on income at Abbey Leisure Centre	40	0	40
ACS/SAV/34	Sport & Physical Activity team management cost reduction.	Expected to be delivered	152	152	0

Appendix B

Ref:	Detail	Current Position (please also state if a project is required to deliver the savings)	Target £000	Forecast £000	Variance £000
ACS/SAV/36	Leisure and cultural services trust proposal	Risk to delivery this financial year – awaiting outcome of review	250	0	250
ACS/SAV/39	Active Age Centres income	On track to be delivered	120	120	0
EH001	Food Safety Team Funding - Transfer of funding liability from General Fund to Public Health Grant	Achieved	100	100	0
Total			4,145	3,764	381

Children's Services

Ref:	Detail	Current Position (please also state if a project is required to deliver the savings)	Target £000	Forecast £000	Variance £000
CHS/SAV/23	Significant reduction in improvement support for education	Alternative saving identified via capitalisation of revenue expenditure	100	100	0
CHS/SAV/25b	Childcare and early years - move to DSG	Achieved saving on general fund by utilisation of legitimate expenditure to grant	455	455	0
CHS/SAV/26	Children's Centres, part of policy paper re frontline service delivery (use of libraries, developing hubs approach etc. and use of assets Closure of a number of centres	On target by reducing activities for young children and their parents and seeking alternative funding for the play and communications (language development work)	400	400	0
CHS/SAV/27	Youth Service - reconfigure to voluntary sector provision with £100k budget	On target by reducing the number of youth sessions provided across the borough via youth centres, StreetBase Local community youth clubs and the youth bus	100	100	0
CHS/SAV/28b	Educational psychology - provision using DSG only	On target through implementation of plans to achieve savings and through additional monies available to address the Education Act requirement to provide Education Health and Care (EHC) plans.	440	440	0
CHS/SAV/34	Reduction in CIN (c20 year 1, c120 year 2, c60 year 3) due to impact of Troubles Families agenda	On target with utilisation of the grant funding to reduce CIN numbers through impact of the Troubled Families agenda	50	50	0
CHS/SAV/30	CAMHS - reduce to statutory minimum for year 1 and then delete service	On target but high risk at tier 2 but achievable by reducing Primary Mental Health Workers from 6 to 3 in 15\16	100	100	0
	Limited support to Local Safeguarding Children's Board (LSCB) Reduce Child	On target but this is demand and risk driven. Demand on LSCB will be monitored. The CDOP manager is			

Appendix B

		responsible for overseeing all child deaths that take place in B&D. The role is statutory and is part funded by the CCG for the rapid response function. Saving is to reduce this support.			
CHS/SAV/37	Reduce GF contribution to Information & Statistics team	On target and achievable by removing general fund contribution to the team	30	30	0
CHS/SAV/25a	Reduction in support to quality Childcare and early years provision	Saving delivered through reduction in saving and training costs.	200	200	0
CHS/SAV/28a	Social care learning and development	Expected to be delivered.	125	125	0
CHS/SAV/29	Access and connect - reduction in rewards available to young people to incentivise healthy behaviours	Saving to be delivered by reducing rewards to young people who use cashless card for catering.	50	50	0
Total			2,065	2,065	0

Environment

Ref	Detail	Current Position (please state if project is required to deliver savings)	Target	Forecast	Variance
			£000	£000	£000
ES001	Loss of proactive drainage clearance	Saving has been delivered	80	80	0
ES002	Changes to winter maintenance of highway network	Saving has been delivered	35	35	0
ES007	Increase Parking Charges for all parking locations	New charges implemented. We are monitoring activity to assess purchasing trends and any impact on demand which may affect delivery of saving – hence amber rating.	190	190	0
ES008	Restructure Facilities Management - Building Services Officers - post deletions	Awaiting redundancy sign off	101	101	0
ES009A	Streamlining Building Cleaning	Saving has been delivered	49	49	0
ES009B	Building Cleaning - removal of Living Wage subsidy to school contracts	Saving cannot be delivered until 2016/17. Schools have contracts limiting any price increase in 2015/16. However, income from ad hoc activity and new contracts is expected to mitigate the pressure in 2015/16. Progress will be periodically monitored.	96	96	0
ES010B	Prestart payment to drivers	Expected to take effect from November 2015, so will not deliver full year savings	53	22	31
ES012	Cease green garden waste collection	Saving was based on fully chargeable service in place from September 2015. However, charging now postponed until 2016/17.	110	0	110
ES014	Market Management	Transfer is from 25 April 2015. Achieved	281	281	0
ES015	Redesign of street cleansing operations	Service redesign is in place already.	243	243	0
ES016	Income generation in cemeteries	Concessions and extension of burial/memorial offer will not be fully achieved in 2015. Will require a programme to deliver future ambitions for income growth	30	15	15

Appendix B

Ref	Detail	Current Position (please state if project is required to deliver savings)	Target £000	Forecast £000	Variance £000
ES019	Use of Public Health Grant to incentivise Council priorities through sports participation	Grant arrangements agreed for yr 1, but sustaining this will require all clubs/teams to develop significant capacity to deliver to club standard. Requires a programme to also pick up outcomes of playing pitch strategy	65	65	0
ES020	Increases in income expected from future regulatory activity.	Trajectory of enforcement actions is positive and expected to deliver.	125	125	0
ES021	Increase income from staff parking charges	New charges implemented. We are monitoring buying patterns as reduced demand may impact delivery – hence amber rating.	30	30	0
ES022	Marketing in the public realm	Existing strategies for selling advertising space are providing limited income. Review of corporate arrangements is required.	70	0	70
ES025	Domestic bins rental	Achieved. Recharge agreed	17	17	0
ES026	Recycling bins rental – Recharge to HRA	Achieved. Recharge agreed	135	135	0
Total	Environment		1,710	1,484	226

Housing General Fund

Ref	Detail	Current Position (please state if project is required to deliver savings)	Target	Forecast	Variance
			£000	£000	£000
HGF001	Expand Council hostel portfolio to accommodate temporary placements instead of using expensive B&B accommodation.	Saving expected to be delivered. YTD average below budget assumption and the provision of additional hostel units being made available. Additional units to be provided within 50 Wakering Road and Butler Court – although delays would impact this position. It should be noted that unforeseen increases in TA demand may impact ability to delivery saving.	900	900	0
HGF002	Housing Advice & Temporary Accommodation	Charges implemented - saving delivered	74	74	0
HGF003	Housing Strategy	Controls on non mandatory spend in place therefore saving delivered	31	31	0
Total			1,005	1,005	0

Chief Executive's

Ref:	Detail	Current Position (please state if a project is required to deliver the savings)	Target £000	Forecast £000	Variance £000
CEX/SAV/01	Staff reduction Sustainable Communities and Economic Development	Posts currently vacant	99	99	0
CEX/SAV/02	Increase Income in Strategic Transport area	LIP budget for 2015/16 already allocated with increased level of top slice.	63	63	0
CEX/SAV/03	Stop all business support activity e.g. business enterprise centre (move to no cost from 2015-16)	Stakeholders informed with regard to ceasing of funding. Employee to leave at end of March	224	224	0
CEX/SAV/04	Increase income in Development Planning area	Budget increased, current income levels suggest this enhanced target is achievable	85	85	0
CEX/SAV/05	Reduction in planning policy posts and amalgamation of Planning Policy Manager post and Strategic transport post	Savings on target to be delivered.	24	24	0
CEX/SAV/06	Reduction in supplies and services budget	Budgets reduced and savings on target to be delivered.	45	45	0
CEX/SAV/07	Increase in income from Capital Programme	Recharges agreed	20	20	0
CEX/SAV/7b	Reduction of costs in Sustainable Communities area	This would be delivered through recharges to Capital. This is on target to be delivered.	200	200	0
CEX/SAV/08	Increase in income employment and skills	Budget increased to reflect previous years levels of income	100	100	0
CEX/SAV/08a	Recharge to the HRA in respect of supporting Housing Tenants into permanent employment.	Budget increased to reflect previous years levels of income	200	200	0
CEX/SAV/08b	Capital Commissioning & Delivery Group – To generate an annual surplus of £50k through additional framework contract income and reduce General Fund recharges by £90k.	Savings on target to be delivered	140	140	0
CEX/SAV/09	Reduce democratic services structure dependant on moving towards a shared	Savings on target to be delivered but Leader may request that the post is put	47	47	0

Appendix B

Ref:	Detail	Current Position (please state if a project is required to deliver the savings)	Target £000	Forecast £000	Variance £000
	service and reducing the number and frequency of statutory meetings	back into the structure.			
CEX/SAV/10	Increase Legal trading income	Savings on target to be delivered	135	135	0
CEX/SAV/11	General Fund reduction in supplies and services budget for legal services	Savings on target to be delivered	75	75	0
CEX/SAV/12a	Member training stopped with exception of the training required for members to serve and operate on the quasi-judicial meetings	Remaining training to be funded from corporate L&D fund, which is already under pressure.	55	55	0
CEX/SAV/12b	Members Pension Contribution	Savings on target to be delivered	100	100	0
CEX/SAV/13	Residents Survey - no postal survey but online	Savings on target to be delivered	15	15	0
CEX/SAV/14	Centralise and top slice marketing and publicity budgets across Council	Consolidated M&C budgets are not sufficient to cover commitments and statutory obligations.	300	300	0
CEX/SAV/14a	Centralisation and top slicing of marketing and publicity budgets across the Council	Consolidated M&C budgets are not sufficient to cover commitments and statutory obligations	100	100	0
CEX/SAV/15	Remodel marketing and communications service - core minimum team and consider shared service with Thurrock	Shared M&C service is no longer possible with Thurrock.	250	250	0
CEX/SAV/15a	Further remodelling of marketing and comms	Shared M&C service is no longer possible with Thurrock	50	50	0
CEX/SAV/17	Develop a Research and Intelligence Hub	Saving requires consultation with Children's services and Public health to determine a forecast.	100	100	0
CEX/SAV/18	Centralise training and development budgets to improve efficiency of use and make saving	Departments are reducing the amount of budgets initially identified as budgets to be centralised. This has reduced the amount of budget available for training and development needs across the Council.	475	475	0
CEX/SAV/21	Reduce health and safety provision, but must meet statutory responsibilities	Increased Income target should be achievable given current rate of HR and OH income generation	100	100	0

Appendix B

Ref:	Detail	Current Position (please state if a project is required to deliver the savings)	Target £000	Forecast £000	Variance £000
CEX/SAV/22	Look to provide employee relations advice in a different way	Savings on target to be delivered.	47	47	0
CEX/SAV/22a	Reduce the size of the HR Business Partner Team	Savings on target to be delivered.	60	60	0
CEX/SAV/23a	Additional savings to be delivered through centralising training and development budgets to improve efficiency of use	Departments are reducing the amount of budgets initially identified as budgets to be centralised. This has reduced the amount of budget available for training and development needs across the Council.	175	175	0
CEX/SAV/23b	Reduction in Business Change team staff	Savings on target to be delivered.	22	22	0
CEX/SAV/24	Remove Invest to Save budget	Savings on target to be delivered.	1,000	1,000	0
CEX/SAV/25	Debt interest payments	No issues as there is expected to be no further borrowing required in 2015/16 based on the current debt interest budget.	250	250	0
CEX/SAV/26	Minimum Revenue Provision (MRP) accounting	On target to be delivered	2,700	2,700	0
CEX/SAV/27	Investment income - rate change	Although the expected rate change has not occurred the Council is positioned to make the agreed savings for 2015/16	500	500	0
CEX/SAV/29	Investment income - increase risk appetite	The investment strategy have been amended to allow the required the Council to achieve this target.	250	250	0
CEX/SAV/30a	Shared accountancy service	Shared service did not proceed, however, a restructure has been implemented to produce the required level of saving. Due to delayed implementation however, the full year effect has not been achieved.. Pressure could be reduced as a result of a number of vacant posts.	500	450	50
CEX/SAV/31	Capital Programme Management Office (CPMO)	Recharge to HRA has been agreed	25	25	0
CEX/SAV/33	Treasury recharge to Pensions	Recharges agreed	20	20	0
CEX/SAV/34	Project Manager/Accountant	Recharge to HRA from Innovation &	30	30	0

Appendix B

Ref:	Detail	Current Position (please state if a project is required to deliver the savings)	Target £000	Forecast £000	Variance £000
		Funding has been agreed.			
CEX/SAV/35	Innovation & Funding consultancy budget	Budget referred to was used to fund costs in respect of the BSF programme which has now ended – savings therefore achieved	150	150	0
CEX/SAV/36	External treasury management	Savings delivered.	75	75	0
CEX/SAV/37	Card transaction costs	This has been implemented. No Issues.	35	35	0
CEX/SAV/38	Introduce credit card charging	Due to the complexity of setting up the charging mechanism for credit cards it is likely that this will only be fully implemented by May 2015. Despite the delay it is expected that the savings target will be achieved.	40	40	0
CEX/SAV/39	Benchmarking clubs	Expected to be delivered	40	40	0
CEX/SAV/40	Corporate sponsorship	Dagenham & Redbridge FC has been informed that this funding will cease.	30	30	0
CEX/SAV/41	Audit fees	Corporate Management saving – achieved in 2014/15	100	100	0
CEX/SAV/42	Energy team	Issues with where this saving will be realised from - potential double counting with Facilities saving	25	0	25
CEX/SAV/43	Compliance team	No issues, savings delivered	55	55	0
CEX/SAV/45	Maritime House	No issues, savings on target to be delivered	115	115	0
CEX/SAV/46	Internal audit days - reduce plan	Audit plan reduced	45	45	0
CEX/SAV/48	Client team restructure	An officer's post will now not be deleted until 30 June 2015. This creates a pressure on this saving which will be mitigated from within the service.	100	100	0
CEX/SAV/49	Registrars Cost/Income	Savings target will not be delivered.	50	25	25
CEX/SAV/50	Taxicard Scheme	No issues savings on target to be delivered.	160	160	0
CEX/SAV/52a	Reduce council tax exemptions	The saving has been included in the	200	200	0

Appendix B

Ref:	Detail	Current Position (please state if a project is required to deliver the savings)	Target £000	Forecast £000	Variance £000
		Council Tax base for 2015/16. The level of Council Tax income will be monitored throughout the year to ensure it remains on budget.			
CEX/SAV/52b	Amend council tax support scheme	The proposal to change the Local Council Tax support scheme, reducing the level of support from 85% to 75% was expected to generate additional Council Tax revenue of £0.7m. At period 4, the forecast for year end collection is estimated to be £0.25m which is significantly under target. This position will be monitored closely to assess the ongoing impact of the support scheme reduction.	700	250	450
CEX/SAV/54	Shared insurance service	Saving still to be determined / agreed with Thurrock	18	18	0
CEX/SAV/54a	Additional recharge to the HRA - Innovation & Funding	Recharge agreed	25	25	0
CEX/SAV/54c	Reduction in Council Tax bad debt provision	The saving has been included in the Council Tax base for 2015/16. The level of Council Tax collection will be monitored throughout the year to ensure it remains on budget.	100	100	0
CEX/SAV/54d	Reduction in Temporary Accommodation bad debt provision	Expected to be delivered based upon current position and delivery of Housing TA savings.	250	250	0
CEX/SAV/54e	Increase duration risk on external investments	The investment strategy have been amended to allow the required the Council to achieve this target.	100	100	0
CEX/SAV/54f	Pay Pension Fund contributions on 1 April instead of monthly	This is on target. No Issues.	60	60	0
CEX/SAV/54g	Increase saving from centralisation of	Team restructure now completed	110	110	0

Appendix B

Ref:	Detail	Current Position (please state if a project is required to deliver the savings)	Target £000	Forecast £000	Variance £000
	FoI/Complaints				
CEX/SAV/55	Elevate Overheads	Removal of overhead contribution to be negotiated as part of wider contract changes. Terms agreed but not formally contracted.	488	488	0
CEX/SAV/56	B&Ddirect - Customer Services Channel Shift	Elevate – Savings to be addressed as part of the overall new contractual deal.	64	64	0
CEX/SAV/58	Withdrawal of the Benefits Direct service at One Stop Shops.	Bens Direct closed at the end of February with resources transferring to the back office.	259	259	0
CEX/SAV/60	Automation of Inbound Email/Post Processing	Elevate – Savings to be addressed as part of the overall new contractual deal.	270	120	150
CEX/SAV/61	Council Tax - invest to collect more	Change notice agreed for additional resource along with commensurate change in collection target. Will be monitored monthly.	369	369	0
CEX/SAV/62	Property Services	Creates a pressure on repairs agenda on commercial portfolio but will be mitigated by increased income and whole business review being carried out by group manager.	138	138	0
CEX/SAV/63a	ICT End User Technologies	Initial service proposal agreed between Agilisys and ICT Client. Design workshops scheduled. Target cost payable to Elevate for the service has been reduced.	135	135	0
CEX/SAV/63b	ICT Service Management fulfilment		41	41	0
CEX/SAV/63c	ICT Infrastructure Applications		254	254	0
CEX/SAV/64	Client Team reduction	No issues savings on target to be delivered.	45	45	0
CEX/SAV/65	Returning services - management fee	No issues savings on target to be delivered.	136	136	0
CEX/SAV/66	Private Finance Initiative Monitoring	No issues savings on target to be	50	50	0

Appendix B

Ref:	Detail	Current Position (please state if a project is required to deliver the savings)	Target £000	Forecast £000	Variance £000
	efficiency	delivered.			
CEX/SAV/67	PMO efficiency	Redundancy of client side role agreed and non ICT PMO service returned to the Council but without resource.	90	90	0
CEX/SAV/68	Review of complaints/FoI	Savings unachievable because manager believes this saving was superseded by CEX/SAV/54g	40	0	40
CEX/SAV/69	HR/Payroll	The cost of the staff transferring is £1.33m by our calculations, against a budget available (taking into account savings expectations) of £1.288m. There are no plans in place to deliver any savings for the start of the financial year.	100	100	0
CEX/SAV/70	Revenues Services Restructure	Management restructure of Revenues agreed and implemented by Elevate.	92	92	0
CEX/SAV/77	Business Support review	Saving based on PwC management review – requires action to take forward and deliver saving	60	0	60
CEX/SAV/78	Reduction in middle management	Saving based on PwC management review – requires action to take forward and deliver saving	300	178	122
CEX/SAV/79	Corporate Procurement Saving	Ongoing corporate gainshare from Adecco contract. High agency rates in Children's Services will enable delivery of the saving.	500	500	0
Total			14,595	13,673	922

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HOUSING REVENUE ACCOUNT MONITORING STATEMENT
October 2015-16

Appendix C

	Budget	Forecast	Variance
	£'000	£'000	£'000
Dwelling Rents	(90,512)	(91,762)	(1,250)
Non Dwelling Rents	(737)	(737)	0
Other Income	(16,921)	(17,585)	(664)
Interest received	(336)	(336)	0
Total Income	(108,506)	(110,420)	(1,914)
Repairs & Maintenance	17,205	18,563	1,358
Supervision & Management	39,056	39,720	664
Rents, Rates and Other	700	700	0
Revenue Contribution to Capital	37,131	37,023	(108)
Bad Debt Provision	2,670	2,670	0
Interest Charges	10,059	10,059	0
Corporate & Democratic Core	685	685	0
Pension Contribution	1,000	1,000	0
Total	108,506	110,420	1,914

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2015/16 CAPITAL PROGRAMME - as at the end of October 2015

APPENDIX D

Project No.	Project Name	Revised Budget 2015/16	Actual Expenditure	2015/16 Forecast	Forecast Variance
Adult & Community Services					
Adult Social Care					
FC00106	Private Sector HouseHolds	818,718	274,810	818,718	0
FC02888	Direct Payment Adaptations Grant	200,000	61,509	200,000	0
				-	
Culture & Sport					
		-	-	-	
FC02855	Mayesbrook Park Athletics Arena	74,899	11,486	74,899	0
FC02870	Barking Leisure Centre 2012-14	888,628	439,807	888,628	0
FC03029	Broadway Theatre	150,000	-	150,000	0
FC03032	Parsloes Park - Artificial Turf Pitches & Master Planning	60,000	-	60,000	0
Total for Adult & Community Services		2,192,245	787,612	2,192,245	-

2015/16 CAPITAL PROGRAMME - as at the end of October 2015

APPENDIX D

Project No.	Project Name	Revised Budget 2015/16	Actual Expenditure	2015/16 Forecast	Forecast Variance
Children's Services					
Primary Schools					
FC02736	Roding Primary School (Cannington Road Annex)	130,349	560	130,349	0
FC02745	George Carey CofE (formerly Barking Riverside) Primary School	23,826	450	23,826	0
FC02759	Beam Primary Expansion	78,268	613	78,268	0
FC02784	Manor Longbridge (former UEL Site) Primary School	303,310	-	303,310	0
FC02799	St Joseph's Primary - expansion	16,321	-	16,321	0
FC02860	Monteagle Primary (Quadrangle Infill)	35,000	1,155	35,000	0
FC02861	Eastbury Primary (Expansion)	50,000	758	50,000	0
FC02865	William Bellamy Primary (Expansion)	199,117	8,957	199,117	0
FC02918	Roding Cannington	-	-	-	0
FC02919	Richard Alibon Expansion	74,278	357,618	74,278	0
FC02920	Warren/Furze Expansion	240,000	14,161	240,000	0
FC02921	Manor Infants Jnr Expansion	73,429	41,113	73,429	0
FC02923	Rush Green Expansion	110,000	8,084	110,000	0
FC02924	St Joseph's Primary(Barking) Extn 13-14	15,072	-	15,072	0
FC02956	Marsh Green Primary 13-15	150,000	327,862	150,000	0
FC02957	John Perry School Expansion 13-15	40,364	21,736	40,364	0
FC02960	Sydney Russell (Fanshawe) Primary Expansion	1,000,000	454,713	1,000,000	0
FC02979	Gascoigne Primary -Abbey Road Depot	5,500,000	2,007,264	5,500,000	0
FC02998	Marks Gate Junior Sch 2014-15	633,128	471,370	633,128	0
FC03014	Barking Riverside City Farm Phase II	4,054,377	4,130,934	4,054,377	0
FC03041	Village Infants - Additional Pupil Places	500,000	48,320	500,000	0
Secondary Schools					
FC02953	All Saints Expansion 13-15	245,351	-	245,351	0
FC02954	Jo Richardson expansion	1,692,960	1,736,545	1,692,960	0
FC02959	Robert Clack Expansion 13-15	1,000,000	337,152	1,000,000	0
FC02977	Barking Riverside Secondary Free School (Front Funding)	5,500,000	1,727,988	5,500,000	0
FC03020	Dagenham Park	-	15,672	-	0

2015/16 CAPITAL PROGRAMME - as at the end of October 2015

APPENDIX D

Project No.	Project Name	Revised Budget 2015/16	Actual Expenditure	2015/16 Forecast	Forecast Variance
Other Schemes					
			-		
FC02826	Conversion of Heathway to Family Resource Centre	19,513	190	19,513	0
FC02906	School Expansion SEN projects	400,000	256,570	400,000	0
FC02909	School Expansion Minor projects	344,464	315,814	344,464	0
FC03043	Pupil Intervention Project (PIP)	125,000	-	125,000	0
FC02972	Implementation of early education for 2 year olds	509,090	442,953	509,090	0
FC02975	Barking Abbey Artificial Football Pitch	67,385	4,722	67,385	0
FC02929	Schools Modernisation Fund 2012-13	-	20,093	-	0
FC02978	Schools Modernisation Fund 2013-14	227,108	161,669	227,108	0
FC03010	SMF 2014-16	2,477,918	2,035,168	2,477,918	0
FC03013	Universal infant Free School Meals Project	33,687	27,825	33,687	0
9999	Devolved Capital Formula	925,109	240,372	925,109	0
Children Centres					
			-		
FC03033	Upgrade of Children Centres	300,000	-	300,000	
FC02217	John Perry Children's	9,619	-	9,619	0
FC02310	William Bellamy Children Centre	6,458	-	6,458	0
Total for Children's Services		27,110,501	14,503,165	27,110,501	-

2015/16 CAPITAL PROGRAMME - as at the end of October 2015

APPENDIX D

Project No.	Project Name	Revised Budget 2015/16	Actual Expenditure	2015/16 Forecast	Forecast Variance
Housing and Environment					
Environmental Services					
FC02764	Street Light Replacing	678,215	597,204	678,215	0
FC02873	Environmental Improvements and Enhancements	93,481	78,349	93,481	0
FC02964	Road Safety Impv 2013-14 (TFL)	428,280	106,721	428,280	0
FC02886	Parking Strategy Imp	51,770	6,930	51,770	0
FC02542	Backlog Capital Improvements	368,366	202,142	368,366	0
FC02930	Highways Improvement Programme	185,940	224,426	185,940	0
FC02982	Controlled Parking Zones (CPZ's) 2013-15	233,439	71,722	233,439	0
FC02999	Rippleside Cmtry prov 2014-15	11,895	1,974	11,895	0
FC03011	Structural Repairs & Bridge Maintenance	200,956	52,557	200,956	0
FC03012	Environmental Asset Database Expansion	147,508	138,054	147,508	0
FC03030	Fleet Management & Depots	290,160	-	290,160	0
FC03031	Highways & Environmental Design	1,049,840	632,965	1,049,840	0
PGSS					
FC03026	BMX Track	80,000	3,900	80,000	0
FC03034	Strategic Parks (Parks Infra £160k and Play facility £20k)	184,807	32,252	184,807	0
Total for Environment Services		4,004,657	2,135,336	4,004,657	-

2015/16 CAPITAL PROGRAMME - as at the end of October 2015

APPENDIX D

Project No.	Project Name	Revised Budget 2015/16	Actual Expenditure	2015/16 Forecast	Forecast Variance
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Chief Executive (CEO)

Asset Strategy					
FC02587	Energy Efficiency Programme	15,500	8,379	15,500	0
FC02565	Implement Corporate Accommodation Strategy	1,777,000	650,960	1,777,000	0
ICT					
FC02738	Modernisation and Improvement Capital Fund (formerly One B &	550,535	604,429	550,535	0
FC02877	Oracle R12 Joint Services	373,435	126,575	373,435	0
FC03035	ICT Design Transformation	377,955	-	377,955	0
FC03016	Agilisys Connect Website Development	7,980	7,980	7,980	0
Regeneration					
FC03027	Establishment of Council Owned Energy Services Company	125,000	8,600	125,000	0
FC02458	New Dagenham Library & One Stop Shop Church Elm Lane	129,245	184,980	129,245	0
FC02596	LEGI Business Centres	376,978	85,525	376,978	0
FC02969	Creative Industries	11,630	1,044	11,630	0
FC02821	Shopping Parade Enhancements	-	-	-	0
FC02901	Creekmouth Arts & Heritage Trail	74,360	61,654	74,360	0
FC02902	Short Blue Place (New Market Square Barking - Phase II)	226,000	25,224	226,000	0
FC02891	Merry Fiddlers junction Year 2	170,000	236,768	170,000	0
FC02898	Local Transport Plans (TfL)	83,837	60,625	83,837	0
FC02962	Principal Road Resurfacing 2013-14 TfL	529,000	133,018	529,000	0
FC02963	Mayesbrook Neighbourhood Improvements (DIY Streets) 2013-14	304,511	70,360	304,511	0
FC02994	Renwick Road/Choats Road 2014/15	314,877	310,629	314,877	0
FC02995	Ballards Road/ New Road 2014/15	427,231	88,138	427,231	0
FC02996	Barking Town Centre 2014/15 (TfL)	901,374	180,959	901,374	0
FC02997	A12 / Whalebone Lane (TfL)	323,209	271,554	323,209	0
FC03000	MAQF Green Wall (TfL)	53,116	13,470	53,116	0
FC02899	River Roding Cycle Link / Goresbrook Park Cycle Links (TFL)	-	-	-	0
FC03015	Demolition of the Former	45,648	34,667	45,648	0
FC03023	Bus Stop Accessibility Improvements	97,000	103,600	97,000	0

2015/16 CAPITAL PROGRAMME - as at the end of October 2015

APPENDIX D

Project No.	Project Name	Revised Budget 2015/16	Actual Expenditure	2015/16 Forecast	Forecast Variance
FC03025	Gale St Corridor Improvements	47,000	-	47,000	0
FC03028	Chadwell Heath Crossrail Complementary Measures (CCM)	147,000	2,250	147,000	0
FC02775	BTC - Links project	-	625	-	0
Total for the Chief Executive Department		7,489,421	3,018,863	7,489,421	-

Housing General Fund Schemes - EIB

FC02990	Abbey Road Phase II New Build	6,222,000	71,425	6,222,000	0
FC02986	Gascoigne Estate	3,000,000	1,647,815	3,000,000	0
Total for Housing General Fund Schemes		9,222,000	1,719,240	9,222,000	-

Grand Total General Fund		50,018,824	22,164,216	50,018,824	-
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2015/16 CAPITAL PROGRAMME - as at the end of October 2015

APPENDIX D

Project No.	Project Name	Revised Budget 2015/16	Actual Expenditure	2015/16 Forecast	Forecast Variance
HRA					
Estate Renewal					
FC02820	Boroughwide Estate Renewal	9,730,000	7,187,928	9,730,000	0
New Builds					
FC02823	New Council Housing Phase 3	-	2,750	-	0
FC02916	Lawns & Wood Lane Dvlpmnt	142,752	27,792	142,752	0
FC02917	Abbey Road CIQ	327,244	9,131	327,244	0
FC02931	Leys New Build Dev (HRA)	10,620,355	5,125,584	10,620,355	0
FC03009	Leys Phase II	500,000	17,280	500,000	0
FC02961	Goresbrook Village Housing Development 13-15	1,736,464	1,556,159	1,736,464	0
FC02970	Marks Gate Open Gateway Regen Scheme	5,552,454	5,122,176	5,552,454	0
FC02988	Margaret Bondfield New Build	7,738,054	4,357,837	7,738,054	0
FC02989	Ilchester Road New Built	150,000	75,204	150,000	0
FC02991	North Street	150,000	146,338	150,000	0
Investment in Stock					
FC00100	Aids & Adaptations	940,000	180,447	940,000	0
FC02933	Voids	4,600,000	2,514,830	4,600,000	0
FC02934	Roof Replacement Project	120,000	4,516	120,000	0
FC02938	Fire Safety Works	620,000	545,765	620,000	0
FC02943	Asbestos Removal (Communal Areas only)	1,014,000	102,591	1,014,000	0
FC02950	Central Heating Installation Inc. Communal Boiler Replacement	1,453,788	757,710	1,453,788	0
FC02983	Decent Homes Central	8,800,000	5,113,111	8,800,000	0
FC02984	Block & Estate Modernisation	362,393	480,297	362,393	0
FC02811	Members Budget	-	4,500	-	0
FC02939	Conversions	180,000	4,920	180,000	0
FC03001	Decent Homes (North)	8,045,139	7,222,176	8,045,139	0
FC03002	Decent Homes (South)	3,299,065	3,193,959	3,299,065	0
FC03003	Decent Homes (Blocks)	3,058,753	2,873,548	3,058,753	0
FC03004	Decent Homes (Sheltered)	1,944,665	1,668,676	1,944,665	0

2015/16 CAPITAL PROGRAMME - as at the end of October 2015

APPENDIX D

Project No.	Project Name	Revised Budget 2015/16	Actual Expenditure	2015/16 Forecast	Forecast Variance
FC03005	Decent Homes Small Contractors	6,538	1,300	6,538	0
FC03007	Windows	270,000	189,478	270,000	0
FC03036	Decent Homes Support - Liaison Teams/Surveys	378,000	189,000	378,000	0
FC03037	Energy Efficiency	50,000	-	50,000	0
FC03038	Garages	300,000	132	300,000	0
FC03039	Estate Roads & Environmental	150,000	-	150,000	0
FC03040	Communal Repairs & Upgrades	430,000	103,011	430,000	0
FC03044	Fire Safety Works (R&M)	70,000	-	70,000	0
FC03045	External Fabrics - Blocks	141,000	-	141,000	0
FC03046	Decent Homes North (2015/16) Programme	3,100,000	-	3,100,000	0
FC03047	Decent Homes South (2015/16) Programme	4,612,000	-	4,612,000	0
FC03048	Fire Safety Works (2015/16) Programme	900,000	-	900,000	0
TBA	Street Purchase Scheme	-	-	-	0
Grand Total HRA		81,492,664	48,775,546	81,492,664	-
TOTAL CAPITAL PROGRAMME		131,511,488	70,939,762	131,511,488	-

CABINET

15 December 2015

Title: Corporate Delivery Plan – Quarter 2 (2015/16) Update	
Report of the Leader of the Council	
Open Report	Fore Decision
Wards Affected: All	Key Decision: No
Report Author: Sal Asghar Interim Strategy and Performance Manager	Contact Details: Tel: 020 8227 3734 E-mail: salauoddin.asghar@lbbd.gov.uk
Accountable Director: Jonathan Bunt, Strategic Director for Finance and Investment	
<p>Summary:</p> <p>This report provides an update on progress for the priority projects and performance indicators agreed as part of the Corporate Delivery Plan by Cabinet in October 2014. In addition, this report provides a progress update for the LGA Peer Challenge implementation plan.</p> <p>The Corporate Delivery Plan is a key document to ensure the Council has a co-ordinated approach to delivering the vision and priorities, and makes best use of the resources available. The priority projects have been identified in consultation with Cabinet Members, and represent projects that are integral to the delivery of the overall priorities and running of the Council. Key Performance Indicators (KPIs) have also been developed to monitor performance towards the priorities and of frontline services.</p> <p>Progress for the priority projects and KPIs are reported quarterly to CMT and Cabinet and every six months to the Public Accounts and Audit Select Committee (PAASC).</p>	
<p>Recommendation(s)</p> <p>Cabinet is asked to note the performance for the priority projects, KPIs and LGA Peer Review implementation plan, agreeing any actions to address any lack of progress and deteriorating performance.</p>	
<p>Reason(s)</p> <p>The vision and priorities were agreed by Assembly in September 2014. They reflect the changing relationship between the Council, partners and the community, and the Council's role in place shaping and enabling community leadership within the context of a significantly reducing budget.</p> <p>The Corporate Delivery Plan update provides Members with the opportunity to monitor progress towards achieving the vision and priorities, consider organisational performance, celebrate improvements, tackle areas of poor performance, and learn lessons from areas of good practice.</p>	

1. Introduction

- 1.1 The new vision and priorities were agreed by Assembly in September 2014. Following this, the Council produced a Corporate Delivery Plan which was agreed by Cabinet in October. The delivery plan is an important part of ensuring the Council has a clear focus on delivering the new vision and priorities for Barking and Dagenham. The plan will allow the Council to make best use of limited resources in areas that will make the greatest difference in achieving the overall vision and priorities. It is intended to help frame the ambition of the Council within the resources available to deliver them.
- 1.2 The delivery plan has been developed in order to ensure that the Council's contribution to achieving the priorities is proactive, co-ordinated, resourced in line with the MTFs and monitored so that Members and residents can see progress. The delivery plan captures the priority projects and KPIs that are required to effectively deliver the new vision. Progress will be reported quarterly to Cabinet and six-monthly to Public Accounts and Audit Select Committee (PAASC).
- 1.3 The delivery plan is a key part of the Council's overall performance framework and 'golden thread' which links the vision and priorities through to the corporate priority projects and indicators, business plans, team work programmes and individual objectives in appraisals.
- 1.4 The Strategy team co-ordinates the business planning process. All business plans have been completed and detail key service priorities linked to the corporate priorities, deliverables, actions services will take (with timescales) and resources to take forward the priorities in the delivery plan.
- 1.5 To complete the golden thread, all staff have an annual appraisal (with a formal six monthly review). Through this process performance in the last year is reviewed and objectives set for the year ahead. Individual objectives will be set based on business plans, thereby ensuring all staff are focused on priorities. We also assess staff against competencies based on the values, on the basis that success depends on the way they go about their job as much as what they do. Individual learning and development needs are also identified through this process.
- 1.6 Alongside formal appraisal all staff should have regular supervision or one to ones. This enables performance to be monitored and issues addressed. Our aim is to help people maximise their performance, but there are formal capability processes should there be consistent under-performance.

2. A co-ordinated approach to organisational performance

- 2.1 This report provides an update on the priority projects, peer review challenge actions, and the performance framework for Quarter 2 2015/2016. It provides a holistic picture of organisational performance in these areas.
- 2.2 This report is divided into four sections:
 - Update on the Priority Projects (Appendix 1)
 - Update on Peer Review Implementation plan (Appendix 2)
 - Update on the Key Performance Indicators (Appendix 3)

- Key Performance Indicators – Commentary on Red RAG (Appendix 4)

- 2.3 The delivery plan identifies 27 projects, which will support the achievement of the overall vision and priorities. An update on how these projects have progressed as at October 2015 is provided in Appendix 1. Overall good progress has been made.
- 2.4 In July 2014 the Council invited the LGA to carry out a peer challenge and provide feedback in areas of interest to the organisation. In response to the feedback the Council produced an implementation plan to deal with the issues raised. An update on actions is provided in Appendix 2. Delivery of the implementation plan is one of the 27 priority projects. Many of the actions are already complete and significant progress has been made overall.
- 2.5 We also know that despite aiming to set a balanced budget for 2015/16 and 2016/17, there will be further savings required and although we believe we have the resources available to deliver the priorities at present we must look forward to ensure we are as efficient as we can be by maximising the opportunities to be digital by design, manage demand for services, generate income and adopt new ways of working through community hubs and a new relationship with the voluntary sector and the community. This is in line with the direction of travel of many local authorities.
- 2.6 The Council has now made significant progress to define its future operating model and to clarify how we align the ambitions set out in the vision and priorities with the resources available to deliver them. The Ambition 2020 programme will be integral to the Council meeting the financial challenge whilst continuing to protect frontline services and delivering outstanding customer service.

3. Performance Summary - Key performance Indicators

- 3.1 The key performance indicators focus on high-level areas of interest and allow Members and officers to monitor performance. In addition to these corporate indicators, services may have service level indicators which provide a more detailed picture of performance monitored locally.
- 3.2 Indicator 4: The percentage of individuals successfully completing drug treatment has been replaced by two indicators in Quarter 2. These are: 4a PHOF: Indicator 2.15 (opiate users)– Proportion of all in treatment, who successfully completed treatment and did not re-present within 6 months; and 4b PHOF: Indicator 2.15 (non-opiate) – Proportion of all in treatment, who successfully completed treatment and did not re-present within 6 months..
- 3.3 A detailed breakdown of performance for Quarter 2 is provided in Appendix 3.
- 3.4 A number of indicators which have seen a significant improvement or may be an area of concern have been included in the body of this report. Commentary on all indicators which are RAG rated Red is provided in Appendix 4.
- 3.5 In order to report the latest performance in a concise manner, a number of symbols have been incorporated in the report. Please refer to the table below for a summary of each symbol and an explanation of their meaning.

Symbol	Detail
↑	Performance has improved when compared to the previous quarter and against the same quarter last year
↔	Performance has remained static when compared to the previous quarter and against the same quarter last year
↓	Performance has deteriorated when compared to the previous quarter and against the same quarter last year
G	Performance is expected to achieve or has exceeded the target
A	Performance is within 10% of the target
R	Performance is 10% or more off the target

3.6 Of all the corporate priority indicators which are reported on a quarterly basis, the following table provides a summary of performance. The table provides the direction of travel compared to the last quarter and to the same quarter the previous year (2014/15). This should be considered in the context of significant budget reductions and our continuation to improve services.

Direction of travel against last quarter				Direction of travel against the same quarter in 2014/15			
↑	↔	↓	N/A	↑	↔	↓	N/A
23 (38.9%)	2 (3.4%)	25 (42.4%)	9 (15.3%)	29 (49.2%)	1 (1.7%)	20 (33.9%)	9 (15.2%)

G	A	R	N/A
16 (27.1%)	12 (20.3%)	18 (30.6%)	13 (22%)

* Please note that RAG rating performance indicators is not possible or appropriate where no target has been supplied by the service area or where the KPI is for monitoring only. The above table shows 13 indicators under the N/A category. These include 5 indicators that are for monitoring only and 7 that are not applicable due the data being released at a later date.

4. Corporate Priority Performance – Focus on Performance

4.1 For Quarter 2 performance reporting, focus has been given to a small selection of indicators where performance has either greatly improved or has shown a deterioration. It is hoped that by focusing on specific indicators, senior management and Members will be able to challenge performance and identify where action is required.

4.2 Improved Performance

8. The number of active volunteers

In quarter 2 there are 655 active volunteers. This is an increase of 13.72% over the quarter 1 figure of 576. The target of an 'average of 150 volunteers per month' is currently being exceeded as over quarter 2 (July to Sept) this was averaging 218 per month. This is 45.3% ahead of target.

During quarter 2 of 2014 the average was 151.5. The average in 2015 was 218. The figure for 2015 is 43.89% higher than corresponding period in 2014.

9. Total volunteer hours

In quarter two 9,358 volunteer hours were recorded across Adult and Community Services (ACS). This is an increase of 59.66% over the quarter 1 figure of 5,861. The target of 20,500 is likely to be exceeded as after 6 months of the year 74.24% of the target figure has been met.

During quarter 2 of 2014 the volunteer hour figure was 6,838 compared to 9,358 in 2015. The figure for 2015 is 36.85% higher than the corresponding period in 2014.

The improved performance for indicator 8 and 9 is partly due to the 50th anniversary events programme which has provided many volunteering opportunities throughout the year, particularly for the Community Volunteer Team and also for Heritage volunteers. There has also been increased volunteer hours with a number of public health funded projects up and running including Healthy Lifestyles, Change for Life programme and Volunteer Drivers Scheme. Two Libraries are also now community run providing volunteer opportunities at Robert Jeyes Library and Marks Gate Community Library.

35. The number of long-term empty (LTE) properties

At Q2 there were 219 long term empty homes recorded in B&D (reducing to 212 in October 2015). Our target (previously agreed) with the Greater London Authority (GLA) is for a maximum of 300 long term empty homes in B&D. Performance against this target since 2011 has been excellent with B&D in the top five local authorities in London and the UK for empty homes performance. Our aim is to achieve the best performance in the UK and hold the lowest stock proportion of long term empty homes for any local authority in the UK.

Long term empty properties are defined as residential property which has been vacant for more than six months. Properties in the borough stay empty for a number of reasons usually as a result of probate issues or an inability by the owner to afford the works necessary to renovate homes in a poor state of repair. Empty properties are a key element in the reduction of homelessness and a catalogue of other negative issues that affect society. Empty properties have the potential to negatively impact house prices of neighbouring properties, can attract anti social behaviour and vandalism and can pose a public health risk as they fall into dilapidation.

Bringing empty homes back into use is also a key contributor to our Housing Strategy objective to increase housing supply in the borough. We also achieve

income in the form of New Homes Bonus when bringing empty homes back into use. The Empty Homes Unit undertakes a number of initiatives to tackle empty homes. These include:

- Information for owners providing practical help to bring empty homes back into use including choosing builders and applying for grants
- Targeted casework. We focus our casework on specific properties and issues backed up by constant site visits – up to eight per day.
- Enforcement action. Our approach is that we will not tolerate empty homes in B&D and when advice and persuasion has failed we undertake enforcement action to force the property back into use. Enforcement action includes demolition orders, compulsory purchase orders and interim empty dwelling management orders.
- Grant programmes. B&D is negotiating with the GLA for a potential new empty homes grant programme in 2016. A grant would be provided to the owner of an empty property up to £25,000. The grant is recoverable and we would also achieve nomination rights.

4.3 Areas for Improvement

45. The time taken to process Housing Benefit / Council Tax benefit new claims

46. The time taken to process Housing Benefit / Council Tax benefit change events

Performance for indicator 45 and 45 is below target and needs significant improvement. Reasons for decline in performance is a combination of resource issues & volume increases (including the closure of Benefits Direct, RTI casework & Fraud Queries) has resulted in a backlog of new claims & changes in circumstances

Additional resource has been allocated to clear all work as well as a recovery plan being put in place from the beginning of September 2015. This recovery plan is being monitored by Elevate on a daily basis and monitored by the LBB client team on a weekly basis to ensure it is having an effective impact.

It is anticipated that the recovery plan will have impacted backlogs by the End of November 2015 with work no older than 30 days. The anticipated impact of reducing the backlog however will not emanate in performance improvement until January 2016.

38. Average number of households in Bed & Breakfast accommodation over the year.

The target across the year is an average of 68. The average number of households in Bed & Breakfast is at 72, up from 53 in Quarter one. Recent months have shown an increase in the number of households in Bed and Breakfast Accommodation, there is relentless demand, which is likely to continue with ongoing welfare reforms. Whilst it is a daily challenge to secure emergency accommodation to fulfil the councils statutory duties to homeless households we are still on target to hold this average across the year.

A number of actions are being taken to improve performance including:

- Refurbishment works have started on Butler Court which will provide hostel facilities for 80 families. The facility is on target to open February 2016.
- Alternative Hostel sites are being sought to reduce dependency upon bed and breakfast
- There are ongoing initiatives to increase the supply of PSL accommodation and there has been a price reduction negotiated with the local bed and breakfast provider.
- Case management and homeless prevention options are under constant review to limit the number of households placed in temporary accommodation.

Delivering the additional hostel facilities in the new year will support the projection to achieve the budgeted target.

5. Consultation

- 5.1 Corporate Management Team (CMT) and departments (through Departmental Management Teams) have informed the approach, data and commentary in this report.

6. Financial Implications

Implications completed by: Carl Tomlinson, Finance Manager

- 6.1 There are no specific financial implications as a result of this report; however in light of current financial constraints it is imperative that Officers ensure that these key performance indicators are delivered within existing budgets. These budgets will be monitored through the existing monitoring process to identify and address potential issues and also any benefits as a result of improved performance on a timely basis.

7. Legal Implications

Implications completed by: Dr. Paul Feild Senior Corporate Governance Solicitor

- 7.1 Assembly agreed the vision and priorities in September 2014. The responsibility for implementing them rests with Cabinet. The delivery of these will be achieved through the projects set out in the delivery plan and monitored quarterly. As this report is for noting, there are no legal implications.

8. Other Implications

- 8.1 **Risk Management** – There are no specific risks associated with this report. The delivery plan and ongoing monitoring will enable the Council to identify risks early and initiate any mitigating action. The Council's business planning process describes how risks are mitigated by linking with the corporate risk register.
- 8.2 **Contractual Issues** – Any contractual issues relating to delivering activities to meet borough priorities will be identified and dealt with in individual project plans.
- 8.3 **Staffing Issues** – There are no specific staffing implications.

- 8.4 **Customer Impact** – The new vision and priorities give a clear and consistent message to residents and partners in Barking and Dagenham about the Council's role in place shaping and providing community leadership.
- 8.5 **Safeguarding Children** - The priority **Enabling social responsibility** encompasses activities to safeguard children in the borough and is delivered through the Local Safeguarding Children Board and Children's Trust.
- 8.6 **Health Issues** - The priority **Enabling social responsibility** encompasses activities to support the prevention and resolution of health issues in the borough and is delivered through the Health and Wellbeing Board.
- 8.7 **Crime and Disorder Issues** - The priority **Encouraging civic pride** encompasses activities to tackle crime and disorder issues and will be delivered through the Community Safety Partnership.

Background Papers Used in the Preparation of the Report:

Corporate Delivery Plan 2015/16 - 2016/17

List of appendices:

- **Appendix 1:** Priority Projects Update
- **Appendix 2:** Peer Review Implementation Plan Update
- **Appendix 3:** Key Performance Indicators Update
- **Appendix 4:** Key Performance Indicators – Commentary on Red RAG indicators

Priority projects update

**One borough; one community;
London's growth opportunity**

Priority 1 - Encouraging civic pride

Priority project and brief description	Progress at October 2015	Service area and Portfolio Holder
<p>Festival 2015 A community led programme of events to celebrate the borough's 50th anniversary leaving a lasting legacy for community access to our parks.</p>	<p>The delivery of the 50th anniversary programme is now nearly completed with the last event to be held on 30 November, which will be a celebratory event to recognise the contribution made by the council, community and business during 2015.</p> <p>The feasibility of continuing with an events programme in 2016 and future years will be considered as part of the Ambition 2020 programme.</p> <p>The council is a member of the consortium that has successfully secured £735,000 from Arts Council England to allow the extension of the Creative Barking and Dagenham programme over the next three years. The programme will include the delivery of two major outdoor events each year.</p> <p>A funding bid has been submitted by the Regeneration team to the GLA to support the development of the creative industries in the Borough, which will include the provision of equipment and infrastructure to support the delivery of events by the Council and community groups, such as PA system, marquees, staging, etc.</p>	<p>Culture and Sport Leader of the Council</p>
<p>Strengthening school partnerships Provide leadership to our family of schools in order to improve the educational offer within the borough.</p>	<p>The strength of the partnership between the Council and family of schools is confirmed and endorsed in the Ofsted inspection letter (February 2015). 53 Headteachers/Heads of School attended the annual conference at the end of June "Achieving good and outstanding schools through partnership and collaboration". Outcomes included a set of agreed priority actions. The local authority is supporting a cluster of primary schools to formalise their partnership. The headteacher/LA High Needs Working Party is overseeing action to manage and mitigate pressures within the High Needs block of the DSG. ISOS has submitted its review and the five priorities of the action plan are being taken forward in 2015/16. Provisional primary results indicate a further rise in attainment at Local Authority level. GCSE results have dipped this year – largely caused by a drop in maths – an improvement priority. The first national release of data on October 15th shows GCSE attainment remains at or above national levels.</p>	<p>Education Cabinet Member for Education and Schools</p>

Barking Town Centre as the cultural hub for East London

Expand the existing offer to become east London's cultural hub, a vibrant and culturally rich community, with space for creative industries.

Following the transfer of the Broadway to Barking and Dagenham College, plans are now being developed for capital investment in the venue to enable it to provide accommodation for creative businesses alongside its role as the Borough's principal performing arts venue.

A number of high quality and popular cultural events are being delivered in Barking Town Centre as part of the 50th anniversary programme.

Work by the Regeneration division to establish a cinema for the town centre is progressing satisfactorily. The team has also secured a significant grant from the Heritage Lottery Fund, which will support extensive improvements to the public realm in the town centre.

The Regeneration division has also recently appointed Bow Arts to manage the new creative industry workspace in the Ice House Quarter in Barking. They are now undertaking fit out works to the premises to allow the first tenants to take up occupation.

Culture and Sport

Leader of the Council

Enforcement and charging

Encourage socially responsible behaviour from residents and penalise those who act irresponsibly. Ensure a consistent and fair approach to enforcement and charging policies.

Below is a summary of key enforcement actions targeting crimes investigated by Council officers for the period July until September 2015. Actions here include enforcement where we receive a contribution to costs from offenders or other income.

Fixed Penalty Notices - we have issued 412 fixed penalty notices for various environmental crimes which is a 35% increase in enforcement activity compared to this period in 2014/15.

Dropped Kerb Project – we have completed a first review of all the borough's roads and are now starting a second sweep to identify non compliance. This quarter 391 visits to potentially offending premises resulting in 331 warning letters sent and 5 notices prohibiting unauthorised footway crossing.

Trade Waste - During this quarter 241 notices have been served to ensure formal waste control and disposal is adopted. Enforcement action here ensures trade waste disposal is properly charged to the producers.

Housing Licensing – in the second quarter 1,203 properties were inspected and approximately 26% were found to require action to bring them to compliance. In this quarter 651 full licences were granted and 1,204 new applications were received.

Environment

Cabinet Member for Crime and Enforcement

Priority 2 - Enabling social responsibility

Priority project and brief description	Progress at October 2015	Service area and Portfolio Holder
<p>Sufficient school places in schools that are good or outstanding All schools good with 20% outstanding by December 2015. Priority areas for action are set out in the Council's School Improvement Strategy 2016-17 including support for improvement in governance and leadership of teaching.</p>	<p>No further schools have been inspected so we remain below national at 75% good or outstanding, against national of 82%. However, the gap is closing. On self evaluation we believe we are now above national levels but the improved schools have not yet been inspected. We remain on target re: the provision of school places as set out in the March 2015 report to Cabinet with a further report for November 2015 Cabinet. IRO £45 million a year is needed to maintain our capital programme. We are on course to date but continued campaigning is required. The most recent benchmarking shows London borough of Barking and Dagenham has created the highest number of places in the country (48% growth in pupil numbers since 2009/10). These places have been created well within financial limits, at extremely competitive costs and in a timely manner. Over the summer IRO 300 primary aged children arrived in the borough requiring a school place. We have needed to open an additional Yr 1 and Yr 3 class. It is likely that further classes will be required over the course of the year if the rate of inward migration continues. The biggest financial risk to the DSG is in the revenue costs of specialist provision places to meet the needs of the growing numbers with complex Special Educational Needs and Disabilities (SEND). Significant work with Schools Forum has been effective in reducing this risk.</p>	<p>Education Cabinet Member for Education and Schools</p>
<p>Tackling obesity To undertake a programme of activities commencing from January 2015 in order to encourage healthier lifestyles and tackle obesity.</p>	<p>The Culture and Sport division is commissioned by the Public Health team to deliver a number of programmes, including:</p> <ul style="list-style-type: none"> • Tenergy – 30 primary schools have trained teachers through the PH funded programme. All are rolling out Tenergy across schools. All have access to the Tenergy DVD streamed into classrooms. Participants 2000+ children to expand to 6000 as training increases numbers of classes in schools by autumn term 2015; • Active Clubs 123 – all PE subject leaders have participated in briefings in conference and 20 schools now run active clubs for younger children, with more planned. Consultant encouraging merging of objectives with national Change4Life clubs to enable progression and expansion. • Active Playgrounds – 30 primary schools now have additional basketball and table tennis playground clubs. They are run by young leaders trained by the PH funded team and monitored by PE leaders. The clubs enable children to join out of school clubs and enjoy non-competitive play through careful and sensitive grouping at different times during the school day. 	<p>Public Health Cabinet Member for Adult Social Care and Health</p>

- Barking & Dagenham Sports Partnership – two school games organisers (SGOs) work for two days equivalent within the PH funded work above. The PH funding has enabled the new PH programmes to be coordinated with the rest of their SGO programme, particularly by training of teachers in both areas and including the public health programmes in the PE conferences which they run. The interaction of the two programmes has led to rapid expansion of young people's access to high quality, regular activity through the network of events and training over 2014-15, as seen in recently available data below:
 - **Teacher professional development:**
 - 22 courses involving 254 teachers
 - **School Game competitions:**
 - 31 competitions including 3780 young people
 - **Inclusion events:**
 - Young people with special needs participating in a range of specially developed events 379
 - **Trained leaders** for events 630
- Exercise on Referral – In Quarter 1 (April to June), 1027 appointments were made to the Healthy Lifestyles Referral Pathway. This is an increase of 245 on the number of appointments made for Exercise on Referral in quarter 1 in 2013/14.

In addition to the commissioned activities Culture and Sport provide a universal offer in the form of the leisure centres.

- In March 2015 the new Abbey Leisure Centre opened and in the period April to September there were 210,000 visits, which is an increase of about 50% compared to the old Abbey Sports centre for the same period last year.
- The exceptional level of visits to Becontree Heath Leisure Centre continued to grow with over 1m visits during 2014/15 with a combined total of 1.282m visits at the two leisure centres.
- Based on the Amateur Swimming Association throughput data Becontree Heath Leisure Centre was the busiest swimming pool during 2014/15 and has the largest stand alone swimming lesson programme in the country

Enabling the community through the voluntary sector including volunteering

Enable the Band Together group to harness the service delivery potential of the voluntary sector, building the capacity and opportunity for VCS

BandD Together has met in its new format and the CVS has recruited to the BandD Together post which is in place until May 2016. Work has progressed on an action plan including warm homes, healthy lives and developing the concept of BandD Together. One of the first initiatives launched was the online diagnostic knowledge platform – Band Together Routemaster which was formally launched at the House of Commons on 14 October. This initiative is designed to help professionals and support vulnerable residents to access the relevant services in a timely way and is being used by voluntary

Culture and Sport

Leader of the Council

<p>providers, supported by a Council funded Co-ordinator.</p>	<p>sector and Council staff.</p> <p>An extensive volunteering programme is delivered across Adult and Community Services, which has seen volunteers provide 25,849 hours of support to services in 2014/15. This is equivalent to £232,000 if the London Living Wage had been paid. 282 new volunteers were recruited last year.</p> <p>In the period April to September 2015 volunteer hours totalled 15,219 hours and there are currently an average of 218 active volunteers each month supporting the delivery of a range of services including: libraries; museums; events; sport and physical activity; community health champions; and community volunteer drivers.</p>	
<p>Community hubs network Help create a Borough infrastructure to optimise joint work for community empowerment.</p>	<ul style="list-style-type: none"> • A total of 72 Champions have been trained or are currently in training • 2 more volunteer groups have been trained in October. • There are now 13 Community Checkpoints. • At 5 of the Borough's 50th anniversary events, there was presence and publicity for Community Checkpoints as well as community feedback on how to improve the Borough. • The presentation evening for Community Champions took place on 15th October 2015. 	<p>Led by DCS – Corporate</p>
<p>Tackle other boroughs housing their residents in the borough Implementation of London Inter Borough Accommodation Agreement preventing boroughs from paying rates higher than local LBBB agreed rates thereby limiting the number of external placements.</p>	<p>The London Inter Borough Accommodation Agreement (IBAA) oversees the use of temporary accommodation, discharge of duty into the private sector and preventative placements made by London boroughs into another London borough, including placements made and received by the LBBB. This agreement is overseen and monitored on a quarterly basis through the formal London sub-regional housing partnerships.</p> <p>Our approach is to attempt to minimise the number of placements into B&D and to secure agreement through the IBAA to this end. One of the major areas of focus is upon social care placements, adult and children's. Our aim for 2015/16 is to secure a protocol covering these placements either via sub-regional arrangements or directly between boroughs (whichever is most appropriate). Discussion has been held at the East London Housing Partnership Chief Officer Group meetings in 2015. We are also approaching other London boroughs to include social care data (adults and children) into the reporting mechanism and to attempt to obtain details on the individual placements made.</p> <p>Currently the overall London position with the IBAA has however run into some difficulty. A number of London boroughs are undertaking and/or proposing to undertake actions which could be construed as running counter to and therefore a breach of the IBAA. The LBBB has no powers to prevent placements by other authorities in B&D. We therefore rely upon London boroughs conforming with the word and spirit of the IBAA agreement. We are currently liaising at officer and Member level with other London boroughs to</p>	<p>Housing</p> <p>Cabinet Member for Housing</p>

minimise the impact upon both the LBBB and East London and to maintain the IBAA as agreed.

The impact of other borough using private rented stock in LBBB has resulted in the council's continued dependency upon bed and breakfast for emergency homeless placements. This is the most costly form of temporary accommodation. We currently have 77 households placed of which 23 have been in occupation for over 6 weeks which places the council in breach of homeless regulations.

We are mitigating the impact by taking the following actions;

- Ongoing robust performance management on homeless casework
- Continuing to develop sites for use as council run hostels. Butler Court opens in February 2016, with further plans to take over another site in the summer of 2016.
- Successfully negotiated a price reduction in Bed and Breakfast costs with local provider
- Develop and implement an in-house lettings agency to take properties directly from landlords to let and manage with effect from next year.

Notwithstanding the relentless demand the Service has delivered required savings and will outturn on budget this year.

Priority 3 - Growing the borough

Priority project and brief description	Progress at October 2015	Service area and Portfolio Holder
<p>Barking Riverside One of the largest residential developments in the UK, 11,000 homes with superb River Thames frontage.</p>	<p>Considerable design work is being undertaken to alter the current masterplan to take account of the future London Overground Station, the traffic system and development around it. Officers are looking at providing a new leisure centre adjacent to the station. A revised planning application is expected early December 2015</p> <p>Discussions about the future structure of Barking Riverside Ltd should be resolved in 2015.</p>	<p>Regeneration Cabinet Member for Regeneration</p>
<p>Gospel Oak line extended to Barking Riverside Continue lobbying and work with partners to ensure the Gospel Oak line is extended to Barking Riverside improving transport links for the area.</p>	<p>The proposals include an extension of the London Overground Gospel Oak to Barking line to a new station at the heart of the Barking Riverside development. The Council will be lobbying for a second station, near to Thames view.</p> <p>As part of the 2014 Autumn Statement, the Chancellor of the Exchequer announced that the Government will provide a loan of £55 million to support the extension to Barking Riverside, The provision of this loan means that funding is available to cover the full cost of the scheme. It has been agreed by BRL and TfL that the station should be moved c 60metres further south towards the River Thames. This potentially makes a significant improvement to the overall scheme around the Station As a result of this the submission date for the Transport and Works Act application has been put back 3 months.</p> <p>A Transport and Works Act application will be made by Transport for London (TfL) in March 2016.</p>	<p>Regeneration Cabinet Member for Regeneration</p>
<p>Barking Town Centre Work with a range of partners and residents to continue to improve the experience of living, working or doing business in Barking Town Centre This would include developing a new cinema, re-invigorating the market and widening its appeal and establishing Care City.</p>	<ul style="list-style-type: none"> • Barking Magistrates Court redevelopment close to completion • Abbey Sports Centre – draft heads of terms agreed with preferred bidder regarding redevelopment of the sports centre which will include a cinema, space for Care City and 147 flats. • Phase 2 of the Ice House quarter development (144 units) under construction due for completion on 21st October 2015. It will be part of the Barking and Dagenham Reside (Abbey Roding) SPV and will be largely 80% rent units aimed at generating an income for the General Fund. • Gascoigne Regeneration – Bouygues appointed as contractors on Phase 1. Enabling works have started and formal building works start in November 2015. • Sainsbury proposal at Abbey Retail Park- Start on site due to take place in late Autumn 2015. • Public realm improvements works started on area in front of Magistrates Court • First stage of Heritage Lottery bid c£1.3m for heritage along East St agreed £200,000 • Housing Zone bid to GLA for Barking Town Centre for c£42m agreed • NHB topslice programme bid agreed for c£700k for places of work in Barking Town Centre and improving East St linked to the market) 	<p>Regeneration Cabinet Member for Regeneration</p>

Priority project and brief description	Progress at October 2015	Service area and Portfolio Holder
londoneast-uk Work with the private sector to transform the former Sanofi site into a bio tech based economic hub that is unique in the capital.	<ul style="list-style-type: none"> Sainsburys have acquired the front site, but are not proceeding with their original proposals and are reviewing their position as to what will go forward. Londoneast-UK first significant tenant signed up with the announcement that Arcus Solutions is to open a technical training academy Planning consent for East London University Technical College (ELUTEC currently located at CEME) agreed. Baytree (part of Axa) have purchased the remaining Sanofi land. 	Regeneration Cabinet Member for Regeneration
Beam Park Beam Park/Ford Stamping Plant – major brownfield site with great potential for housing and commercial activity with 2,500 new homes and over 1,000 new jobs.	Beam Park GLA awaiting submissions from 4 tenderers for a mixed use housing scheme. Decision will be made by December 2015 Anderson Group are the preferred bidder for the Ford Stamping Plant. Legal agreements likely to be finalized by the end of the year.	Regeneration Cabinet Member for Regeneration
Energy company Maximise the borough's potential to generate significant levels of renewable energy including exploring opportunities to become an energy trading Council and reduce energy consumption.	Further to Cabinet agreement to the in principle establishment of an energy company (ESCO) along with its mission and objectives, an external subject matter expert has been appointed to provide the technical input to both scheme design and the actual creation of a local municipal energy company. An Energy Investment Manager will be recruited to provide the programme capacity to progress the individual schemes. Initial discussions on potential funding of the programme have been held with a number of funders and Cabinet will consider a Green Investment Bank funded scheme for street lighting at its November meeting. An EU funding bid has also been submitted alongside £40k already granted by the Department for Energy & Climate Change.	All - led by Finance Cabinet Member for Finance
London's Sustainable Industries Park (LSIP) London's Sustainable Industries Park (LSIP) vision to be delivered at Dagenham Dock so that we can become London's greenest borough.	Chinook Waste to Energy Plant under construction. Closed Loop have gone into administration but are still in production. Barking Power Station have formally decided to shut the plant and the site is being cleared. Gerald Eve, West End property consultants are undertaking the disposal process.	Regeneration Cabinet Member for Regeneration
More apprenticeships for young people Priority in the draft employment and skills strategy. Key actions include supporting the	<ul style="list-style-type: none"> 41 apprentices supported into work over April-September 2015. Recruitment underway to 9 opportunities in housing repairs and maintenance service. Close working underway with 14-19 Group and schools to promote the apprenticeship offer to young people. Recruitment to first three apprenticeship opportunities within secondary schools underway. 	Regeneration Cabinet Member for Regeneration

Priority project and brief description	Progress at October 2015	Service area and Portfolio Holder
Council's apprenticeship offer, and promoting apprenticeships with employers and local and regional partners including the colleges.	<ul style="list-style-type: none"> • Ongoing work to promote offer to Care Leavers. • Promotion of apprentice opportunities taking place with Jobcentre Plus, Work Programme and other local partners 	
Shared housing ownership Phase 2 of Leys Estate renewal and phase 1 of Gascoigne to include 200 Council developed shared ownership units.	<p>The Housing Service has plans to provide 1,000 shared ownership units over the four years 2015/19. Of this number 500 will comprise of new build schemes of which phase 2 of Leys Estate renewal and phase 1 of Gascoigne which include 200 Council developed shared ownership units.</p> <p>In addition to the above work is under way to develop plans and mechanisms for delivering the remaining 500 units from existing Council stock.</p> <p>There are agreed proposals for 180 new shared ownership units as part of the Gascoigne Regeneration phase 1. There are 10 units being provided at the new Castle Green development. Separately officers are looking at the possibility of some shared ownership on other estate renewal sites and as part of the Council's London Housing Zone bid. In addition the Housing Service is looking at other ways of increasing the supply of shared ownership units (including a modular housing scheme and including a scheme for ex-members of the armed forces). Specific actions to date include:</p> <ul style="list-style-type: none"> ▪ Established the SO Project Board, chaired by the Director of Housing, to coordinate the delivery of SO homes in B&D. ▪ Researched and identified a number of policy issues that require member direction in relation to shared ownership products and in particular RTB. ▪ Officers have appraised the impact of different ways of introducing SO options into Council stock. The impact on the HRA business plan is being assessed. ▪ A workshop was held in August to explore the different products, affordability ranges and policy implications. ▪ A workshop was also held which set out the details and principles of a FlexiBuy scheme to enable the purchase of properties. ▪ A final report proposing the shared ownership scheme and principles is booked for Cabinet in December 2015 	Housing / Regeneration Cabinet Member for Housing
Recruitment of Children's social workers (This project is part of the Children's social care SAFE programme) Increase recruitment and retention of social workers to improve the service and reduce	<ul style="list-style-type: none"> • Since the last report we have successfully recruited to the Group Manager roles for Assessment and Mash (start date 1 Oct 2015) and Care Management (start date 16 Nov 2015) • We have successfully recruited 2 Senior Team Managers in Care Management (start dates in Nov 2015 and Jan 2016) and a Team Manager in the No Recourse to Public Funds Team (started in Sept 2015) • 2 other experienced Social Worker (SW) qualified staff have start dates for Nov 2015, while two others are in the process of being onboarded but start dates have not yet been confirmed. • Unless there has been a DBS issue all SW qualified candidate onboarding is taking only 18-20 	Children's Services Cabinet member for Children's Social Care

Priority project and brief description	Progress at October 2015	Service area and Portfolio Holder
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use of agency staff reducing costs

days from interview date to final contract being sent out..
Penna Resourcing have now been contracted to deliver end-to-end recruitment for all SW qualified roles in Children's Services, with two National Campaigns going Live in Nov 2015 and Jan 2016. They are targeted to deliver 40 new starters by 31 March 2016.

- At the end of Q1 agency figures for Social Work Qualified staff in Complex Needs and Social Care was 49.2%. By the end of Q2 this has been reduced to 41.2%.
- The table below shows the positive improvements from Q1 to Q2:

Q1 / Q2 comparisons	Payroll	Agency	Vacant	Establishment
CNSC SWQ TOTAL Q1	83	90	6	182
Q1 %	45.60%	49.45%	3.30%	
CNSC SWQ TOTAL Q2	92	75	12	182
Q2 %	50.55%	41.21%	6.59%	

Housing for key workers
Prioritisation will be given to local working people on moderate incomes for new housing schemes with immediate effect for policy implementation.

The Housing Service plans to implement a key worker approach to increase the supply of affordable housing and improve access to housing for key workers and local working residents on moderate incomes, across the next four year period 2015-19. B&D has one of the highest housing affordability gaps (the difference between average house prices and average household incomes) in London, with the average home in the borough costing nearly seven times the average annual household income.

We have already introduced a key worker cascade within the Reside scheme with a similar cascade approach with the B&D Allocations Policy. Housing supply will focus upon key worker schemes on phase 2 of the Leys and at the Gascoigne. We are focusing upon shared ownership products, a portion of which we intend to aim at social workers, teachers and other local workers, where circumstances allow. We are also currently looking at a potential scheme incorporating shared ownership for ex-members of the armed forces whilst initial discussions are underway to establish the potential for a shared ownership scheme comprising modular housing which could be aimed at key workers.

Proposals are being developed for a Council Multi-tenure letting agency.

A detailed policy with specific targets will be developed and implemented for 2015/16 onwards.

Housing
Cabinet Member for Housing

Priority 4 - A well run organisation

Priority project	Progress at October 2015	Service area and portfolio holder
<p>Income generation Maximise opportunities to generate new and additional income including opportunities to sell services to other authorities and build on the successful traded services in Children’s Services and the Legal Service.</p>	<p>Work is ongoing across the Council to identify and progress new opportunities.</p> <p>Annual Service Level Agreement buy-backs from schools have generated £9.7 million in 2015-16. Newly launched services (e.g. the CAF and Early Help Service) have contributed around £137,000 to this overall income generation. Ad hoc and direct sales of services to schools and pupils (e.g. school meals) are expected to generate a further £3 million, bringing the total income from schools to just under £13 million by the end of March 2016.</p>	<p>All</p>
<p>Housing restructure Creation of an integrated and accountable housing service that will deliver excellent customer services and effective stock investment, promote tenant responsibility and support growth.</p>	<p>The top level structure of the new Housing Directorate was endorsed at the JNC Salaries and Conditions Panel in September 2014 and formal consultation with staff and trades unions has now been completed. Appointments have now been made to two of the three Divisional Director posts.</p> <p>Revised restructure proposals for repairs have been the subject of staff consultation and assimilation letters have been issued. Assimilation interviews have taken place and the new staffing structure is being implemented.</p> <p>The Housing management restructure has been completed with new posts now filled.</p>	<p>Housing Cabinet Member for Housing</p>
<p>Senior management restructure Review the senior management structure to ensure it is fit for purpose and contributes to the delivery of the vision.</p>	<p>Senior management restructure implementation has commenced with the following posts now in place: Strategic Director of Service Development and Integration (Deputy Chief Executive) Strategic Director of Customer, Commercial and Service Delivery Strategic Director of Finance and Investment</p> <p>Two further posts were appointed to in September and the successful individuals will start with the Council in the new year: Strategic Director of Growth and Homes Divisional Director of Strategy and Programmes</p> <p>Alongside the new management structure, a new governance structure has also been implemented to deliver the Council’s priorities, taking effect from November.</p>	<p>Chief Executive Leader of the Council</p>

Priority project	Progress at October 2015	Service area and portfolio holder
<p>Website A new Council website will be contemporary, user friendly, fully mobile responsive and designed for all modern devices. It will be fully integrated with My Account and support digital by design services.</p>	<p>The new Council website was completed in December.</p> <p>Through the role out of new governance models a new Web Editors Group will be established together with a dedicated team to keep our information to residents up to date and accurate. Progress continues to be good with My Account with over 58,000 residents now registered and take up of web chat has increased by almost 300% over the past 12 months</p>	<p>Chief Executives</p> <p>Leader of the Council</p>
<p>Equalities in employment Ensure a diverse work force and increase currently underrepresented groups to be more reflective of the community.</p>	<p>Action has been taken to progress the Plan agreed by members as follows:</p> <ul style="list-style-type: none"> - A review is underway of the way in which we promote employment with the Council to under-represented and groups and whether there are any barriers in our recruitment processes which may make it harder for those groups to be successful when we are recruiting - We are revising our equality training for recruitment managers, as well as commissioning programmes on “Dignity and Work” and “Effective Customer Conversations”, to begin before the end of 2015 - The first cohort on our talent management programme, which is focussed on under-represented groups, should start in December/January - We have contracted with an external company to undertake exit interviews, to give us an independent view on why people may be leaving <p>Business in the Community - Opportunity Now and Race for Opportunity Membership</p> <p>The Council has joined the above Business in the Community campaigns</p> <p>Opportunity Now aims to increase women’s success at work, because it’s not only good for business but good for society too. Opportunity Now has three priorities that are critical to business, to help achieve the potential of people, teams and organisations. They are to create:</p> <ol style="list-style-type: none"> 1. A better gender balance for leadership progression 2. Unbiased recognition and reward for all 3. Agile work cultures that are fit for the future <p>Race for Opportunity is committed to improving employment opportunities for ethnic minorities across the UK.</p> <p>It is the only race diversity campaign that has access to and influence over the leaders of the UK’s best known organisations. Race for Opportunity has three campaign aims to</p>	<p>HR and Organisational Development</p> <p>Cabinet Member for Central Services</p>

Priority project	Progress at October 2015	Service area and portfolio holder
	improve working opportunities for ethnic minorities. <ul style="list-style-type: none"> • Diverse leadership on boards and at senior level • Diverse representation and progression in the workplace • Reduction of ethnic minority youth unemployment 	
Implement the People Strategy Implement the actions in the People Strategy to ensure that we fulfil our ambition to have the right people, with the right skills in the right places, with the right kinds of management and leadership, motivated to perform well.	A workforce strategy associated with the Ambition 2020 Programme has been drafted and is awaiting sign-off. This will be the People Strategy for 2015/16 and beyond and will focus on ensuring we have the right number of people with the right skills going forward, as well as addressing issues of staff engagement through this period of change.	HR and Organisational Development Cabinet Member for Central Services
Peer Challenge Implementation Plan Respond to the recommendations of the LGA Corporate Peer Challenge by delivering the implementation plan	An update on progress with the Peer Challenge implementation plan is included as part of the Quarter 2 Corporate Delivery Plan update (Appendix 3).	All - led by Chief Executive Leader of the Council

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London Borough of Barking & Dagenham LGA Corporate Peer Challenge Implementation Plan					
Theme 1: New leadership, new ambitions, new approaches					
Recommendation:	Action(s):	Timescale	Lead Officer(s)	Progress as at October 2015	Portfolio Holder
1.1 Manage expectations of residents, partners, members and staff by articulating the vision and priorities into a set of clear and deliverable objectives underpinned by clear targets and measures and focusing the council's efforts and resources accordingly	Produce a delivery plan for the new vision and priorities linked to the refreshed performance framework, identifying the key projects and outcomes sought	Cabinet – October 2014 Quarterly monitoring at CMT and Cabinet	Jonathan Bunt/ Sal Asghar	Complete - Corporate Delivery Plan agreed by Cabinet in October. Quarterly updates are provided to CMT and Cabinet and every six months to PAASC.	Cllr Rodwell
1.2 Communication and understanding by all staff and members about new vision, priorities and what that means in practice	Series of internal communications events and initiatives, including Managers Conference, Staff Conference, CEX Blog and new internal marketing campaign	October 2014, then ongoing	Martin Rayson/ Marina Pirotta	Complete - A new series of All Staff Roadshows is taking place in Sept-Nov 2015 to cover Ambition 2020. Previously a Managers' conference took place in October 2014 focused specifically on the ambitions of the new council and a series of all staff briefings took place in October/November 2014. These sessions have covered the new vision and priorities, and the budget challenge. Other activities are ongoing.	Cllr Rodwell / Cllr Twomey
	Staff engagement strategy and action plan agreed by CMT	October 2014	Martin Rayson	Complete - The staff engagement strategy and action plan have been agreed.	Cllr Twomey

	People Strategy and revised Values agreed by Cabinet	September 2014 (complete)	Martin Rayson	Complete - The People Strategy and the new values have been agreed by Cabinet. Work is now underway to implement the actions set out in the People Strategy. The values have been promoted alongside the new vision and priorities and are included in the Delivery Plan.	Cllr Twomey
	Embedded in all strategies and communication activity	Ongoing	All	Ongoing	Cllr Rodwell
1.3 Maximise every opportunity to capitalise on the potential of the borough as a whole	Greater visibility at London Councils' events including Leaders Committee and other representation at pan-London networks	Ongoing	All	Ongoing - The Leader and other portfolio holders continue to raise the profile of B&D and lobby where required at London Councils and pan-London events including the Leader's Committee.	Cllr Rodwell
	Lobbying of Mayor's Office – develop a forward plan of key issues	October 2014 then ongoing	Marina Pirotta	A lobbying strategy and action plan has been agreed by the council, TfL and City Hall for the A13 tunnel. This is currently being auctioned by the council.	Cllr Rodwell
	Consistency of messages to be ensured by Members and officers by developing an inspiring presentation with key messages to be prepared including new vision, priorities and logo etc., to be used by all	October 2014 then ongoing	All / Marina Pirotta	Complete - A powerpoint presentation template has been produced including the new vision and priorities which can be used by Members and officers. Inspiring presentations and videos for the festival 2015 have also been developed and used to attract sponsors and investment, and promote the events. A standalone leaflet and interactive infographic on our website has been produced to promote the council's achievements one year on. This links to the vision and priorities.	Cllr Rodwell
1.4 Greater understanding is needed by members, staff, partners and residents regarding the	Internal and external communications campaign linked to budget savings consultation process	October 2014 to February 2015	Martin Rayson / Marina Pirotta	Complete - The budget consultation process ran until 27 November. During this 6 week consultation period both an internal and external communications	Cllr Rodwell / Cllr Twomey

level of savings required and how the change from the traditional paternalism of the authority will impact service delivery and our community	Members to ensure budget position and savings proposals understood and considered by Labour Group, Select Committees etc.			campaign was used successfully to communicate key messages about the savings proposals. Both staff and residents were given the opportunity to provide feedback in a number of ways including through face to face meetings and online. Six public consultation meetings were held along with 6 all staff briefings.	
	External campaign for inner London funding levels predicated on demographic growth (linked to 1.3)	October 2014 onwards	Jonathan Bunt	In December, Cabinet agreed to support the multi borough challenge to the damping system impacting on East and North London boroughs. The participating councils met with the Local Government Minister in September on the funding regime and have followed up with written submissions on the key issues.	Cllr Twomey
	Working with partners to enable BandD Together approach to succeed including appointment of CVS BandD Together Co-ordinator	November 2014 and then ongoing	Monica Needs	BandD Together has met in its new format and the CVS has recruited to the BandD Together post which is in place until May 2016. Work has progressed on an action plan including warm homes, healthy lives, Band Together Routemaster and developing the concept of BandD Together.	Cllr Rodwell
1.5 Delivering the vision, core business and the savings requirement must be seen as a single focus that the whole council unites behind and delivered holistically rather than three separate workstreams – a	Review the People Strategy to ensure that it focuses on delivering the vision and objectives	September 2014	Martin Rayson	Complete - The People Strategy has been reviewed and does now link to the new vision and priorities. Implementing the People Strategy is also one of the priority projects identified in the Delivery Plan allowing for CMT and Cabinet to monitor progress on a quarterly basis.	Cllr Twomey

significant cultural change is required to achieve this, which necessitates extremely strong and consistent leadership	Corporate delivery plan and new performance framework – see 1.1			Complete - Both agreed. Quarterly reports are provided to CMT and Cabinet and every six months to PAASC. An update on the delivery plan was reported to Cabinet in December 2014 and March 2015	Cllr Rodwell
	Internal communication campaign – see 1.2, 1.3 and 1.4			Internal and external communications campaign has focussed on the vision, priorities, values and savings requirement. Work is ongoing to link these more holistically with core business and to clearly identify a future operating model that reflects the ambition and resources available to deliver it.	Cllr Twomey
	Expectation that all senior managers and members will use a common narrative externally and internally – see 1.3			A common narrative is included as part of the Delivery Plan. This will be developed further and communicated. This is also being explored in work to look at how we align the ambition with the resources available through an agreed operating model with a supporting narrative to bring clarity on the future shape of the organisation bringing together all of these elements.	Cllr Rodwell
1.6 A permanent senior management structure needs to be put in place quickly that provides the necessary capacity and focus to deliver the authority's agenda	Senior management structure to be confirmed via appropriate members approval processes, and recruitment to be carried out ASAP	February 2015 to full implementation by October 2015	Chief Executive	Complete- Recruitment to the new senior management structure is now complete	Cllr Rodwell

Theme 2: Financial planning and viability

Recommendation:	Action(s):	Timescale	Lead Officer(s)	Progress as at October 2015	Portfolio Holder
2.1 Clarify and communicate final savings requirement for 2015/16 and beyond, then establish an agreed set of clear savings proposals, shaped by a focus on clear priorities, which are politically led and owned.	Savings proposals developed and agreed for implementation (management action) or public consultation via Select Committees and Cabinet (see 1.4/1.5)	For agreement at Cabinet – 7 October 2014	Jonathan Bunt	Complete - Savings proposals, including any revisions following consultation, were agreed by Cabinet and the annual budget and Council Tax for 2015/16 were formally agreed by Assembly in February.	Cllr Twomey
2.2 Structural underspends in the budget need to be identified and removed in order to assist the savings challenge.	Review all budget codes to identify structural underspends and reallocate or make savings	October 2014	Jonathan Bunt	Complete – though this will always be an ongoing action, all significant structural underspends have been addressed as part of the budget setting process or towards the realigning the 2015/16 budget to address emerging pressures.	Cllr Twomey
2.3 The council's capital programme needs to be reviewed to ensure it is aligned with the new vision and priorities.	Internal member-led review to be set up via PAASC	October 2014	Jonathan Bunt	Agreed as a topic for review by PAASC at September 2014 meeting though not significantly progressed due to other items in the work programme.	Cllr Twomey
2.4 Consider ways in which the council may use its finances to further support growth and assist the revenue budget - as has been seen with the authority's house building.	Prepare paper setting out options for Cabinet	November 2014	Jeremy Grint / Jonathan Bunt	The agreement to use European Investment Bank funding to provide sub-market housing in Barking Town Centre in the general fund will, when the homes are completed (first tranche of 144 units due to be completed in October 2015), start to generate a surplus income for the general fund which can be used to assist other services. Work on energy efficiency initiatives, which will be funded either by reserves or EIB type funding to help	Cllr Twomey

				generate surplus, is proceeding. In November, Cabinet will consider the funding of replacement street lights using Green Investment Bank funds to generate an ongoing cash saving.	
2.5 Key support activities such as communications, training and development and community engagement need to be centralised to improve consistency and efficiency	Centralise budgets and develop agreed policy for use	October 2014	Jonathan Bunt with Marina Pirotta and Martin Rayson	While the agreed budget for 2015/16 included the centralisation of training and marketing budgets from 1 April 2015. This was reversed following consultation with officers and members as felt to be unworkable, at this time. However, a new approach is being finalised for the communications service in winter 2015. We will also return to the issue of how best to utilise the resources now available for learning and development. A centralised team was created in April 2015.	Cllr Twomey / Cllr Rodwell
	Agree any savings for 2015/16 and implement in-year savings during 2014/15 if possible			The intended saving from the centralisation of training and communications budgets was agreed to be undeliverable and reversed by Cabinet in July.	Cllr Twomey

Theme 3: Organisational capacity

Recommendation:	Action(s):	Timescale	Lead Officer(s)	Progress as at October 2015	Portfolio Holder
3.1 The council needs to make a massive shift in relation to how it corporately uses internal and external communications, lobbying/public affairs, resident insight, engagement and performance management to deliver the vision and priorities	Develop a communication strategy to include all of these elements to develop a more strategic approach linked to centralised communications budgets and new team structure	July 2015	Marina Pirotta	In progress- The communications team is currently being reviewed with the aim of having a new structure in place in spring 2016. A communications strategy will then be developed.	Cllr Rodwell
	Performance management covered in Rec.1.1	January 2015	Jonathan Bunt	Complete - Performance management framework is set out in the Delivery Plan. Business plans for each service area have been developed for 2015/16-2016/17.	Cllr Rodwell
	Develop use of Experian Mosaic for core customer intelligence and insight across the council	October 2014	Jonathan Bunt	Complete - Analysis of Experian Mosaic data for 2014 is complete and has been shared with Leadership Group.	Cllr Rodwell
3.2 There is no visible organisational change programme - the role and purpose of the Future Business Board is unclear and it has little profile in the organisation. A new cross council organisational change infrastructure needs to be put in place going forward which needs to take precedence over	Clarify the structure and content of the People Strategy and revitalise the programme with supporting internal communication plan	October 2014	Martin Rayson	Complete - The People Strategy and the new Values have been agreed by Cabinet. Work is now underway to implement the actions set out in the People Strategy. The People Strategy will be reviewed in light of the work the new Chief executive is undertaking to look at the future of the Council.	Cllr Twomey
	Establish the Future Business Board (FBB) as leading the Council's change programme and clarify its	October 2014	Chief Executive	The Head of Legal Services has reviewed the governance arrangements for all CMT level and supporting meetings. The new governance regime will commence in	Cllr Twomey

arrangements within departments	relationship to CMT and wider executive and partnership boards			November 2015.	
	Communicate this work, include FBB updates in CMT briefing	Complete	Martin Rayson	Complete - Updates on the change programme (now Ambition2020) have been included in CMT briefings. There has been engagement with the top 200 managers around the future of the Council and a communications work stream will be a key element of any future programme.	Cllr Twomey
3.3 Review the arrangement with Elevate to ensure the council is receiving the right support and the desired savings are realised	Contract review to be reported to Cabinet in autumn including options for realigning services and ICT provision	October 2014	Jonathan Bunt	Complete - Cabinet agreed a revised approach to the Elevate services in December 2014. Alongside this a number of savings proposals for those services were also agreed. As a result, a number of the smaller services returned to the Council on 1 April 2015 enabling Elevate to focus on the core strengths of Agilisys.	Cllr Twomey
3.4 Staff need greater engagement and involvement generally	Review of engagement activity and internal communication tools to develop consistent approach	October 2014	Martin Rayson	Complete - New interim employee engagement role in HR/OD in place. The review of internal channels is complete and engagement strategy agreed at CMT. There is a weekly CMT briefing which provides staff with all key messages and news, and a series of staff briefings through the autumn. Review of notice boards complete.	Cllr Twomey
	Staff engagement strategy and action plan agreed by CMT	October 2014			Cllr Twomey
3.5 The new set of values currently being developed need to empower much greater innovation, creativity, managed risk-taking and	Complete values project and ensure strong internal communication plan linked to vision and priorities	October 2014	Martin Rayson	Complete - The values have been agreed and are being communicated alongside the vision and priorities.	Cllr Twomey

commercial acumen. Once agreed, the senior leadership need to champion and demonstrate the new values to permeate throughout the organisation	Senior managers to champion new ways of working e.g. co-location	Ongoing	All	A new smarter working programme has been established, linked to Ambition 2020 which will embrace the accommodation, people and systems aspects of co-working. Champions will be identified and the leadership role for managers is emphasised in the programme.	Cllr Twomey
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Theme 4: Role of elected members

Recommendation:	Action(s):	Timescale	Lead Officer(s)	Progress as at October 2015	Portfolio Holder
4.1 To address issues of transparency, officer and elected member behaviours and a lack of clarity about respective roles and responsibilities, there needs to be absolute clarity that elected members focus on policy and direction and managers are responsible for delivery	Culture of challenging inappropriate behaviour and embedding the Member Code of Conduct and Protocol on Member and Officer Relations	Ongoing	All officers and members	Addressed at the October Managers conference. Ongoing.	Cllr Twomey
	Active training and leadership on an ethical culture and the Nolan principles	Nov 2014	Fiona Taylor/ Leadership	Rolling out of a new Constitution and updating of the relevant provisions. This was delayed from September 2014 to the Assembly meeting in November to allow for pre-decision scrutiny by PAASC. Agreed in November 2014. Further training planned in November 2015.	Cllr Twomey
	Review of Member and officer relations – highlighting of the Protocol on Member and Officer Relations including relevant training	October 2014	Fiona Taylor	Complete - Review completed and new Constitution agreed at November 2014 Assembly.	Cllr Twomey
	Review Member roles on	October	Fiona Taylor	Complete - This has been completed	Cllr Twomey

	internal boards and forums	2014		under the Constitutional review. In respect of Members' roles on Outside Bodies a new chapter has been added to the Constitution for clarity.	
	Review of Personnel Board	October 2014	Martin Rayson	Officers have commenced a review of all relevant HR policies which will be formally consulted on prior to presentation for formal approval. Any constitutional changes required as a result of amendments to the Council's HR policies and practices will subsequently be presented to Assembly for adoption.	Cllr Twomey
4.2 Greater collective dialogue between administration and senior managers	Regular CMT/Cabinet joint meetings and maximising use of Pre-Assembly sessions and any informal opportunities	Ongoing	All	Informal briefing sessions have been held for Cabinet members on the budget and the pre-Assembly briefings are continuing	Cllr Twomey
4.3 Adequate support both internally and externally urgently needs to be put in place to enable the Leader, Cabinet and Administration to fulfil their roles effectively in three main areas: <ul style="list-style-type: none"> • Administrative support (internal) • Policy/research (internal) • Mentoring (external) 	LGA 'buddy' arrangement for Leader and portfolio holders	From September 2014	Fiona Taylor	Complete - Buddy programme completed.	Cllr Twomey
	New structure of political support posts			Complete - : Leader and member services appointed in February 2015 and Political Assistant appointed in October 2015.	Cllr Twomey
	Clarity of integration of Member support in PA hub			Complete	Cllr Twomey
	Consider Away Day for members and/or Cabinet Development Programme			Cabinet members meet regularly and have visited Nottingham City Council. Completed in July 2015 and further sessions planned for early 2016.	Cllr Twomey
4.4 Review of the role of elected members as community leaders and	Members training and development to address this and specifically consider	From October 2014	Fiona Taylor / Member Development	Chair's Training – chairing skills for Council and community meetings Public Speaking Training – voice skills and	Cllr Twomey

look at ways members can be better engaged outside of Council buildings in wards and communities	Member roles in building civic pride and social responsibility in the community		Committee	<p>presentation structure</p> <p>Role of the Community and Voluntary Sector – increase awareness of range of community organisations and how they operate</p> <p>Casework Training – to more effectively assist residents with their concerns</p> <p>The Leader and Portfolio Holder for Crime and Community Safety are both enrolled on the Leadership Academy which includes a module on Community Leadership.</p> <p>Procurement Training – to understand the Council's procurement process.</p> <p>Ambition 2020 Member Task Groups established: Member Roles/Governance, Civic Pride, Social Responsibility.</p> <p>Member Champions established in range of areas including Women and Equality, FGM, Child Obesity, Mental Health, Learning Disability, Healthy Living.</p>	
	See 5.1 re community engagement and growth		Jeremy Grint	See 5.1	Cllr Rodwell
	Explore opportunities through Community Networks as part of work of Future Business Board		Helen Jenner	There are now 81 Champions in training and 13 checkpoints established. A Community Champions presentation evening has taken place to present Champions with their certificates of recognition.	Cllr Rodwell

Theme 5: the Growth Agenda

Recommendation:	Action(s):	Timescale	Lead Officer(s)	Progress as at October 2015	Portfolio Holder
<p>5.1 A compelling picture needs to be provided to local people of the benefits that will be delivered for them through future growth, and allow local people to contribute to this.</p>	<p>Community engagement plan to be developed on benefits of growth including how we maximise the opportunities to benefit the existing community, how the community can contribute to the agenda and using Members in their community leadership role.</p>	<p>From November 2014</p>	<p>Jeremy Grint</p>	<p>The borough’s business engagement group has been re-shaped to become the Jobs and Growth Board. Its focussed membership includes BDCVS with a specific purpose to connect the growth agenda with local communities.</p> <p>The review of the Local Plan will entail a considerable amount of Community Engagement. The options and issues paper is currently out for consultation and will close in December.</p> <p>A Growth Commission benefitting from external expertise has been established to identify the focus of the growth ambition of the borough; how we should organise ourselves to deliver it and what lobbying/alliances we should undertake and form to ensure our priorities happen. A Growth Commission final report is expected by January 2016.</p>	<p>Cllr Geddes</p>

<p>5.2 The borough has traditionally been good at delivering regeneration on a site-by-site basis – what is required now is an over-arching approach, reflected in a ‘Masterplan’, that draws the whole regeneration and growth agenda together and is further supported by a detailed delivery plan. There needs to be a whole council approach to this, rather than purely one for Regeneration and Planning, and the community needs to be involved in these</p>	<p>Revised Growth Strategy owned by CMT and Cabinet – to be addressed through November Cabinet report and development of single common narrative around growth opportunities.</p>	<p>November 2014 then ongoing</p>	<p>Jeremy Grint</p>	<p>The growth narrative was agreed as part of the borough’s overall revised vision and priorities by Cabinet in August and Assembly in September 2014. Modifications have taken place since that date. The Growth Commission work will also influence this.</p>	<p>Cllr Geddes</p>
<p>5.3 The council needs to lead the growth agenda on behalf of local people – playing the most proactive role possible and ensuring it gains the maximum direct control and influence. The focus</p>	<p>Needs to incorporate a focus on the five agreed growth zones plus consideration of the significance of Chadwell Heath as a potential growth zone, plus focus on key employment sectors</p>			<p>The Growth Strategy has been revised to take account of the 6 growth hubs.</p> <p>A film has been produced which outlines the opportunities at the 6 growth hubs.</p> <p>The growth statement identified the borough’s key employment sectors that are being used to shape employment and skills programme bids to the London Enterprise Panel.</p>	<p>Cllr Geddes</p>
	<p>Develop area based cross-Council groups linked to growth hubs e.g. Barking Riverside including NHS, plus GLA/Council group considering Chadwell Heath, and links to the voluntary sector where appropriate</p>			<p>COMPLETED- Area-based cross-council groups have been established for both barking Riverside and Barking Town Centre.</p>	<p>Cllr Geddes</p>

<p>should be broadened to include social infrastructure, health, education and skills agenda to ensure local people are able to benefit from regen/growth</p>	<p>Review approach to business engagement</p>			<p>COMPLETED- The Cabinet has agreed to the establishment of a social enterprise for the Barking Enterprise Centre which will include consideration of business support being provided through it.</p>	<p>Cllr Geddes</p>
<p>5.4 The council needs to use its influence and utilise its resources to unlock growth schemes that are stalled including developing stronger partnerships</p>				<p>Formal meeting between the portfolio holder and the Chamber taking place quarterly.</p>	
	<p>Impact assessment of current policy of placing all private rental blocks in key locations and learn from experience of other authorities</p>			<p>Meeting with Grainger Estates have taken place to examine the business model they and the sector apply.</p>	<p>Cllr Geddes</p>
<p>5.5 Develop succession plan within the council to ensure the organisation continues to have capacity and skills to fulfil its role</p>	<p>Restructure of Regeneration as part of overall senior management review and Housing restructure with associated succession plan</p>	<p>October 2014</p>	<p>Jeremy Grint</p>	<p>This will be undertaken as part of the Ambition 2020.</p>	

Theme 6: Demand on children's social care

Recommendation:	Action(s):	Timescale	Lead Officer(s)	Progress as at October 2015	Portfolio Holder
<p>6.1 Need to improve recruitment and retention in order to reduce agency costs and improve the service</p>	<p>Work underway in Children's Services to promote the place and opportunities for social workers through appointment of specific post for recruitment and retention. Recruitment Action Plan with targets agreed with Lead member</p>	<p>Specific targets for appointments of permanent social workers each quarter – October 2014</p>	<p>Helen Jenner</p>	<ul style="list-style-type: none"> • In Q2 we have successfully recruited to the Group Manager roles for Assessment and Mash (start date 1 Oct 2015) and Care Management (start date 16 Nov 2015) • We have successfully recruited 2 Senior Team Managers in Care Management (start dates in Nov 2015 and Jan 2016) and a Team Manager in the No Recourse to Public Funds Team (started in Sept 2015) • 3 other Experienced Social Worker (SW) qualified staff have start dates for Nov 2015, while 1 other is being onboarded, but a start dates has not yet been confirmed. • Unless there has been a DBS issue all SW qualified candidate onboarding is taking only 14-20 days from interview date to final contract being sent out. • There has been Cabinet agreement for Penna Resourcing to deliver end-to-end recruitment for all SW qualified roles in Children's Services, with two National Campaigns going Live in Nov 2015 and Jan 2016. They are targeted to deliver 40 new starters by 31 March 2016. • At the end of Q1 agency figures for Social Work Qualified staff in Complex Needs and Social Care was 49.2%. By the end of Q2 this has been reduced to 	<p>Cllr Turner / Cllr Twomey</p>

				<p>41.2%.</p> <ul style="list-style-type: none"> • Prior to Penna taking over the recruitment, in house recruitment for the first 5 months of FY1516 has saved £480k to date by replacing temp workers with perm staff. This equates to a full year Annual Saving to date of £715k. 	
	Challenge what else can be done to enhance the corporate offer and profile, including wider promotion of the Council and place linked to recruitment offer being developed, linked to new website	October 2014	Martin Rayson / Marina Pirotta	This work has been partially subsumed by the recruitment campaign being undertaken by Children's Services to improve the 'offer' of the borough and reduced the cost of agency staff.	Cllr Rodwell / Cllr Twomey
	Develop key worker Housing opportunities (reasonable rents/shared ownership etc.) for social workers and teachers	From November 2014	Steven Tucker	<p>A key worker strategy will be implemented to increase the supply of affordable housing and improve access to housing for key workers and local working residents on moderate incomes, across the next four year period 2015-19. We are focusing upon shared ownership products, a portion of which we intend to aim at social workers, teachers and other local workers, where circumstances allow. We have plans to provide 1,000 shared ownership units over the four years 2015/19. Of this number 500 will comprise new build schemes (including 200 council developed shared ownership units). We are also implementing plans to deliver 500 shared ownership units from existing council stock.</p> <p>Specific actions to date include:</p>	Cllr Ashraf

				<ul style="list-style-type: none"> ▪ Established the SO Project Board, chaired by the Director of Housing, to coordinate the delivery of SO homes in B&D. ▪ Market research into the affordability of a range of SO products is completed ▪ Officers are appraising the impact of different ways of introducing SO options into Council stock. The impact on the HRA business plan is currently being assessed. ▪ A workshop was held in summer to explore the different products and affordability ranges. ▪ A workshop was also held in August which set out the details and principles of a FlexiBuy scheme to enable the purchase of properties. ▪ A report proposing the shared ownership and key worker scheme and principles is booked for Cabinet in December 2015. 	
	Implement exit interview programme to identify why permanent staff leave and questionnaires to establish why staff are unwilling to become permanent/accept short term contracts. Feed information into Recruitment Action Plan.	October 2014	Ann Graham	<p>Exit interviews continue though at a slower rate as the rate of turn over of staff slows. The reasons for leaving remain largely unchanged with the expectation that a very small number of permanent staff have left to become agency workers to raise their income. As part of their work.</p> <p>Some reasons for staff leaving remain the same as previously reported.</p>	Cllr Turner
	Ensure Star Awards and Writer of the Month systems recognise and celebrate the	Annually	Ann Graham	Children's Service nominated staff for the Star Awards. A number of staff including a very long standing member of staff was	Cllr Twomey

	staff that are loyal and effective long term officers eg five Children's Services nominations per year			put forward to meet the Queen. Children's Services continues to hold mini awards event, following Star Awards, for all those nominated.	
6.2 Ensure the growth agenda broadens the social and economic mix, making the case to government for increased funding and looking for increased resources from within the council. Agenda must also include recognition of the medium term increases and how to respond to these.	Integrate into November Cabinet report on growth – see 5.2 Develop clear analysis of pressures with linked information from housing colleagues		Jeremy Grint	See 5.2	Cllr Geddes
6.3 Bring in external expertise to undertake a review into how children's services operates, which would include looking at ways of operating in other authorities to help reform of services and scale back the volume of delivery	Review draft Ofsted implementation plan to ensure picks up all these issues and actions will be effective in improving service and reducing costs, including corporate issues from Ofsted linked to this action plan	October 2014	Helen Jenner with Jonathan Bunt	Complete – the Ofsted action plan reflects these issues Ofsted Action Plan accepted by OFSTED as meeting inspection recommendations, feedback received 20/11/14 OFSTED Action Plan Update presented to Children's Trust and Select Committee. 38% Green, 54% Amber and 8% Red progress in January. Next review due June.	Cllr Turner
	Appoint external expert providing corporate input leading to development of a demand strategy (linked to growth strategy and Housing Strategy). Specific focus on cost reduction as well as demand management.	October 2014	Ann Graham	Children's Service has in place a Programme team to assist with further developing the Social Care and Financial Efficiency (SAFE) strategy to reduce overspends in children's social care and includes a focus on demand and demand management. The SAFE Outline Business Case was presented and accepted by	Cllr Turner

				Cabinet on 13 th Oct 2015. It was also presented to PAASC on 21 Oct 2015.	
6.4 More needs to be done to reform services and scale back the volume of delivery if the vision, savings requirement and core business are to be achieved together. This includes understanding of all staff around the need for reducing costs within the service	Begin implementation of cost reduction programme, ensuring it is shared with the Local Safeguarding Children's Board. Programme must reduce costs but maintain safe levels of safeguarding in the borough.	December 2014	Ann Graham	<p>Children's Services Social Care and Financial Efficiency programme (SAFE) established. Reported to Cabinet 13/10/15 and to PAASC on 21/10/15. The LSCB Chair and partners are fully engaged with the SAFE OBC. The DCS is leading the consultation process and will present the OBC to the full LSCB at its November meeting.</p> <p>The OBC states caseloads of 1:20. Caseloads are reducing but are not yet at 1:20 for social workers.</p>	Cllr Turner
6.5 The issue of increasing demand is a corporate issue. Corporate leadership and working is required to develop a strategy to deal with the issues of demand	Growth Strategy recognises demand as well as opportunity (see 5.2)	October 2014	Jeremy Grint	See 5.2	Cllr Geddes
	<p>Model projections for short, medium and longer term position in terms of:</p> <ul style="list-style-type: none"> a) Housing availability, quality, affordability, tenure b) Council resources /budget c) Partners resources d) Council service provision 		All – linked to actions above	<p>a) We have developed a ten year housing delivery plan (2015-2025) which lists all the major housing sites coming forward in the borough and the numbers of affordable housing and their tenure that will be delivered</p> <p>The Local Plan issues and options report which is going to 21 July Cabinet will build on this and set out how we will deliver 35,000 homes by 2030 and what size and tenure these will be. Finally Barking Housing Zone has been approved by GLA and this commits the Council to delivering 4000 homes in Barking Town Centre by 2022.</p>	Cllr Rodwell

			<p>b) Council budget and resource estimates completed though subject to ongoing review as other items are completed and announcements made.</p> <p>c) An approach to this needs to be developed and agreed with input from all and identifying key partners etc. Work has taken place in some services particularly in developing savings proposals in consultation with partners.</p> <p>d) See b) above - work is commencing to look at the future operating model in line with the priorities and resources available to deliver them and service provision following decisions on budget</p>	
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Priority Performance 2015/16 -2016/17 Quarterly Indicators

Ref. No.	Key Performance Measure	Performance Contact	2014/15: Last years performance				2015/16: Current Performance Results				2015/16 Target	Performance Against Target	Target RAG	Direction Of Travel (Compared to previous quarter)	Dot (Compared to same quarter last year)	Benchmarking	
			Qtr 1	Qtr 2	Qtr 3	End Of Year 2014/15	Qtr 1	Qtr 2	Qtr 3	Qtr 4						London Average	National Average
1	Repeat incidents of domestic violence (MARAC) - (Definition reviewed in Q2)	Adult and Community Services Dan James	26%	22%	21%	20%	26%	27%			No more than 28%	On Target	G	↓	↓	19%	24%
2	Total ASB incidents logged across all services (ASB Team, Housing, Environmental and Enforcement and Police)		3,950	3,376 (7,326)	2,279 (9,604)	2,224 (Q4) (11,828 YTD) - 32% reduction	2,652 (-33% compared to same qtr last year due to seasonal changes)	2,791 (5,443 YTD) -26%			Reduction	Below Target	G	↓	↑	N/A	N/A
3	The % of victims who are satisfied with the way their ASB complaint is dealt with (accumulative)		50% (1/2 Surveys)	75% (6/8 Surveys)	73% (8/11 Surveys)	87% (13 of 15 surveys)	98.8% (173 of 175 surveys)	100% for the Qtr (182 of 182) 99% YTD (355 of 357 surveys)			No Target - Monitoring Only			↑	↑	N/A	N/A
4a	PHOF: Indicator 2.15 (opiate users)– Proportion of all in treatment, who successfully completed treatment and did not re-present within 6 months. There is a time lag with this indicator. E.g. figures released for April 2015 represents the completion period 01/11/2013 to 31/10/2014 and re-presentations up to 30/04/2015. This is the new indicator replacing 4a.		14.8% (Jan 13 - Jun 14)	14.4% (Apr 13 - Sep 14)	13.7% (Jul 13 - Dec 14)	Opiates 11.4% (Oct 13 - Mar 15)	Opiates 10.4% (Dec 13 - May 15)	Opiates 11.5%, (Mar 14 - Feb 15)			Top quartile for comparator LAs	Exceeding Target	G	↑	↓	8.9%-13.0% (Top quartile range of comparator local authority group)	
4b	PHOF: Indicator 2.15 (non-opiate) – Proportion of all in treatment, who successfully completed treatment and did not re-present within 6 months. There is a time lag with this indicator. E.g. figures released for April 2015 represents the completion period 01/11/2013 to 31/10/2014 and re-presentations up to 30/04/2015. This is the new indicator replacing 4a.		44.9% (Jan 13 - Jun 14)	51.1% (Apr 13 - Sep 14)	54.6% (Jul 13 - Dec 14)	Non-opiates 49.4% (Oct 13 - Mar 15)	Non-opiates 47.2% (Dec 13 - May 15)	Non-opiates 43.7% (Mar 14 - Feb 15)			Top quartile for comparator LAs	Under target	A	↓	↓	46.0%-54.9% Top quartile range of comparator local authority group	
5	Total Priority Neighbourhood Crimes (MOPAC 7 - Burglary, Robbery, Criminal Damage, Theft from Person, Theft of Motor Vehicle, Theft From Motor Vehicle, Violence With Injury) 20% reduction on baseline year (11/12) = 10,398	8,274 (Jul 13 - Jun 14)	8,138 (Oct 13 - Sep 14)	8,091 (Jan 14 - Dec 14)	7,888 (Apr 14 - Mar 15) (-24.1% from 2011/12 baseline)	7,915 (Jul 14 - Jun 15) (10,398) (-24% from 2011/12 baseline)	8,147 (Oct 14 - Sept 15) (10,549) (-23% from 2011/12 baseline)			20% reduction (on baseline year 2011/12) by April 2016	Exceeding Target	G	↓	↓	MPS Down 15.07%	N/A	
6	The number of leisure centre visits	332,838	327,109 (659,947)	297,092 (957,039)	325,391 (1,282,430)	375,388 (Inc Spa visits)	368,949 (744,287) (Inc Spa visits)			1,420,000	On Target	G	↓	↑	Local Measure		
7	The number of Active Age (over 60's) memberships	3,649	232 (3,881)	500 (4,381)	457 (4,838)	1,783	198 (1,981)			2,500	On Target	G	↓	↓	Local Measure		
8	The number of active volunteers	344 (Average per month 114.7)	565 (909) (Average per month 151.5)	640 (1,549) (Average per month 172.1)	713 (2,262) (Average per month 189)	576 (Average per month 192)	655 (1,231) (Average per month 218)			150 average per month	Exceeding Target	G	↑	↑	Local Measure		

Ref. No.	Key Performance Measure	Performance Contact	2014/15: Last years performance				2015/16: Current Performance Results				2015/16 Target	Performance Against Target	Target RAG	Direction Of Travel (Compared to previous quarter)	DoT (Compared to same quarter last year)	Benchmarking	
			Qtr 1	Qtr 2	Qtr 3	End Of Year 2014/15	Qtr 1	Qtr 2	Qtr 3	Qtr 4						London Average	National Average
9	Total number of volunteer hours	AC	6,335	6,838 (13,173)	6,725 (19,898)	5,951 (25,849)	4,927	9,358 (15,219)			20,500	Exceeding Target	G	↑	↑	Local Measure	
10	The proportion of social care clients accessing care and support in the home via direct payments	Adult and Community Services Ratcliffe Woods	74.7%	75.2%	76.2%	75.7% (76.77% Q4)	76.60%	75.11%			Ongoing improvement	On Target	A	↓	↓	Local Measure	
11	The total Delayed Transfer of Care (DTC) Days in month (per 100,000) (Better Care Fund Indicator)		121.88 Average	163.07 Average	122.85 Average	129.31 Average 109.45 (Q4 Average)	158.03	Figures not released by NHS until Nov			122.38	N/A	N/A	N/A	N/A	N/A	319.64
12	Number of successful smoking quitters aged 16 and over through cessation service	Public Health Mark Tyrie	141	157 (298)	125 (423)	166 (603)	120	58 (178)			3000 (750 per Qtr)	Below Target	R	↓	↓	Local Measure	
13	Percentage uptake of MMR (measles, mumps and rubella) vaccination (2 doses) at 5 years old		82.2%	82.2%	78.8%	83.4%	81.00%	Available End Dec			95%	Below Target	N/A	N/A	N/A	80.4%	88.5%
14	Percentage uptake of DTaP/IPV (diphtheria, tetanus, whooping cough and polio) vaccination at age 5		82.8%	83.3%	80.9%	86.2%	84.40%	Available End Dec			95%	Below Target	N/A	N/A	N/A	78.5%	87.7%
Page 100	The number of child weight referrals	Public Health Mark Tyrie	92	85 (177)	0 (177)	55 (232)	56	68 (124)			480	Below Target	R	↑	↓	Local Measure	
	The number of child weight referrals completed		64	0 (64)	48 (122)	73 (185)	7	17 (24)			288	Below Target	R	↑	↑	Local Measure	
17	The percentage of land that has unacceptable levels of litter	Environment Abdul Jallow	1%	2%	2%	2%	1%	2%			2%	On Target	G	↓	□	N/A	N/A
	ELWA waste diversion from landfill		80%	67%	75%	72% (74%)	73%	71%			74%	On Target	A	↑	↓	Local Measure	
19	The number of applications received for private rented sector licensing	Environment Abdul Jallow	483	7,372 (7,855)	330 (8,185)	377 (8,562)	678	1,198 (1,876)			2100	On Target	G	↑	↓	Local Measure	
20	The number of properties brought to compliance by private rented sector licensing		161	816 (977)	1,482 (2,459)	1,954 (4,413)	909	1,076 (1,985)			4000	On Target	G	↑	↑	Local Measure	
21	Number of fixed penalty notices issued for environmental crimes		193	263 (456)	293 (749)	302 (1,051)	419	412 (813)			1900	Below Target	R	↓	↑	Local Measure	
22	The weight of fly tipped material collected		401 tonnes	151 (552) tonnes	63 (615) tonnes	94 (709) tonnes	221 tonnes	136 (363) tonnes			Below 1300 tonnes	On Target	G	↑	↑	Local Measure	
23	The weight of waste recycled per household	Environment Abdul Jallow	94kg	84kg (178kg)	63kg (241kg)	50kg (291kg)	64kg	61kg (119kg)			325kg	Below Target	R	↓	↓	Local Measure	
24	The weight of waste arising per household		253kg	245kg (498kg)	229kg (727kg)	225kg (952kg)	257kg	212kg (468kg)			916kg	Below Target	A	↑	↑	Local Measure	

Ref. No.	Key Performance Measure	Performance Contact	2014/15: Last years performance				2015/16: Current Performance Results				2015/16 Target	Performance Against Target	Target RAG	Direction Of Travel (Compared to previous quarter)	DoT (Compared to same quarter last year)	Benchmarking	
			Qtr 1	Qtr 2	Qtr 3	End Of Year 2014/15	Qtr 1	Qtr 2	Qtr 3	Qtr 4						London Average	National Average
25	Care leavers in employment, education or training (aged 19-21)	Children's Services Vikki Rix	51.2%	54.4%	53.1%	54.7% (54%)	52.00%	43.30%			55%	Below Target	R	↓	↓	53%	45%
26	Children's Social Care Assessments completed within timescales (45 days)		70.0%	76.0%	72.9%	73% (72.6%)	62%	69%			79%	On Target	A	↑	↓	79%	82%
27	16 to 18 year olds who are not in education, employment or training (NEET)		6.5%	7.2%	5.4%	6.0%	5.90%	6.2% (Jul & Aug)			At National Average	Below Target	R	↓	↑	3.8%	5.2%
28	The percentage of primary schools rated as outstanding or good		67%	71%	73%	73%	75%	76%			100% by Dec 2015	Below Target	R	↑	↑	86.0%	82.0%
29	The percentage of secondary schools rated as outstanding or good		67%	75%	75%	75%	78%	78%			100% by Dec 2015	On Target	A	□	↑	85.0%	73.0%
30	The number of Common Assessment Frameworks / Family Common Assessment Frameworks (CAFs/fCAFs) initiated		303	250 (553)	317 (870)	247 (1,135)	398	231 (629)			No Target - Monitoring Only			↓	↑	N/A	N/A
31	The percentage of children referred to Children's Social Care with Common Assessment Frameworks / Family Common Assessment Frameworks (CAFs/fCAFs) in place		7%	6%	6%	4.40%	14%	17.3%			25%	On Target	A	↑	↑	N/A	N/A
32	Looked After Children with up to date Health Checks		86.5%	72.8%	76.4%	92%	82.00%	73.00%			>90%	Below Target	R	↓	↑	89.7%	88.4%
33	Percentage of working age residents claiming Jobseeker Allowance		3.8%	3.5%	3.0%	2.9%	2.70%	2.40%			2.6%	On Target	G	↑	↑	1.8% LBBG Gap +0.6%	1.6% LBBG Gap +0.8%
34	Percentage of working age residents claiming health-related benefits		7.2% Gap with London +1.7%	7.2% Gap with London +1.7%	7.3% Gap with London +1.8%	Data Available Nov 2015	Data Available Feb 2016	Data Available May 2016			2017 LBBG Gap +1.3% (or less)	N/A	N/A	N/A	N/A	5.5% LBBG Gap +1.8%	6.3% LBBG gap +1.0%
35	The number of long-term empty properties	Housing Services Tom Hart	Not Available	292	245	258	254	219			<300	Exceeding Target	G	↑	↑	Local Measure	
36	Average time taken to re-let local authority housing (calendar days)		70 days	65 days	58 days	43 days (58 days)	46.6 days	44.75 days			30 days	Below Target	R	↑	↑	Local Measure	
37	Percentage of eligible repair jobs where appointments were made and kept		73.24%	89.44%	96.50%	88.24%	90.70%	91.08%			96.1%	Below Target	A	↑	↑	Local Measure	
38	Average number of households in Bed & Breakfast accommodation over the year		80	82	70	72	53	72			68	Below Target	A	↓	↑	Local Measure	
39	Number of families in Bed & Breakfast accommodation for over 6 weeks		12	3	1	4	4	6			5	Below Target	A	↓	↑	Local Measure	
40	The percentage of Homeless Temporary Accommodation rent collected (Includes Previous Arrears)		94.50%	97.08%	99.04%	95%	96.30%	97.63%			95%	Exceeding Target	G	↑	↑	Local Measure	
41	Total number of new affordable homes developed in the Financial Year		---				274	Annually reported				324	N/A	N/A	N/A	N/A	Local Measure

Ref. No.	Key Performance Measure	Performance Contact	2014/15: Last years performance				2015/16: Current Performance Results				2015/16 Target	Performance Against Target	Target RAG	Direction Of Travel (Compared to previous quarter)	DoT (Compared to same quarter last year)	Benchmarking	
			Qtr 1	Qtr 2	Qtr 3	End Of Year 2014/15	Qtr 1	Qtr 2	Qtr 3	Qtr 4						London Average	National Average
42	Total number of Shared Ownership homes developed in the Financial Year		* 0 Homes Have Been Built To Date. It Is Anticipated That Homes Will Be Developed In 2018				Annually reported				No Target determined	N/A	N/A	N/A	N/A	Local Measure	
43	The percentage of Council Housing rent collected		97.16%	96.80%	96.51%	96.21%	98.34%	98.16%			99.24%	Below Target	R	↓	↑	Local Measure	
44	The percentage of Council Tax collected	Elevate Carly Pearce (Client Team)	29.50%	55.70%	81.40%	94.40%	29.40%	55.50%			95.00%	On Target	A	N/A	↓	N/A	N/A
45	The time taken to process Housing Benefit / Council Tax benefit new claims		23 days	23 days	24 days	25 days	64 days	57 days			25 Days	Below Target	R	↑	↓	N/A	N/A
46	The time taken to process Housing Benefit / Council Tax benefit change events		10 days	11 days	12 days	9 days	20 days	24 days			14 Days	Below Target	R	↓	↓	N/A	N/A
47	The percentage of Stage 1 complaints responded to within deadline	Chief Executives Nick Lane	97%	93% (95% YTD)	89% (93% YTD)	84% (92% YTD)	77%	69%			100%	Below Target	R	↓	↓	Local Measure	
48	The percentage of Stage 2 complaints responded to within deadline		69%	64% (67% YTD)	48% (63% YTD)	54% (61% YTD)	60%	50%			100%	Below Target	R	↓	↓	Local Measure	
49	The percentage of Stage 3 complaints responded to within deadline		100%	70% (77% YTD)	75% (76% YTD)	71% (74% YTD)	79%	80%			100%	Below Target	R	↑	↑	Local Measure	
50	The percentage of complaints upheld		41%	47% (45% YTD)	45% (45% YTD)	37% (43% YTD)	62%	32%			No Target - Monitoring Only			N/A	N/A	N/A	N/A
51	The percentage of member enquiries responded to within deadline		99%	89% (94% YTD)	81% (91% YTD)	77% (88% YTD)	87%	91%			100%	Below Target	R	↑	↑	Local Measure	
52	The average number of days lost due to sickness absence	Human Resources Mike Lineker/Gail Clark	8 days	7.28 days	7.31 days	7.51 days	9.52 days	10.38 days			8 days (Dec 15)	Below Target	R	↓	↓	7.54 days (27 LBs)	N/A
53	The percentage of staff who are satisfied working for the Council		72%	No Survey	69%	No Survey	73.20%	No survey			70%	N/A	N/A	N/A	N/A	Local Measure	
54	The percentage of staff who believe change is managed well in the Council		31%	No Survey	24%	No Survey	30.60%	No survey			50%	N/A	N/A	N/A	N/A	Local Measure	
55	The percentage of staff who believe our IT systems meet the needs of the business		37%	No Survey	31%	No Survey	32.60%	No survey			45%	N/A	N/A	N/A	N/A	Local Measure	
56	The percentage of Council employees from BME communities		27.25%	28.98%	29.12%	28.40%	31.23%	31.21%			10% increase per year (29.98%)	On Target	G	↓	↑	Local Measure	
57	The current revenue budget account position (over or under spend)	Finance and Resources Steve Pearson	£2.5m Over Spend	£2.9m Over Spend	£1.6m Over Spend	£0.07m Over Spend	£7.2m Over Spend	£6.1m Over Spend			No Target - Monitoring Only			↑	↓	Local Measure	
58	The percentage of the planned in year capital programme delivered in year		99% Forecast	93% Forecast	94% Forecast	90%	99% Forecast	100% Forecast			No Target - Monitoring Only			□	↑	Local Measure	

**Commentary on Red RAG KPIs
Quarter 2 2015/2016**

Performance Indicator	12. Number of successful smoking quitters aged 16 and over through cessation service
Reasons for poor performance/decline	<p>With the exception of June, since April 2015 there has been a month on month decrease in the number of smoking quitters in the borough. In comparison with last year's activity for April to September there was an increase (2.0%) in the number of people setting a quit date (499 in 2015/16 compared to 489 in 2014/15). But there was a 33.3% decrease in the number of people who successfully quit during the same period (180 quitters in 2015/16 year-to-date compared to 270 in 2014/15).</p> <p>A decline in the number of people successfully quitting has also been reported nationally, with anecdotal evidence suggesting that this may be due to an increase in people using e-cigarettes to help them stop smoking. It is also possible that the decline seen nationally could have been affected by a fall in smoking prevalence. However, neither has been proven.</p>
Actions being taken to improve performance	<p>An improvement plan has been implemented to improve uptake in both Level 2 and 3 services, with proactive measures to identify and support general practices with the highest number of registered smokers and unplanned hospital admissions for Chronic Obstructive Pulmonary Disease (COPD), as well as targeted approaches for high-risk groups including pregnant women, routine and manual workers and those with mental health problems.</p> <p>Public Health are scoping potential incentive schemes to support quitters. Furthermore, to encourage more quitters in the borough £15,000 has been budgeted for promotional campaigns (including Stoptober, No Smoking Day and #makeachange).</p> <p>A local Tobacco Alliance has been established to collaborate on the development of the local smoking strategy. Preventing people from smoking has been identified as a priority by the Health and Wellbeing Board. Therefore, local health promotion campaigns will also focus on preventing initiation of smoking by adolescents.</p>
Improvements in performance that are anticipated as a result of the actions taken	<p>The targeted interventions implemented will help increase the number of quitters, particularly by those in high-risk groups. Increased stop smoking capacity within the local community. Coordination with national promotional campaigns will increase the awareness of stop smoking services, and increase the number of people setting a quit date.</p> <p>Local health promotion campaigns will help reduce the borough's number of adolescents who smoke.</p>

Performance Indicator	15 &16 – Child weight management referrals & Child weight referrals completed
Reasons for poor performance/decline	Quarter 2 covers the summer holidays and, historically, there is difficulty with performance over this period; in quarter 2 2014 there were 0 child weight referrals completed.
Actions being taken to improve performance	<p>A number of meetings have been held with the school nursing team, health youth workers, youth service, children centre staff and healthy schools to promote the programmes and to increase referrals.</p> <p>Action is being taken to improve the link between the national child measurement programme (NCMP) and child weight management referrals. There is also ongoing work taking place in schools; tier 1 interventions are being delivered in schools, and this is being used to identify tier 2 referrals.</p> <p>Regular emails are being sent to all previous referrers and people attending tier 1 training. This will improve awareness and promote child weight management referrals.</p>
Improvements in performance that are anticipated as a result of the actions taken	<p>Improved awareness of child weight management referrals and increased performance in both the number of referrals and the number of referrals completed.</p> <p>Better connections between the NCMP and child weight management referrals.</p>

Performance Indicator	15. Child Weight referrals
Reasons for poor performance/decline	By the end of quarter 2 (6 months of the year) only 25.3% or 124 of the target of 480 referrals had been made. Although quarter 2 saw an increase of 21.43% (12 referrals) over quarter 1. The service is not on track to achieve the year end target.
Actions being taken to improve performance	<p><u>October – December</u> Number of programmes delivered: 4 programmes (3 family programmes, 1 teenagers programme)</p> <p><u>January – March 2016</u> Number of programmes to be delivered: 8 Number of starters: 120 if at capacity of 15 families per programme (96 if 80% occupancy)</p> <p>Table below of work carried out and being carried out to increase the number of referrals over the next 6 months following partnership working and networking.</p>

Challenges	Solutions/What is being done?
Lack of delivery staff	<ul style="list-style-type: none"> - Looking for additional delivery staff - Training session in November for delivery staff
Increasing referrals from health professionals	<ul style="list-style-type: none"> - Meetings have been held with a number of partners and a number booked in to increase referrals <p style="margin-left: 40px;">Held</p> <ul style="list-style-type: none"> - Jacqui Hutchinson – Childrens Centres - Julie Mayer – CRI team (outreach drug and alcohol support service) - Lindsey Royan – IAPT - Phillip Oldershaw - Eileen Dawson – School nurses/NCMP <p style="margin-left: 40px;">Booked</p> <ul style="list-style-type: none"> - Erik Stein - Jo Caswell - Felix Sullivan – Sport Inspired <ul style="list-style-type: none"> - Ensuring that potential referrers are informed of upcoming programmes and are aware of outcomes of the programme - All attendees on Tier 1 Training are now being provided with info on programmes and how to refer into them or talk to families to encourage them to self-refer - Initial meet held with Eileen Dawson to develop a pathway for all children identified as overweight/obese as part of the NCMP and develop closer links with the programme - Attendance at School nurse (SN) forums to be booked in - Work with SNs plan of when they are attending schools and link in some healthy lifestyle sessions
Increase awareness of the programme and referrals/self-referrals	<ul style="list-style-type: none"> - Pilot programme being delivered in schools in September term and January term which will raise awareness of a healthy lifestyle; it will also allow us to identify which children are overweight and can be referred onto the programme as mentioned above - Develop social media presence – initial meeting held with Ellen Doran - Update information on getting active website - Promotion of programmes linked in with other Physical Activity Team events e.g. Stoptober utilising Community Health

		Champions - Links with Sport Inspired to be developed
	With more programmes being delivered there is a need for more venues for the programme	- Looking at running programmes from Childrens centres as well as Leisure Centres - Teenagers programmes can be run from a variety of venues as Physical Activity space is not required
	Delivering to a larger number of families on programmes is challenging	- Community Health Champions (who have attended training on Child Obesity) are now assisting on programmes to ensure additional support for families
Improvements in performance that are anticipated as a result of the actions taken	Recruitment of more theory leaders to increase the number of programmes that can be offered Pilot Programmes in primary schools in January will increase the number of referrals to be made.	

Performance Indicator	21. Number of fixed penalty notices issued for environmental crime
Reasons for poor performance/decline	The performance for this month indicates that the team is slightly below the target level of activity. Staffs on maternity leave have impacted on performance. However, the direction of travel for this indicator is very positive when compared to the same period last year. The service issued 412 FPNs in quarter 2 of this year when compared to 263 FPNs in the same period last year.
Actions being taken to improve performance	Recently recruited agency staff to bringing the service up to full staffing level.
Improvements in performance that are anticipated as a result of the actions taken	It is hoped that the staff training and recently recruited agency staff will improve performance for this indicator and will have a positive impact on output. It should be noted that the service is on target in meeting its income target of £154k; already £6k below target.

Performance Indicator	23. The weight of waste recycled per household
Reasons for poor performance/decline	The weight of waste recycled per household in quarter 2 is 61kg, which is below the quarter target of 81.25kg. The reduction of recycling among other things is attributed to the shift in season and the reduced tonnage of green waste collected. This is due to the industrial action by drivers of the GMB Union in March, April, May and June 2015. During strike period recycled materials (brown bin) and general

	waste (grey bin) including side waste were collected in the same vehicles.
Actions being taken to improve performance	Waste Minimisation Team will continue to support residents to reduce waste, promote recycling and address the issue of contamination of the recycling brown bins.
Improvements in performance that are anticipated as a result of the actions taken	There would be a marginal improvement but year-end target of 325kg per household will not be met.

Performance Indicator	25. Care leavers in employment, education or training
Reasons for poor performance/decline	<p>In Q2 2015/16, performance has dropped to 43.3% (based on the new cohort); lower than Q2 performance in 2014/15 and end of year although this is not directly comparable. Performance is RAG rated Red as we are below target to meet our local target set at 55%-60%. It is important to note that the care leaver EET performance end of year figure for 2014/15 put the borough above the national and London average.</p> <p>Performance has been affected by the additional cohort change for this indicator, which has been expanded to include young people formally looked after whose 17th, 18th, 19th, 20th or 21st birthday falls within the collection period i.e. the financial year. This change has resulted in the cohort expanding from 169 in 2014/15 to over 220 in 2015/16. This expansion in the cohort has impacted on EET performance in 2014/15.</p>
Actions being taken to improve performance	<p>A NEET Barbecue event took place on 10th August 2015. A large variety of education providers and apprenticeship sites were present where our client group 16-21. 24 young people attended and signed up for various courses.</p> <p>Within the Learn2Live team meetings so far representatives from educational services Tomorrow's People, Barking and Dagenham college and DV8 have attended. There are at least two different educational services attending on a monthly basis.</p> <p>The team also runs a health and wellbeing course with the integrated youth service, which are based at the Vibe and they run for 6 months.</p> <p>Barking Dagenham College also want to run training for staff 'Teacher Training', which will enable staff to run accredited courses on site.</p> <p>There are also plans to run workshops for driving including undertaking the theory test and going through the skills of driving – some young people out of borough have found that their employment options are widened if they can drive.</p> <p>We have 21 young people currently in University and 2 who have just completed.</p>

Improvements in performance that are anticipated as a result of the actions taken	<p>NEETs will reduce. Staff will receive a certificate award and will be able to run a variety of accredited classes to enable our young people to improve their life chances.</p> <p>Care leavers will be able to have many more opportunities and support directly from the L2L team.</p>
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Performance Indicator	27. 16 to 18 year olds who are not in education, employment or training (NEET)
Reasons for poor performance/decline	<p>Whilst the not in education, employment or training (NEET) population is still too high at 6.2% (equating to 289 young people) the percentage of 16 to 18 year olds who are (NEET) has decreased slightly to 6.2% compared to 7.2% in Q2 2014/15. Performance on NEETs has remained higher than national and London averages of 5.2% and 3.8% respectively, but is reducing overall.</p> <p>It is also important to take this figure in the context of the reduction of combined NEET and Unknown figures. Reducing Unknowns will cause NEETs to rise in the short term as they are 'discovered' to be NEET, after which they can be targeted with support</p>
Actions being taken to improve performance	<p>A considerable amount of effort is going into reducing this figure. A number of initiatives to track and support young people have been introduced to track young people and support them following the merger with the Youth service including out of hours tracking and a JCP NEET support worker working directly with schools. The borough has had and continues to have considerable success in tackling Unknowns (the combined NEET and Unknown figure had the greatest reduction in London between June 2014 and June 2015 when the total was reduced from over 20% to 12%.The LA is also bidding to become a sub-contractor for the ESF NEET strand. An additional Youth worker and Jobcentreplus worker have been assigned to support NEET advisers in engaging the hard to reach and their work will include door knocking and home visits.</p>
Improvements in performance that are anticipated as a result of the actions taken	<p>NEET figures are expected to continue to improve to close the gap with the national average although, in the short term, ongoing improvements in Unknown reduction will continue to have the opposite effect.</p>

Performance Indicator	28. Percentage of primary schools rated as good or outstanding
Reasons for poor performance/decline	<p>An increased percentage of children are attending good or better schools in Barking and Dagenham and school inspection outcomes at primary have improved. In Q2, 76% of primary schools are currently rated as good or outstanding compared to 67% as at end of August 2014.</p> <p>Despite improvement, we are RAG rated red due to progress</p>

	<p>against our ambitious target set at 100% by December 2015.</p> <p>After 2 years of very heavy inspections, there were only 7 primary schools inspected during 2014/15 academic year and none have been inspected so far in this academic year.</p> <p>Of the remaining 8 RI schools, the LA judges 3 as securely good now which would increase the primary inspection outcomes to 82%, in line with the national average. A further 2 primary schools are close to good and the 3 remaining schools have monitoring boards in place and are all being strongly supported by schools with outstanding leadership.</p>
Actions being taken to improve performance	<p>Barking and Dagenham primary school inspection outcomes are closing on national average of 82% but this remains a key area of improvement as outlined in the Education Strategy 2014-17.</p> <p>Intensive Local Authority support is being provided to vulnerable schools and supporting the new Requires Improvement monitoring processes.</p> <p>The Education Strategy 2014-17 sets out the key actions to improve primary school inspection outcomes – please refer to:</p> <p>https://www.lbbd.gov.uk/council/priorities-and-strategies/corporate-plans-and-key-strategies/education-strategy/overview/</p>
Improvements in performance that are anticipated as a result of the actions taken	<p>Primary schools move from requires improvement to good.</p>

Performance Indicator	32. Looked After Children (LAC) with Health Checks
Reasons for poor performance/decline	<p>In Q2 2015/16, the percentage of looked after children in care for a year or more with an up to date health check dropped to 73% compared to 82% in Q1 and 92% as at the end of year (2014/15). A drop in performance, between Q4 and Q2 has been observed for the last two years as performance on LAC health checks fluctuates throughout the year as new children come into care. By the end of the financial year performance usually exceeds 90%, above national and London averages.</p> <p>A review of LAC medicals out of time was undertaken in early October to understand decline in performance. Reasons for decline in performance in Q2 2015/16 are as follows:</p> <ol style="list-style-type: none"> 1. Social Workers are not completing the required forms in a timely fashion to pass to Health, despite Health Business Support Officer chasing them regularly. 2. Delays in receiving the Health Care Plan following the health check also

	<p>contribute to health checks being out of time. A total of 59 health assessments are still being quality assured by health staff. Once received in social care, performance is most likely to improve to over 75%.</p> <p>There has also been a recent change of process, resulting in an improvement in the return of paperwork. Performance on health has also been included in performance dashboards for each team across social care. The rapid increases being made are an essential element of the SAFE programme. They demonstrate improved understanding of thresholds and better multi-agency working. Current performance is on track to exceed 90% (target) at the end of March 2015/16.</p>
Actions being taken to improve performance	<p>Actions taken to improve performance are:</p> <ul style="list-style-type: none"> • New option has been added to ICS to record the status of "Paperwork completed and sent to Health" to enable better reporting on delays and problems with paperwork. This will enable improved tracking and escalation points to senior managers. • An action plan is in place to improve performance, monitored at monthly meetings between the Local Authority and Designated LAC Nurse to review progress and address any issues. • Regular meetings to review progress and address any issues have been implemented to improve performance. • Continued regular communication to all staff and Health BSO to attend the Team Meetings regularly.
Improvements in performance that are anticipated as a result of the actions taken	<p>Performance to increase to 85% at end of Q3 and over 90% at end of year. Targets set to ensure there is no end of year clean up.</p>

Performance Indicator	36. Average time taken to re-let local authority housing (calendar days)
Reasons for poor performance/decline	<p>At end of Q2, performance has improved greatly.</p> <p>The operational performance (Repair of property excluding lettings) for Qty 2 is now at 33.6 days</p> <p>Operational performance QYT 1 average 35.6 days (total = 46.6 days)</p> <p>Operational performance QYT2 average 33.6 days (total = 44.75 days)</p>
Actions being taken to improve performance	<p>We have identified the area that require improvement as follows:</p> <ol style="list-style-type: none"> 1. Fluctuations in workload – consider demand with process for additional resources via subcontracting and / or additional work via internal refurbishment works. 2. Review size of team. Isolate plastering and electrical work other than for small works. 3. Consider a rip out gang. Perhaps clean out labourers also removing plaster and possibly installing plasterboard. 4. Initial preparation is too lengthy. Identify the cause. 5. Very little use is made of pre-termination visits. Discuss with Housing Management. 6. Condition of void properties could be better. More strict enforcement of the recharge policy. 7. Proper dedication of gas engineers to voids. 8. Dedicated asbestos surveyor – but issues with visibility of

	property until clean out is carried out.
Improvements in performance that are anticipated as a result of the actions taken	Performance is expected to continue to improve with confidence that that 30 day target will be achieved.

Performance Indicator	43. The percentage of Council Housing rent collected
Reasons for poor performance/decline	<p>1. HB paid to rent as a percentage of rent debit is down by 2.5% in 15/16 compared to 14/15. The cash effect of this so far this year equates to £1m and would equal £1.9m if continued over the full year.</p> <p>2. Factors contributing to this are:</p> <p>a. Welfare reform:</p> <p>i. Benefit cap: this currently affects 130 properties and is estimated to have a full year impact of reducing HB by £100k.</p> <p>ii. Under occupancy (bedroom tax): there are 941 households affected by the 14% single room deduction. The weekly impact is £14,547 which will equate to an annual impact of approximately £756k. There are a further 216 households affected by the 2 room deduction of 25% costing £6k per week, with a full year effect estimated at £320k. The total year impact is estimated therefore at £1m.</p> <p>iii. The Change to the CTS scheme has also increased pressure on the household budget. This is because even the poorest households are having to make a contribution to wards their Council Tax of at least 25%. This changed from 15% in April 2015. It is believed that this has affected and will affect rent payments although it is not possible to estimate this in terms of specific financial impact</p> <p>iv. Government contribution to the DHP grant has reduced from £1.3m to £749k. Currently there is still £500k to be allocated from the fund and it is estimated that £200k is to be paid to the HRA for those households who are eligible for the discretionary support . At this point in 2014/15 there was £800k still be allocated . The amount available to Council tenants in 2015/16 is substantially less and therefore the amount available in funding to the HRA is significantly reduced. Ie £500k</p> <p>This year has seen the full impact of welfare reform as historically the DHP funding did cover shortfalls and the changing legislation “loophole” for Bedroom Under Occupancy also resulted in additional monies being awarded last year covering the shortfalls.</p>
Actions being taken to improve performance	<p>1. Rents campaigns every month to generate approx additional revenue to year end.</p> <p>2. Using Agilisys Revenues Collection (ARC) to generate potential additional revenue to year end.</p>

	<p>3. Capita Nudge could possibly generate additional revenue along with other Housing Transformation.</p> <p>4. Targeting of resource in benefits by additional proactive work to accelerate the process ahead of statutory process times . (Note: there are statutory time periods to deal with information received and for residents to reply with info. By proactively managing the timeliness to ensure that claims are “completed” more quickly we can ensure claims are potentially completed more quickly</p>
Improvements in performance that are anticipated as a result of the actions taken	Expectation that year end target of 99.24% will be achieved.

Performance Indicator	45. The time taken to process Housing Benefit / Council Tax benefit new claims & 46. The time taken to process Housing Benefit / Council Tax benefit change events
Reasons for poor performance/decline	A combination of resource issues & volume increases (including the closure of Benefits Direct, RTI casework & Fraud Queries) has resulted in a backlog of new claims & changes in circumstances.
Actions being taken to improve performance	Additional resource has been allocated to clear all work as well as a recovery plan being put in place from the beginning of September 2015. This recovery plan is being monitored by Elevate on a daily basis and monitored by the LBBD client team on a weekly basis to ensure it is having an effective impact.
Improvements in performance that are anticipated as a result of the actions taken	It is anticipated that the recovery plan will have impacted backlogs by the End of November 2015 with work no older than 30 days. The anticipated impact of reducing the backlog however will not emanate in performance improvement until January 2016.

Performance Indicator	47. The percentage of Stage 1 complaints responded to within deadline 48. The percentage of Stage 2 complaints responded to within deadline 49. The percentage of Stage 3 complaints responded to within deadline 51. The percentage of member enquiries responded to within deadline
Reasons for poor performance/decline	Current performance is unsatisfactory.
Actions being taken to improve performance	A major re-modelling of the complaints process and that of member casework is currently underway. This will introduce both: new governance; revised targets; a new

	<p>software system; better insight through improved reporting; and a performance dashboard and a new officer working group.</p> <p>The new governance structures currently being introduced across the council are designed, in part, to ensure that a more customer focused approach to resolving complaints and casework will be embedded within the organisation. Going forward, a renewed focus on lessons learned will ensure that performance improves.</p>
Improvements in performance that are anticipated as a result of the actions taken	A clear improvement in the percentage of complaints and member enquiries responded to within deadline.

Performance Indicator	52. The average number of days lost due to sickness absence
Reasons for poor performance/decline	<p>The Quarter 2 sickness levels have risen again from the last quarter, and it shows a disappointing increase in absence levels.</p> <p>The reasons for this increase are similar to the Quarter 1 response, as it will take some additional time for this trend to be reversed, and for real improvements to be made.</p>
Actions being taken to improve performance	<p>Hotspots have been identified. These are divisions where there is a significantly higher average absence rate. Individual senior managers have meetings scheduled with HR colleagues as part of the Sickness Absence Reduction Project work. Hot spot meetings provide an opportunity to</p> <ul style="list-style-type: none"> • Review the data and compare against previous years, and other services • Review in particular the number of cases where triggers have been met and the procedure has not been applied or interventions not used proactively • Confirm the range of interventions that would be appropriate • Schedule further review meetings to identify any improvements, and ongoing support and challenge. <p>Communication about the need to keep sickness under review has been provided to managers.</p> <p>Improvements have been made to reporting, and dashboards will now include trigger reports and other data that managers will be able to run themselves.</p> <p>We are in the process of investigating other solutions such as first day absence nurse led reporting systems. The business case and return on investment is being reviewed for further consideration.</p> <p>The number of long term absences has increased slightly, the</p>

	<p>reasons for absence remain broadly the same as the previous quarter.</p> <p>We will shortly be introducing trigger related mandatory health and wellbeing checks.</p> <p>The number of flu jabs provided to staff, including those in front-line risk groups has increased on previous years, and has provided an opportunity to increase the number of bookings for other health promotion interventions such as health and wellbeing checks.</p> <p>The average performance in London is 7.54 days (across 27 authorities which collect data through LAPS (London Authority Performance System).) A number of the Councils included have small numbers of 'blue collar' workers and sickness levels tend to be lower in these authorities, which will therefore influence the overall average.</p>
<p>Improvements in performance that are anticipated as a result of the actions taken</p>	

CABINET

15 December 2015

Title: Barking Housing Zone Update and Clockhouse Avenue / Broadway Project	
Report of the Cabinet Member for Regeneration	
Open Report with Exempt Appendix 2 (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972 as amended)	For Decision
Wards Affected: Abbey	Key Decision: Yes
Report Author: David Harley, GM Economic Development and Sustainable Communities	Contact Details: Tel: 020 8227 5316 E-mail: david.harley@lbbd.gov.uk
Accountable Divisional Director: Jeremy Grint, Divisional Director of Regeneration	
Accountable Director: Chris Naylor, Chief Executive	
<p>Summary:</p> <p>In July 2015 Cabinet agreed to enter into an ‘Overarching Borough Agreement (principles document)’ with the Greater London Authority (GLA) in relation to the Barking Town Centre Housing Zone. The July Cabinet report set out the background to the Housing Zone and how it is critical to achieving the Council’s ambitions for growing the borough.</p> <p>The report also set out where further approvals were needed for a number of schemes in the Housing Zone. This report is focussed on taking forward one particular scheme identified - the site bordered by Clockhouse Avenue/East Street/Broadway/Grove Place and shown in Appendix 1 - as well as providing an update on progress on wider Housing Zone schemes.</p> <p>The site currently contains a mix of mostly commercial uses - the largest of which being Wilkinsons. The site presents a negative frontage on Clockhouse Avenue to the Town Hall and the frontage to East Street is poor and dated. The Council is the freehold owner of much of the site but has been offered the opportunity to purchase the leasehold interests of Flodrive Holdings (with 82 years unexpired) within its freehold ownership and another adjacent site outside of the Council’s freehold with 93 years unexpired (shown in Appendix 1). This would generate a marriage value and additional income stream and whilst those purchases alone would not cover all the land ownerships for the site it would mean the Council was in a key position to drive forward redevelopment in the future.</p> <p>External valuation consultants, BNP Paribas, were appointed to provide Red Book valuations of Flodrive’s Holdings interests, the Council’s current interests and the marriage value of the two interests. BNP Paribas also provided valuations for the further acquisitions required if a comprehensive redevelopment of the site was to take place together with estimating what potential values a redevelopment could generate.</p> <p>On the Council’s behalf, BNP Paribas have negotiated with Flodrive holdings who have offered to sell their interests to the Council, subject to exchange by January 2016 and</p>	

completion a month later. Details of the proposed sale price and independent valuation provided by BNP Paribas is set out at Appendix 2, which is in the exempt section of the agenda as it contains commercially confidential information. BNP Paribas has also provided a detailed valuation report which concludes that the purchase makes good economic sense given the marriage value however currently it is better to hold onto the site as an investment rather than proceed with redevelopment proposals. This is due to the costs and time associated with acquisition of the remaining property interests to enable comprehensive regeneration (and lack of income during any redevelopment) but also due to the readymade income stream from the current tenants with good covenant strength like Wilkinsons, Natwest and Peacocks. The development residual is around half the investment value primarily due to the cost to secure vacant possession and construction against the value created.

The proposal is therefore to purchase Flodrive Holdings' interests to hold and positively manage the investment benefitting from the income from the site. This would fully cover the annual borrowing costs in respect of the purchase price. In addition to the purchase price there would be associated fees and taxes (Stamp Duty Land Tax, agents' fees, Due Diligence, surveys etc) totalling no more than £180,000.

It is expected land values in the town centre will improve over time particularly given major interventions like the Housing Zone, therefore the Council having ownership of a major town centre site will enable the Council to benefit from the uplift it is helping create. At this stage Cabinet is only being asked to approve the purchase of the site based on holding the site for investment. When viable redevelopment options come forward a further report will be made to Cabinet.

The report also provides an update on the delivery of other Housing Zone sites and outlines proposals for funding shared ownership units through a funding agreement with the GLA and a separate funding agreement regarding some affordable rent properties at North Street which will be let as 50% market rent units.

Recommendations

The Cabinet is asked to:

- (i) Agree, subject to the completion of satisfactory due diligence, to the purchase from Flodrive Holdings of leasehold interests of the site bordered by Clockhouse Avenue / Broadway / East Street / Grove Place shown hatched in the plan at Appendix 1 to the report, on the terms set out in the exempt Appendix 2 to the report;
- (ii) Agree to the associated fees and taxes of up to £180,000 associated with the land purchase and due diligence;
- (iii) Agree to enter into a grant funding agreement with the GLA for the North Street and Kingsbridge sites as set out in paragraph 5.2 of the report; and
- (iv) Note that, subject to the agreement of satisfactory terms, a further report will be submitted to Cabinet seeking approval to enter a funding agreement with the GLA and Horizon Infrastructure to finance up to 500 shared ownership new build units, as detailed in section 5.3 of the report.

Reason(s)

Delivery of the Barking Housing Zone is central to the Borough's objective of 'Growing the Borough,' the Council taking ownership of a prominent town centre site gives greater scope to realise values from the regeneration work underway and control future development opportunities.

1. Introduction and Background

- 1.1 By Minute 26 (21 July 2015), Cabinet approved a number of recommendations to take forward the Barking Town Centre Housing zone. It highlighted a number of schemes under development which would be subject to more detailed Cabinet reports in due course. This report focuses on three of these.
- 1.2 The site bordered by Clockhouse Avenue / Broadway / East Street / Grove Place (and referenced in this report thereafter as The Site) is shown in Appendix 1 and reflects the significant freehold ownership of the Council. The majority leaseholder (Flodrive Holdings) has approached the Council to see if the Council would consider purchasing their leasehold interests. Cabinet in July gave approval to explore the feasibility of the Council acquiring the site and pursuing a comprehensive redevelopment. Consultants BNP Paribas were appointed to assess the viability of purchasing the leasehold interests and carry out an assessment of the cost of acquiring all the necessary interests to enable a redevelopment of the site as well as setting out the potential development value of a comprehensive redevelopment and to give their opinion on the highest value the Council should offer for the leasehold interest.
- 1.3 A grant funding agreement with the GLA is proposed for the North Street site, between the London Road junction and Whiting Avenue, where it is proposed to build 14 x 50% market rent units and the former Kingsbridge site at King Edwards Road where it is proposed that 24 shared ownership units will be provided.

2 Feasibility Results

- 2.1 On behalf of the Council, BNP Paribas produced a detailed red book valuation on the Council's current interests at Clockhouse Avenue, the value of Flodrive Holding's interests, the marriage value of the Council and Flodrive Holding's interests, the costs of further acquisitions required to enable a comprehensive redevelopment of the site and finally the potential values generated by a comprehensive redevelopment. A summary of BNP Paribas's full report, setting out the additional value created by the marriage of the Council's freehold interest with Flodrive Holdings's leasehold interests, is set out at Appendix 2 in the exempt section of the agenda due to the commercially confidential nature of the information.
- 2.2 The Appendix evidences that from a straight investment perspective, buying in the Flodrive Holding's interests makes clear economic sense. Borrowing costs for the land purchase would be covered from the rental income.

3. Redevelopment Options

- 3.1 The site occupies a significant and prominent location in the town centre with significant scope for intensification including significant residential development on upper storeys. There could be substantial regeneration benefits in terms of better frontages to East Street, Clockhouse Avenue and the Broadway, better facilities for retailers and other commercial uses as well as new homes. The former Burtons building on the north west corner does not form part of the Council's or Flodrive Holdings' interests but is the only element of architectural/historic merit and it would be proposed to retain this building which is also the only part of the existing site with residential units. BNP Paribas's appraisal looked at a development option with ground floor commercial space and 167 apartments.
- 3.2 BNP assessed the remaining property interests required to be purchased to enable comprehensive redevelopment of the site. Compulsory Purchase Order powers may need to be used. The costs of securing the additional leases required resulted in BNP's report concluding that a redevelopment would not currently make economic sense compared to holding and managing the existing asset. The development residual is around half the investment value primarily due to the cost to secure vacant possession and construction against the value created. This would change over time as values rise and/or more intensive development proposals would also improve viability. Therefore at this stage Cabinet is only being asked to approve the purchase of the site in order to benefit from the marriage value and income stream which would comfortably fund borrowing and running costs. Future redevelopment options would be subject to a future Cabinet report when and when viable development proposals are available. Wilkinsons' lease expires in 2020 and in light of this and the resulting reduced acquisition costs it would be sensible to review redevelopment proposals again no later than 2018.
- 3.3 As the July 2015 Housing Zone Cabinet report set out there will be significant change in Barking over the coming years with high quality schemes and other interventions helping to improve development viability. The Council's ownership of a key town centre asset will ensure the Council realises some of the benefits of the town regeneration uplift.

4. Options Appraisal – East Street/Clockhouse/Broadway site

Option	Advantages	Disadvantages
Status quo (not purchasing leasehold interests)	Continuing to receive income as freeholder with no additional expenditure.	Failure to benefit from marriage value of leasehold and freehold interests. Limited opportunity to benefit from future redevelopment opportunities.
Sell freehold interests	Capital receipt.	Failure to benefit from marriage value of leasehold and freehold interests. No financial or other benefits from any future redevelopment opportunities.
Work with third party development partner who would fund purchase	No immediate financial outlay but opportunity for role in redevelopment opportunities.	No guarantee that Flodrive Holding's offer to the Council would remain open or at same price. Procurement issues. Delays.

5. Housing Zone Update

5.1 The table below gives a brief update on each Housing Zone scheme.

Scheme	Update
Cambridge Road	Planning application due to go to Development Control Board in December. Cabinet report 10 th November secured approved for land sale and entering into intervention agreement with GLA.
Gascoigne West	Public meeting with residents in mid December. Site forming part of Creative Industries Zone bid. Design work about to commence.
London Road/James Street	Feasibility for car park access alterations completed. Meetings being established with TfL regarding bus turning circle. Meeting with White Horse site owner regarding progressing masterplan for site.
Crown House	Meetings taking place with leaseholder owner - proposals to come forward as part of a future Cabinet report.
Abbey Sports Centre	Development agreement with Lindhill signed. Pre-planning consultation underway. Planning application to be submitted early next year.
Gascoigne East Phase 1	Contractors (Bouygues) appointed for first sub-phase – 190 units including LBBD affordable rent and East Thames Group shared ownership. Next sub-phase contract will be start on site in June 2016 and subsequent phases will include a number of private sale units depending on viability and Reside Shared ownership.
North Street	Pre-planning consultation meetings have taken place with a planning application for a terrace of 14 50% market rent rent units to be submitted in December.
Kingsbridge	Architects have been appointed and will submit a reserved matters application in the new year for a Reside shared ownership scheme.

5.2 In relation to North Street and Kingsbridge as part of the Housing Zone, the GLA is offering £24,000 grant per unit. Approval is sought from Cabinet to enter into the grant funding agreement with the GLA to access this funding subject to confirming the remaining capital costs are funded. The remaining construction costs for North Street form part of the HRA business plan scheduled for Cabinet in January.

5.3 Shared ownership funding proposals

5.3.1 The First Steps Challenge Fund (FSCF) was established by the GLA, setting out a challenge to new and existing providers to step up their activity and deliver at least an additional 4,000 homes for shared ownership in the 2015-20 period across London. Due to the importance of shared ownership homes in London the GLA invited funding applications where proposals clearly contribute to increasing the numbers of shared ownership units delivered.

5.3.2 Under this funding arrangement the GLA is making up to £180m available on a recoverable basis. The funding prospectus encourages bidders to work with potential investors to attract further funding. The objective of the Fund is to seed

interest in shared ownership as an investment asset and to help to move away from paying out grant towards new models that better recycle subsidy.

- 5.3.3 An application has been made for funding to the FSCF in partnership with Horizon Infrastructure which represents a number of local authority pension funds. Terms are being negotiated by officers and will be submitted to Cabinet for approval in January 2016 which could fund up to 500 shared ownership units. Homes built under this Fund will be advertised on the First Steps portal and will be prioritised for eligible households, who must be earning less than £66,000 a year, or £80,000 if it is a family buying a three bedroom (or larger) home. It is expected that this funding would be used for a number of Barking Housing Zone projects including the former Kingsbridge site and the Gascoigne phase1 development.

6. Consultation

- 6.1 Given the nature of land negotiations, there has not been public consultation over this proposal to date however any redevelopment proposals would be subject to a further Cabinet report and pre-planning consultation as well as the formal planning consultation processes for any future application.

7. Financial Implications

Implications completed by: Carl Tomlinson, Finance Group Manager

- 7.1 The Council currently owns the freehold for this site as part of its Commercial Property Portfolio and receives an annual rent income of £147,000 from Flodrive holdings, the leaseholder.
- 7.2 For reasons of commercial sensitivity, the cost of purchasing the leasehold interests is set out in appendix 2 in the exempt part of the agenda.
- 7.3 In addition to the agreed purchase price, the Council will incur costs as part of the acquisition in respect of Stamp Duty Land Tax, agent's fees, legal fees and due diligence of £180,000. The annual cost of the total amount of borrowing is estimated at £200,000.
- 7.4 The additional annual rent income that will be forthcoming subsequent to the proposed purchase amounts to £285,000 which will create an annual surplus of £85,000. Potentially this sum could be used as additional contribution to the repayment of the principal amount borrowed until the debt is paid off. If the site is disposed of and a capital receipt is received the borrowing would be repaid in full.
- 7.5 It is unlikely that the Council will incur revenue costs in respect of the day to day running of the site since these expenses are the responsibility of the leaseholders. The only items that would be the responsibility of the Council are major maintenance or repair costs that are deemed to be outside the terms of the lease. Given the condition of the buildings, however, costs of this nature are felt to be unlikely and, in any case, will become evident during the due diligence process prior to completion of the purchase.
- 7.6 In summary, the acquisition of these leases is a viable proposition for the Authority given that the annual cost of borrowing and loan repayments will be covered by the

additional revenue generated. In the longer term the Council will be in a key position to drive forward the redevelopment of the site and will benefit from any increase in property values brought about by the other developments proposed for the Barking Town Centre area.

- 7.7 Paragraph 5.2 above mentions that the GLA are offering an Affordable Housing Grant of £24,000 per unit in respect of the North Street and Kingsbridge Housing Zone proposals. Subject to Cabinet agreement, across these two proposed developments 26 units of accommodation are likely to be constructed and the grant received will, therefore, be £624,000. This is non repayable grant that will be used as a contribution towards the Council's scheme development costs.
- 7.8 The North Street scheme is in the current HRA Capital programme and has a total budget of £3.21, the majority of which will be spent in 2016/17. The Kingsbridge scheme has an estimated cost of £2.5m and options for the funding of this project are currently under consideration. Therefore the signing of this agreement in respect of the grant funding towards the cost of this project will be subject to appropriate funding for the total scheme being agreed and put in place.

8. Legal Implications

Implications completed by: Dr. Paul Feild, Senior Governance Lawyer

- 8.1 The Council has powers to explore suitable delivery options. Section 1 of the Localism Act 2011 provides a general power of competence enabling the Council to do anything individuals generally may do, therefore allowing the Council to undertake a wide range of activities. Furthermore Section 111 of the Local Government Act 1972 enables the Council to do anything which is calculated to facilitate, or is conducive to or incidental to, the discharge of any of its functions, whether or not involving expenditure, borrowing or lending money, or the acquisition or disposal of any rights or property.
- 8.2 As explained in the body of this report, the implementation of these initiatives will require the Council to enter into a variety of legally binding agreements including, conditional grant funding agreements, development agreements, planning performance agreements, partnering agreements, traditional property transactions such as purchasing of interests early termination of leases and licenses and potential procurement compliance issues. These will require early consultation with affected and interested parties to ensure swift progress of the component projects of this programme.
- 8.3 As the Housing Zone implementation will require the acquisition and potentially disposal of interests in land the Council Constitution and its Land Acquisition and Disposal Rules require such decisions be taken by the Cabinet.

9. Other Implications

- 9.1 **Risk Management** - Below is an assessment of key risks.

Risk	Mitigation	*Likelihood	*Significance	*Risk Factor
Tenants leave/Rental income falls	Assess as part of Due Diligence however no expiry of major tenant until 2020.	1	3	3
Structural problems	Structural survey as part of Due Diligence. Negotiate price reduction if necessary.	1	3	3
Asbestos in buildings	Surveys as part of Due Diligence. Negotiate price reduction if necessary.	1	2	2

(*Risk Level: 1= Low; 5 = High)

- 9.2 **Contractual Issues** - The purchase of the land would require due diligence to be carried out. BNP Paribas' valuation is Red book and involved inspections and detailed measurements however surveys have been commissioned to highlight any structural or other issues which would impact on any obligations the Council would have as leaseholder.
- 9.3 **Staffing Issues** - If the purchase is agreed it is important to ensure the site is proactively managed to maximise rental income. This is being considered as part of a wider review of the Council's Commercial portfolio and how it is managed.
- 9.4 **Customer Impact** - The current proposal for purchase of leasehold interests would have negligible customer impact. Redevelopment proposals would have significantly more impact but would be assessed as part of a future Cabinet report. No equality impact assessment has been undertaken to date, but would form part of any future redevelopment proposals.
- 9.5 **Safeguarding Children** - No direct issues arising with potential impacts only likely to arise from redevelopment proposals which would be subject to a future Cabinet report.
- 9.6 **Health Issues** - Health issues are only likely to arise from redevelopment proposals which would be subject to a future Cabinet report.
- 9.7 **Crime and Disorder Issues** - Crime and disorder issues are only likely to arise from redevelopment proposals which would be subject to a future Cabinet report.

Background Papers Used in the Preparation of the Report: None

List of appendices:

Appendix 1: LBBB Freehold ownership Plan and Flodrive Holding Leasehold interest plan

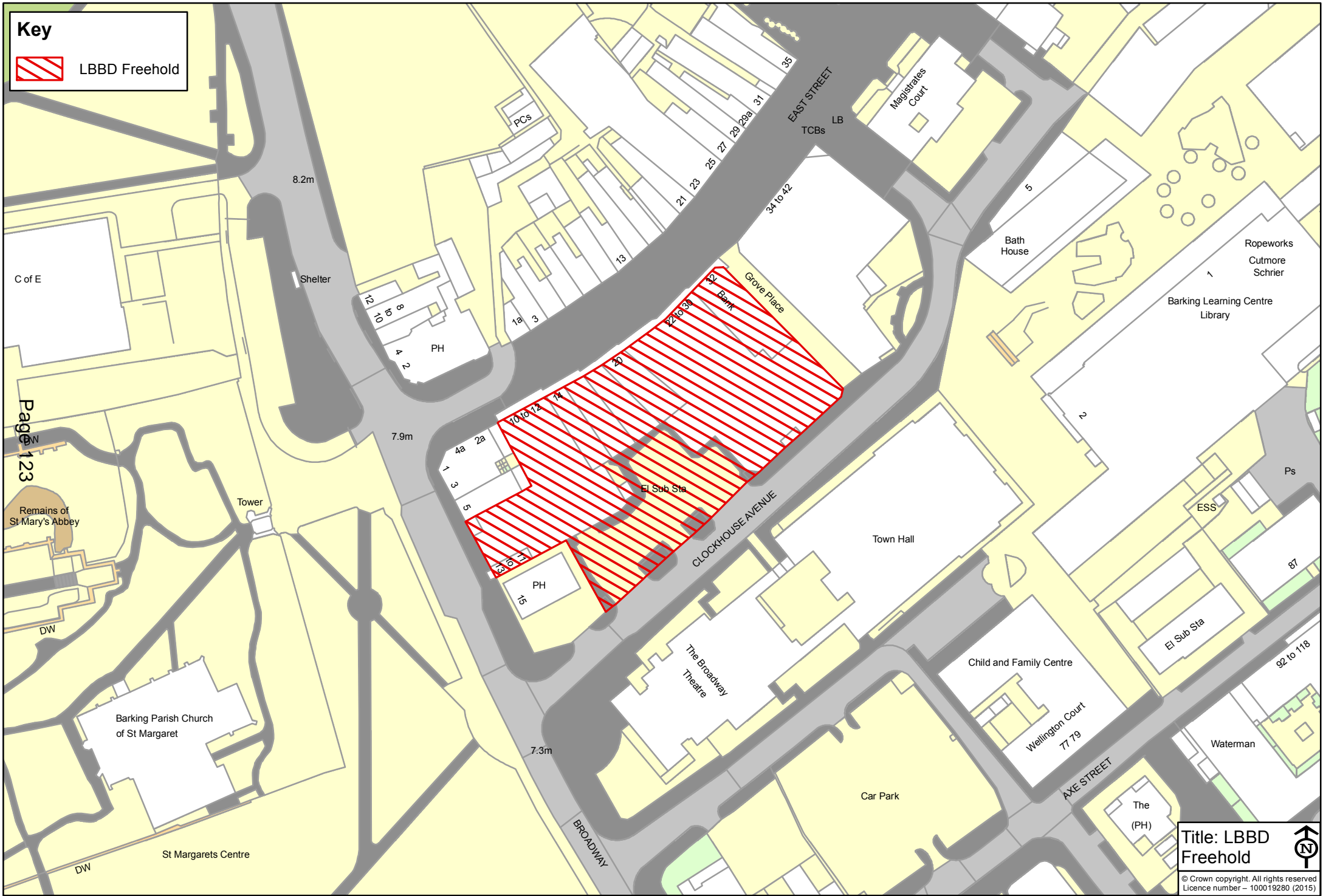
Appendix 2 BNP Paribas Valuation Letter (exempt information)

APPENDIX 1

Key



LBBB Freehold



Page 123

Title: LBBB Freehold



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CABINET**15 December 2015**

Title: Contract for Provision of Agency and Temporary Staff	
Report of the Cabinet Member for Finance and Central Services	
Open Report	For Decision
Wards Affected: None	Key Decision: Yes
Report Author: Paula Woodward, Client Officer	Contact Details: Tel: 020 8227 3278 Email: paula.woodward@lbbd.gov.uk
Accountable Divisional Director: Martin Rayson, Divisional Director for Human Resources and Organisational Development	
Accountable Director: Claire Symonds, Strategic Director for Customer, Commercial and Service Delivery	
Summary:	
<p>The Council's current contract for the provision of Agency and Temporary staff, currently with Adecco, expires in June 2016. Following an assessment of the Council's future requirements, this report sets out the rationale for the proposed renewal of the contract via a Managed Service Provider, through the Eastern Shires Purchasing Organisation (ESPO).</p> <p>The proposals in this report have been endorsed by the Corporate Procurement Board.</p>	
Recommendation(s)	
<p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) To approve the re-procurement by the Council of a contract for the provision of Agency Staff, through the ESPO framework Lot 2 – Managed Service Provider in line with the recommendations outlined in this report, on an initial term of three years with an option to extend by a further period of one year; (ii) Indicate whether Cabinet wishes to be further informed or consulted on the progress of the procurement and /or the award of the contract; and (iii) Delegate authority to the Strategic Director of Customer, Commercial and Service Delivery, in consultation with the Cabinet Member for Finance and Central Services, the Strategic Director of Finance and Investment and the Head of Legal and Democratic Services, to award and enter into the contract and any period of extension. 	
Reason(s)	
To comply with EU Procurement Regulations and the Council's own Contract Rules in securing cost effective services for the provision of Agency and Temporary Staff.	

1. Introduction and Background

- 1.1 In September 2011 the Cabinet agreed to procure a contract for the provision of agency staff through the ESPO framework, more commonly known as MStar.
- 1.2 The tender was a collaboration across London, initially managed by the London Borough of Tower Hamlets. The London Borough of Barking and Dagenham, through Elevate's Corporate Procurement function, conducted the e-auction which set the margin costs for the duration of the contract and the extension period.
- 1.3 Adecco was the successful bidder and was awarded a contract as the Managed Service Provider (MSP) for the Council.
- 1.4 The contract commenced on 11 June 2012 for an initial period of three years. In February 2015 the Procurement Board recommended that the contract be extended for 12 months (as was allowed for under its terms) and this was agreed, under delegated authority, by the Chief Finance Officer. The current contract end date is 10 June 2016.
- 1.5 A detailed options appraisal has been undertaken and full details of this are set in Section 3 of this report.

2. Proposed Procurement Strategy

- 2.1 **Outline specification of the works, goods or services being procured.**
The service specification is consistent with that used to procure the original contract in June 2012, with the following exceptions:

One Stop Shop for Temporary Staff - The Council requires a single Organisation to manage its own pool of direct staff and a 2nd Tier of quality agencies to provide specialist staff in order to meet the Council's diverse requirements in terms of person specification, job type, location and overall cost (basic wage, margin, savings rebate, Agency Welfare Reform costs (AWR), NI, Tax etc).

2nd Tier Agency Management - The successful Organisation must be able to attract and maintain a high level of quality 2nd Tier agencies particularly for historically hard to recruit to positions, such as Class 2 Drivers, Motor industry fitters, senior social care workers, School Catering Senior roles etc.
The Organisation should have a preferred and established supply chain, but must maintain the ability for the Council to recommend the on-boarding of local or known quality agencies and to ensure that they commit to the same terms and conditions of supply as the MSP.

On Site Representation - The MSP will be required to have an On-site presence Monday to Friday from 0900 to 1800. This will enable Hiring Managers to speak directly to the MSP face to face or by internal communication (telephone or email), this will enable the MSP to understand the Council's requirements as well as the MSP getting to know the Councils staff and how they work and integrate in order to ensure the best candidate fit is achieved.

It would be recommended that the location should be the Town Hall in Barking with time spent Job Shop to ensure as many local residents have access to the Council's short term roles in addition to out of Borough candidates.

On Line Portal - The MSP will be required to provide an online portal. The portal will allow hiring Managers to upload their requirements with full detail for the MSP to commence with sourcing the temporary worker for the role. In addition the portal acts as an information tool with the capability to track assignments once in post including all end dates, extension periods, changes in pay rates etc. The portal must have the capability to produce bespoke reports as and when required.

Consolidated Weekly Billing - Cash flow is an essential component of having a high quality 2nd Tier supply chain and in order to ensure service is uninterrupted the Organisation is required to submit to the Council a full and comprehensive consolidated bill. This should be formed of one (1) invoice per week, supported by evidence that enables validation. This will ensure the MSP is paid to the agreed terms, which in turn allows the MSP to pay its 2nd Tier, but most importantly it allows the Temporary worker to be paid on time.

Manage Recruitment Process From Registration to Placement - An essential part of the initial process is for the MSP to own and manage the full lifecycle of the candidate from ensuring they are registered giving full and correct details and evidence (work history or proof of eligibility to work etc) and to also conduct face to face meetings to enable the MSP to review if the candidate is suitable for the Councils working environment. This also gives the temporary worker consistent advice and will also enable the Council to build solid working relationships with the MSP in order to then identify what type of calibre of person will best suite each individual role and division.

Single Point of Contact for the Council - In order to have effective and timely communication, the Council will require a single point of contact with a very flat supporting structure both in terms of service delivery and escalation. This can be solidified through the on-site presence, an account manager and account director.

Out of Hours Contact Point - As with all Councils, the services provided do not consist of a 9 to 5 Monday to Friday week, and with this in mind it is imperative that the MSP establishes and maintains the ability for the Council and its staff to contact the MSP during Out of Hours and Public Holidays to ensure service covered or shortages are identified and dealt with before they become an issue.

Conduct Regular Audit of 2nd Tier Agencies - The MSP will be required to undertake regular independent audit aimed at own service provided to the Council and also their 2nd Tier supply chain for compliancy with UK Legislation and industry best practice, particularly in high risk areas such as Adult and Children's Social Care. The audit process must be robust, reportable, have consequences to the 2nd Tier to deter them from committing more than 1 breach, but more importantly, it must be agreed with the Council's Contract Manager and Senior Service Managers prior to implementation.

Manage Specialist Pool of Staff - The MSP will be required to support, manage and maintain sufficient numbers of kitchen workers for the Council's Catering services and cleaners for Building Cleaning Services. These are volatile services in

terms of service increase spikes, operating with minimum notice due to sickness and so on.

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

Initial 3 year term @ £12m per annum = £36m

Further 12 month extension period @ £12m

Total 4 year term = £48m

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

Initial term of three years, with a 12 month extension option subject to satisfactory performance and agreement by both parties.

2.4 Recommended procurement procedure and reasons for the recommendation.

The recommendation is that the Council joins the Pan London Collaboration under the MSTAR 2 Framework to procure this contract, in order to exploit the economies of scale available and benefit from reduced costs. It should be noted that the margins achieved within MSTAR1 were very competitive and although there is no guarantee that the Council will be able to achieve the same margin levels, the expectation is that this option will offer best value for money to the Council. Other options considered are set out in Section 3.

An e-auction will be undertaken and upon completion a recommendation will be issued by the London Borough of Newham advising LBBD of the successful bidder in Lot 2. We would expect to be notified in January.

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

Through the contract, LBBD will be able to drive efficiencies in the use of agency staff and ensure tighter control through visibility of agency usage and spend. In addition, the agreement will enable the Council to have static margins, which enables costs to be clear and transparent, allowing tighter financial control.

By having an "On Site" presence, the Council has the opportunity to communicate directly with the provider, which enables its needs to be better understood, reducing the amount of time being spent sifting and reviewing CV's that do not quite match the Council's needs.

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

The evaluation criteria as detailed in the ESPO framework terms and conditions for further competition are as follows:

Lot 2 – Managed Service Provider (MSP) 70% Price 30% Technical (Quality).

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

The Council will seek to agree, as part of terms and conditions to the award, that wherever possible, local residents should be offered the opportunity to apply for vacancies arising, which in turn should facilitate locals getting back into work or furthering their career prospects. Provision will also be made within

the contract specification for vacancies up to a certain level (equivalent to Scale 5) to be initially offered via the Borough's Job Shops.

These aspects will be monitored throughout the contract period via Contract Management and Management Information.

Simultaneously, it will be recommended that the team servicing this contract is based locally and easily accessible for the Borough's residents.

The Service Provider will be required to work closely with local agencies which should contribute towards growth opportunities for small businesses and SMEs in the area.

The Agency Staff contract is expected to maximise local businesses growth opportunities and increase the household income of the Borough residents through a number of planned initiatives to engage local suppliers and residents.

3. Options Appraisal

- 3.1 A comprehensive market review has been conducted in conjunction with an options appraisal. **Appendix A** includes further details of the main options considered but a summary of all options is set out below:

Option 1 - Do Nothing (option rejected)

In the event that the Council was to do nothing and the contract expires naturally at the end of the extension period, then as from 12 June 2016 the Council will be non-compliant with its own Contract rules and EU Legislation. This may lead to financial remedies and reputational damage occurring due to off contract spend and increase in the margins charged as there will be no contractual recourse.

Option 2 - Extend the existing MSP Contract (option rejected)

The current contract had an option for a further period of 12 months. This option has already been taken and there are no further options to extend.

Option 3 - In-House Delivery Model (option rejected)

This option has been discounted as the initial set up costs are estimated to be high and the current required skill sets are not available within the Council. This option would also need a long lead in time in order to provide a full service. The Council might also face a significant legal, financial and reputational risk, risk which is normally transferred to the service provider via a traditional outsourcing arrangement.

Option 4 - Single Authority Competitive Tender in the Open Market (option rejected)

This option has been discounted as the financial benefit may not be achieved as a single Authority going to market, due to the volumes available and time frame required compared to other available options.

Option 5 - Multiple Authority Competitive Tender in the Open Market (option rejected)

This option has been discounted due to the fact that neighbouring Local Authorities are adhering to the Pan London collaboration and are not interested in conducting a separate exercise, where the opportunities for economies of scale will be more limited.

Option 6 - Access Alternative Open Frameworks (option rejected)

After indicative benchmarking of the Crown Commercial Services (CCS) Non Clinical framework and using the service provision which would have the most impact (Social Care), the framework did not offer the Council value for money in terms of direct cost (margin).

Option 7 - MSTAR 2 Framework by ESPO Lot 2 Master Service Provider (recommended option)

Eastern Shires Purchasing Organisation (ESPO) MSTAR2 framework allows the Council to take advantage of the economies of scale available as part of a Pan London collective through the use of a mini competition and e-auction.

The Council has three further options to choose from within the MSTAR 2 Framework, in terms of service delivery models. They are;

- **Neutral Vendor (Lot 1) – *This option has been rejected***

The Neutral Vendor option can create situations where 2 staff can be employed for the same job type on the same hourly rate, but the margins will be different and could cost the Council more for one member of staff than the other.

- **Managed Service Provider (MSP), (Lot 2) – This is the recommended option**

A Master Vendor approach is the current service delivery model used by the Council. Under this arrangement, the Council contracts with one single agency who will aim to provide all the required staff through their own talent pool and where necessary manage a Tier 2 supply chain to provide the specialist staff at the same agreed margins that are in place with the Master Vendor.

The Master Vendor is responsible for the end to end supply chain, from search and selection to payment of the staff; this includes hosting an online management and reporting e-portal.

The previous Pan London process proved very successful in terms of standardization of process, value for money and consistent development of a local service. The Council's current Agency Staff provision has been sourced via the Pan London Collaboration and has achieved a significant fall in off contract/non-compliant spend.

- **Hybrid (Lot 3) – *This option has been rejected***

One of the disadvantages of the Hybrid model is that it is perceived to encourage non-compliance, through council officers being able to approach a wide range of agencies which may result in retrospective failure to comply with Council's Procurement Rules and failure in candidates' audit compliance

4. Waiver

4.1 A waiver is not applicable.

5. Equalities and other Customer Impact

- 5.1 Due to the nature of the contract, the Service Provider will be required to align to the Council's equality and diversity policies. An on-site presence will ensure that the quality of service to all our staff and residents is easier to control and monitor.

6. Other Considerations and Implications

- 6.1 **Risk and Risk Management** - Contract Management function is already in place and will ensure the Service Provider and all suppliers on supply chain are maintaining required standards of compliance. Regular Contract Management Meetings will be undertaken for performance monitoring and management. For the first 6 months post implementation, performance monitoring meetings will take place monthly and past this milestone, quarterly contract monitoring meetings will be arranged. Independent Audit reviews will also be scheduled on quarterly basis. On site presence will be recommended to ensure improved communication and fast remedial action in the event of issues arising. Management Information reporting will be provided to Council Officers on a regular basis with details on Contract KPIs and other required Management Information.
- 6.2 **TUPE, other staffing and trade union implications** – There may be relevant implications for the onsite post in the event that Adecco does not maintain its awarded status. This will need to be fully considered and discussed with Adecco prior to any information being released to potential bidders.
- 6.3 **Safeguarding Children** - Only suitable, qualified and vetted staff will be employed and supplied in the provision of this service

7. Consultation

- 7.1 Consultation has taken place with the portfolio holder and the Corporate Management Team. Procurement Board have considered an extended version of this paper and all agree that the proposal set out in this paper represents the best option for the Council.

8. Corporate Procurement

Implications completed by: Euan Beales, Head of Procurement and Accounts Payable

- 8.1 The recommended option outlined in the report is a Pan London Collaboration, whose requirements will be procured through a mini competition of the ESPO Framework named Mstar2.
- 8.2 The proposal is to evaluate responses in Lot 2 the "managed service provider" element, with a view to awarding to the provider who provides the best bid in terms of quality and price. Please note the commercial element will be conducted by way of an e-auction.

- 8.3 The use of the Mstar2 Framework satisfies EU Legislation and the use of the mini competition complies with the Council's need to ensure a full process is conducted. Based on the benchmarking data and the options appraisal this route to market is fully supported and should yield value for money based on the aggregated spend across London as opposed to the Council as a single entity
- 8.4 Corporate Procurement fully support the recommendations as outlined in this report as being the most beneficial route to market.

9. Financial Implications

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

- 9.1 In last three years, the Council has spent the following amounts with via Adecco:

2014/15 - £ 12,455,036
2013/14 - £10,143,030
2012/13 - £7,311,607

- 9.2 The increase in spend above does not reflect an increase in engagement of agency workers, but relates to better compliance amongst Council officers to employ agency workers through the Adecco contract. This is illustrated in the figures below which shows total spend incurred by the Council on agency staff for the last 3 years, inclusive of the Adecco contract:

2014/15 - £15,193,670
2013/14 - £15,138,701
2012/13 - £13,337,407

- 9.3 On the whole, the Council does not budget specifically but agency workers, and the cost of agency staff is usually offset against underspends in direct employee budgets through vacancies.
- 9.4 The current contract incorporate a savings rebate based on the number of hours an Agency worker is employed. This has contributed to cash savings for the Council since the introduction of the current contract.
- 9.5 It is not possible to determine the full financial implications at this stage and this will need to be assessed after the contract is awarded and the new margins/rebates are determined.

10. Legal Implications

Implications completed by: Bimpe Onafuwa, Contracts and Procurement Solicitor

- 10.1 This report is seeking approval to call-off a framework set up by the Eastern Shires Purchasing Organisation (ESPO) for the provision of temporary staff by a Managed Service Provider. The report also proposes that the Council join the Pan London Collaboration and conducts the procurement exercise in conjunction with other local authorities, in order to enjoy economies of scale.

- 10.2 The Public Contracts Regulations 2015 permits contracting authorities to call-off valid frameworks in order to procure goods, services or works, as required. Such frameworks would have been set up in accordance with the Regulations.
- 10.3 Nonetheless, when calling of this framework, the procurement exercise for this contract has to be in compliance with the principles of the Regulations. This procurement process therefore has to be transparent, non-discriminatory and fair. Clause 2.4 of this report indicates that there will be a call for competition amongst suppliers on the ESPO framework, while clause 2.6 explains that the evaluation criteria will be on a 70% price : 30% technical(price) basis. These show evidence of a fair tender exercise. .
- 10.4 So long as the strategy in this report is adhered to, and the procurement exercise is conducted transparently and fairly, due compliance with the procurement principles can be met. Legal Services therefore do not see a reason why the recommendations of this report should not be approved.

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

List of appendices:

Appendix A – Options Appraisal

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Options Appraisal

Option	Advantages	Disadvantages
Do Nothing (Option 1)		<ul style="list-style-type: none"> - Current contract with current service provider about to run out (June 2016) - Demand for temporary workers unlikely to cease
Extend the current MSP Contract (Option 2)		<ul style="list-style-type: none"> - 12 months extension option on current contract already taken, no further extension available
In House Delivery Model (Option 3)	<ul style="list-style-type: none"> - Financial saving due to mitigation of the management margin and profit element - Direct access to candidates - Potential improvement in response times 	<ul style="list-style-type: none"> - Initial set up of the section will be time consuming - Initial set up will attract financial input - Lack of existing recruitment agency experience available in-house, recruitment and retention will take time - Build-up of talent pool will be required which will take time to implement - Council has full liability for any claims made against the Temporary worker's actions or advice - Labour intensive in terms of audit and vetting - implementation and transfer of existing work force will need to be factored in -
Single Authority Competitive Tender in the Open Market (Option 4)	<ul style="list-style-type: none"> - Specification reflects the Councils current and future needs - Tender to be conducted in house giving control to the Council in terms of evaluation and implementation - Potential cost savings in some areas 	<ul style="list-style-type: none"> - Time required to compete properly, this can take between 3 and 6 months dependant on the process used and may not be deliverable prior to expiry of the existing contract. - Economies of scale may not be achieved, which would drive the costs up against a higher

Options Appraisal

	<ul style="list-style-type: none"> - EU Compliant process will be conducted - AWR conversant providers, which will mitigate the risk to the Council of non-compliance 	<ul style="list-style-type: none"> volume model - Internal expertise required for evaluating the tender returns, external support maybe required which adds to the costs. - If not the incumbent, then implementation will need to be factored in
Multiple Authority Competitive Tender in the Open Market (Option 5)	<ul style="list-style-type: none"> - Potential cost savings in some areas - EU Compliant process will be conducted - AWR conversant providers, which will mitigate the risk to the Council of non-compliance - Economies of scale may be achieved, but this would be dependent on how many Authorities collaborate 	<ul style="list-style-type: none"> - Specification broadly reflects the Councils current and future needs - Tender potentially to be conducted in house or may be conducted by partnering Authority - Time required to compete properly, this can take between 3 and 6 months dependant on the process used and may not be deliverable prior to expiry of the existing contract - If not the incumbent, then implementation will need to be factored in
Access Alternative Open Frameworks (CCS) (Option 6)	<ul style="list-style-type: none"> - EU Compliant process has been conducted - Saving on procurement costs - Reduces time taken to conclude the process - Pre-defined terms and conditions including broad based specification which can be added to - All pre audit checks completed - Economy of scale should yield beneficial costs to the Council - Collaborative hubs can easily be utilised in geographic locations such as Pan London - Pre-defined KPI's with compensatory values attached 	<ul style="list-style-type: none"> - 2nd Tier supply chain may need to be expanded due to existing temps being transferred - Some Agencies refuse to be a 2nd Tier provider to the MSP - If not the incumbent, then implementation will need to be factored in

Options Appraisal

<p>MStar 2 Framework by ESPO Option 7</p> <p>Lot 1 – Neutral Vendor (NV)</p> <p>Lot 2- Master Service Provider (MSP) (this is the recommended option)</p> <p>Lot 3- Hybrid Model</p>	<ul style="list-style-type: none"> - Very flexible - Allows managers to approach any desired agency - Familiar processes which promote compliant spend - Single point contact- the MSP - Consistent margins for each job type - End to end supply chain - On-line IT solution and reporting e-portal - Council is able to influence on local presence - Combines the MSP and the NV approach - Offers maximum flexibility and freedom of action to council managers 	<ul style="list-style-type: none"> - May result in different margins payable for staff on the same job type - Can encourage non-compliant spend and retrospective ordering - Certain framework pre-set terms and conditions limits achievement of a truly bespoke service - Actual mark-up/margins not yet known and will become clear after the e-auction - Perceived to encourage non-compliance with Council’s Procurement Rules
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CABINET

15 December 2015

Title: Procurement of New Nursery Service and Annual Childcare Sufficiency Assessment Report 2015	
Report of the Cabinet Member for Education and Schools	
Open Report	For Decision
Wards Affected: Gascoigne	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>Procurement of a New Nursery Service - 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. The recent Government proposal to extend free childcare for 3 and 4 year olds to 30 hours in the future is likely to lead to a further impact on the childcare market. The location of a new nursery service on the Shaftesbury Estate, Barking is well placed to alleviate childcare pressures in Gascoigne, Abbey and Thames wards.</p> <p>This report seeks authority to commence a competitive tender exercise to appoint a provider of nursery services at a site on the Shaftesbury Estate (previously the site of The Maples Resource Centre) which is currently being redeveloped by Children's Services to serve as an 80 full time equivalent (FTE) place nursery for children from three months to five years old. It is envisaged that capital works will be completed by the second quarter of 2016 and that services will commence from September 2016. The contract and lease will be awarded for a period of seven years, with an option for a further three year extension.</p> <p>Annual Childcare Sufficiency Assessment update - The Childcare Act 2006 places a duty on local authorities to undertake a childcare sufficiency assessment. This assessment is a necessary first step towards securing sufficient childcare provision. The local authority must report annually on how it is meeting its duty to secure sufficient childcare and it must make this report available and accessible to parents. This report seeks to advise Cabinet of the Childcare Sufficiency Assessment Report 2015 which is attached as Appendix 1.</p>	

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree the procurement of a seven year contract, with an extension option for up to three years, for the provision of nursery services at a new nursery on the Shaftesbury Estate;
- (ii) Indicate whether Cabinet wishes to be further informed or consulted on the progress of the procurement and the award of the contract;
- (iii) Delegate authority to the Corporate Director for Children's Services, in consultation with the Cabinet Member for Education and Schools, the Strategic Director of Finance and Investment and the Head of Legal and Democratic Services, to award and enter into the contract and coterminous lease to the successful bidder in accordance with the strategy; and
- (iv) Note the Childcare Sufficiency Assessment Report 2015 as set out at Appendix 1 to the report.

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 is 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 and 2 Council operated nurseries.

Council Nurseries	Provider
Abbey	Council
Arden House	Chestnut Nursery School Ltd
Becontree	Playaway Ltd
Castle Green	Harmony House CIC
Eastbury	London Early Years Foundation
Ford Road	London Early Years Foundation
Furze	London Early Years Foundation
Gascoigne	Chestnut Nursery School Ltd
Halbutt Street	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 service will provide high quality, affordable and sustainable childcare. Eligibility for the nursery service will be any child from the age of three months, up to the end of foundation stage, five years. The service 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 service 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 provider. There will be no direct costs arising from the contract and ancillary lease to run the nursery for the Council. The operational running costs of the nursery 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 the nursery 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 nursery. Utilities and services will be paid for by the provider. The provider will also be expected to pay business rates for the nursery.

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

2.3.1 The duration of the contract and coterminous lease will be seven years with an option to extend for a further three years (ten years in total).

2.4 Is the contract subject to the (EU) Public Contracts Regulations 2015? If Yes and the Contract is for services, is it subject to the light touch regime?

2.4.1 As the services being procured will be provided and charged directly by the provider, with no element of income, only rent and business rates, being paid to the Council, this contract will constitute a concession contract. Concession contracts for services are currently exempt from the remit of the (EU) Public Contracts 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 nursery 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 this contract is a service concession 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 price/quality criteria and weightings. The weighting will be 95% quality and 5% cost and 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 of the tender (Evaluation of Method Statements)

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

Stage Two of the tender (Unannounced visit)

- 5% based on an unannounced visit to a nursery operated by the selected

provider/s;

Stage Three of the tender (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	15 December 2015
Advertise and send out tender application packs	Late December 2015
Tender submissions to be returned	Early February 2016
Tender evaluations, unannounced nursery visits and interview	During February 2016
Approval and award of contract	During March 2016
Start of contract delivery	The new contract is expected to commence on 1 st September 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 will then have their tender application reviewed and scored.

2.5.7 Following the scoring of the tender application the top two providers 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 contract and lease will be awarded to the successful bidder, for a period of seven 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 an provider. 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 Income

Market rent and business rates will be paid to the Council. The rent payments will be used for and will ensure the upkeep and repair of the nursery building and business rates will mean additional income for the Council.

Efficiencies

A vacant building in the borough will be put to good use. Market rent will be charged that will ensure the upkeep and repair of the building.

Savings

By tendering the running of the service this will ensure no recruitment or staffing costs 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 95% and price 5% with award to 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 takes over the running of the service

It is not a viable option for the Council to take on the running of this childcare service. 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. Providing the services in-house would require the recruitment of a Nursery Manager, Deputy Manager, and various other nursery staff in line with required staff to children ratios. Council nursery staff would be paid in line with the National Joint Council (NJC) Salary scales with salaries being higher and employment benefits being more substantial than those usually paid or offered by Private, Voluntary or Independent (PVI) childcare providers. Such pay and employment benefits would also make any future outsourcing of the service difficult. To cover the costs of running the nursery (over 75% of which are generally staffing costs) the Council would have to charge parents/carers a higher fee than a PVI childcare provider which may discourage parents/carers from seeking a place at the nurseries and have an effect on overall occupancy numbers and income.

Option 2 - Work on the nursery is not started or is stopped

The Council is required to deliver free early education places to 2,055 two year olds from September 2014. It is the duty of the local authority to manage its market to ensure that sufficient capacity is available to deliver this. If works stop on the nursery, the Council would not be in a position to meet its statutory duty.

Option 3 – The services are tendered

By tendering the service and awarding the contract and coterminous lease to a provider in the PVI sector, the Council will ensure that it secures affordable and sufficient childcare places in its Gascoigne ward, 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.

3.2 Option 3 is the recommended option.

4. Waiver

4.1 Not applicable.

5 Equalities and other Customer Impact

5.1 Children's Services will be responsible for supporting the provider to deliver high quality and fully inclusive childcare which is financially sustainable. With a number of families now opting for part time places, the nursery 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 provider 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 nursery 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 provider. 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 the nursery.

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 a provider has been chosen and approval has been given, written contractual arrangements will contribute to ensuring a quality service. The contract and lease

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 the provider having to complete and submit monitoring forms before any monitoring meeting.

- 6.1.4 Council Officers will conduct unannounced visits to the nursery to monitor the quality of the provision. 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 provider will have to report any complaints made to the Council and where relevant Ofsted.
- 6.1.5 The nursery will also be subject to external inspection from Ofsted.
- 6.2 **Safeguarding Children** - Any chosen provider 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.
- 6.3 **Property / Asset Issues** - Children's Services will work closely with the Council's Legal and Property Services to ensure that a lease is put in place and runs concurrently with the contract and is capable of being terminated, for whatever reason and justification, in accordance with the service contract awarded. The nursery will be let at market value which will cover the cost of the Council carrying out any routine repairs at the property.

7. Consultation

- 7.1 Consultation for this tender exercise has taken place with all relevant officers and the proposals were endorsed by the Corporate Procurement Board on 12 November 2015.

8. Corporate Procurement

Implications completed by: Euan Beales, Category Manger – Finance and Resources

- 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 95% 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 lease 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 2015/16 Dedicated Schools Grant (DSG) £228,815,000 (excluding retained carry forwards £10,833,668 and prior to academy recoupment). Early Years block (EYB) funding for 2015/16 the allocation is £10,834,000. This allocation includes the early years pupil premium of £340,027 but excludes retained carry forwards and EYB capitalisation. The 2 year old funding allocation is £3,782,064.
- 9.2 The funding to all childcare providers, both in-house and commissioned services is distributed via an Early Years Single Funding Formula (EYSFF) allocation and based upon 'take-up' of places within each of the settings from 2015/16. The EYSFF was remodelled and agreed with Schools' Forum in preparation of Funding Reform with increased rates to all providers based upon a fair and equitable distribution of early years block funding.
- 9.3 Final allocations for 2015/16 as advised by the Department for Education will be announced later in the financial year to accommodate any census growth within the early years settings as at January census.

10. Legal Implications

Implications completed by: Kayleigh Eaton, Contracts and Procurement Solicitor, Legal and Democratic Services

- 10.1 This report is seeking Cabinet's permission to tender the contract for the appointment of a provider at a new Nursery on the Shaftesbury Estate, Barking.
- 10.2 The proposal set out in the Report is that the contract is let as a concession contract which means that there is no direct cost to the Council and all costs are borne solely by the Contractor. Until the draft Concession Contracts Regulations 2016 come into force, expected to be 18 April 2016, the Public Contract Regulations 2006 (the "Regulations") continue to provide for the general exclusion for service concession contracts 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 Legal services note that an expected tender outline has been inserted in paragraph 2.5.5 of the report. Legal Services would advise that should there be any slippage or deviation from the proposed timetable, resulting in delays in the procurement

exercise being carried out, that advice should be sought from Legal Services on any possible implications of the draft Concession Contracts Regulations 2016.

- 10.5 One of the recommendations of this report is that Cabinet delegate authority to the Corporate Director of Children's Services, in consultation with the Strategic Director of Finance and Investment (Section 151 Officer) and the Head of Legal and Democratic Services, to award and enter into the contract and coterminous lease to the successful bidder. 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.
- 10.6 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.
- 10.7 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.

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

List of appendices:

Appendix 1 - Childcare Sufficiency Assessment Report 2015

CHILDCARE SUFFICIENCY ASSESSMENT REPORT 2015



This report outlines the local authority's work in meeting its childcare sufficiency duty. Sufficiency is defined as meeting the needs of local parents who require childcare in order to enable them to take up or remain in work or undertake training or education that will lead to work. It also provides an update on the local authority's progress in delivering free early education places for targeted 2 year olds.

Local authorities are required by legislation to secure sufficient childcare, so far as reasonably practicable, for working parents, or parents who are studying or training for employment, for children aged 0-14. This means that parents are able to work because childcare places are available, accessible and affordable and are delivered flexibly at a range of high quality settings.

Barking and Dagenham have been delivering a targeted offer of 15 hours free early education to some of the most disadvantaged 2 year olds since September 2009.

The targeted offer has now been extended to 40 percent of the least advantaged two-year-olds from September 2014.

2 year olds that meet the eligibility criteria for free school meals would be entitled to a free early education place along with children who are looked after by the state, children that have special educational needs or attract Disability Living Allowance or 2 year olds whose parents claim working tax credit and have an earned income less than the free school meals threshold.

Barking and Dagenham were required to deliver places to 2055 eligible 2 year olds from September 2014.

The 2011 childcare sufficiency assessment and the 2014 refresh of the assessment identified a number of gaps in the childcare market that the local authority is currently working towards narrowing.

In 2011 and in 2014, gaps were identified under a range of headings and below sets out how the remaining gaps are being narrowed:

Affordability

The prices of childcare in Barking and Dagenham are among the lowest in London. However, parents still find that childcare is expensive.

We are therefore:

- Ensuring the delivery of the free entitlement of 15 hours early education for all 3 and 4 year olds whose parents require it. We will continue to actively promote the universal offer for 3 and 4 year olds to increase the take up rate, which is currently 88%.

- Build up the take up of the 2 year old offer. Throughout 2014 and 2015 we have been increasing capacity within the childcare sector to meet the increased demand for 2 year old places. In addition, 3 major capital projects have been completed to provide additional capacity in the market. Currently we offer 1289 places to disadvantaged 2 year olds. This will increase steadily throughout 2015 to work towards meeting our target of 2055 places. We will continue to market the 2 year old programme through a variety of channels.

Average weekly childcare prices in Barking and Dagenham are currently:

Day nursery for 0-2 year olds £200.83

Day nursery for 2-3 year olds £205.49

Day nursery for 3-5 year olds £196.90

Breakfast club £27.99

After school club £57.01

Holiday club £136.53

Early years childminder £210.98

Later years childminder £75.15

The table below shows a comparison (where comparables are available) between Barking and Dagenham average prices and prices in London and nationwide:

Provision	Barking & Dagenham		London		Nationally	
	Under 2	2 and over	Under 2	2 and over	Under 2	2 and over
Day nursery (50 hours)	£200.83	£201.19	£283.66	£281.28	£212.09	£219.66
Childminder (50 hours)						
Under 2	£213.22		£283.66		£196.55	
2 and over	£210.98		£288.54		£206.08	
After school club	£57.01		£53.65		£48.18	

Suitability/accessibility/inclusion:

The level of accessibility in out of school provision in the borough was lower and more parents of children with additional needs felt that staff and premises were not suitable for their children or were unable to cater for the particular needs of their children. We are therefore:

- Providing financial support to out of school providers to increase staff ratios as necessary to support individual children with additional needs.
- Providing training, mentoring and inclusion support for out of school childcare providers.
- Commissioning the Pre-School Learning Alliance to provide an Inclusion Adviser to support out of school clubs to ensure the inclusion of children with additional and complex needs.

Age range and level of provision

With the increased need for places to meet the 2 year old offer, pressure has been placed on the availability of 3 and 4 year old places. 2 year old places are not yet offered in schools so all demand has to be met from the non-maintained sector.

We are therefore continuing to:

- Support settings to be more flexible to encourage development of free early education places for 2, 3 and 4 year olds.
- Developing additional provision across the borough and in particular areas of need.

All childcare sectors currently have vacancies. They are as follows:

Day nurseries 24.85%

Pre-schools 23.65%

Breakfast clubs 65%

After school clubs 43.34%

Holiday clubs 32.17%

Early years childminder 64.34%

Later years childminder 72.53%

However, there are currently no vacancies in the childcare market for funded 2 year olds and additional capacity is needed in particular areas of the borough namely Heath ward and wards surrounding Barking town centre.

The latest information (September 2015) about eligible 2 year olds in Barking and Dagenham show a concentration of eligible 2 year olds in the wards in and around Barking town centre.

Ward	Number of eligible 2 year olds in ward	Percentage
Abbey	123	6.51%
Alibon	73	3.86%
Becontree	146	7.73%
Chadwell		
Heath	84	4.45%
Eastbrook	70	3.71%
Eastbury	45	2.38%
Gascoigne	214	11.33%
Goresbrook	109	5.77%
Heath	75	3.97%
Longbridge	150	7.94%
Mayesbrook	103	5.45%
Parsloes	117	6.19%
River	106	5.61%
Thames	176	9.32%
Valence	110	5.82%
Village	116	6.14%
Whalebone	72	3.81%
Total	1889	100.00%

Sustainability

With lower than outer London average prices, childcare providers in Barking and Dagenham have a lower turnover than providers in other outer London areas. Factors that affect sustainability are high running costs such as premises costs, utility costs and high staff costs. Some providers feel they cannot charge higher fees for fear of losing business. However, some day nurseries charge up to £234 per week and still maintain low vacancy rates. These nurseries tend to be in the children's centres and provide extremely high standards of early education and care. Many parents continue to put quality first above cost. We will continue to:

- Maintain a sustainability officer to work with childcare providers to ensure low reliance on council funding.
- Ensure that all childcare provisions work to a SMART business plan which is submitted to the local authority.
- Further develop business training and support for childcare providers including childminders.
- Work closely with potential providers to ensure they have done adequate market research and understand the costs of opening a childcare provision.

Providers that are of good quality are able to use funding for the 2 year old programme to sustain their provision.

We are currently delivering 1289 places for targeted 2 year olds. This will increase over time to ensure we meet our statutory target of 2055 places.

We will use the very limited spare capacity in the sector to meet the increased demand for places for 2 year olds. This includes training good and outstanding childminders to deliver more places.

We are also developing new group care provision and extending existing provision to meet continued demand.

Quality

Ofsted inspection grades show significant improvement in the percentage of settings rated good or above by Ofsted. As of September 2015, 85% of daycare is now rated good or above. 76% of pre schools are good or above. 82% of out of school clubs are good or above and 82% of childminders good or above. Outstanding and good inspection results are higher in some provider types in Barking and Dagenham than the national averages and in line with national averages for other provider types. However, the number of outstanding settings continues to be below national averages. To ensure that quality is kept at the above standards, we will continue to:

- Undertake continuous monitoring of quality via Ofsted inspection ratings and Advisory Teacher support to ensure that all settings in the borough are aiming for consistently good provision.
- Develop a training programme for good providers to work towards becoming outstanding.
- Work closely with Ofsted to close down provision that fails to make at least satisfactory progress.
- Work towards the over arching objective in the Education Strategy that every child attend a good or outstanding early years setting.
- Provide continuous delivery of common core training to raise quality standards.
- Deliver regular in house training on the Early Years Foundation Stage.
- Provide curriculum support for settings and childminders by Advisory Teachers.

CABINET**15 December 2015**

Title: Debt Management Performance and Write-Offs 2015/16 (Quarter 2)	
Report of the Cabinet Member for Finance	
Open Report	For Information
Wards Affected: None	Key Decision: No
Report Author: Andrew Kupusarevic, Interim Revenue and Benefits Delivery Director	Contact Details: Tel: 07890 615893 E-mail: Andrew.Kupusarevic@elevateeastlondon.co.uk
Accountable Director: Jonathan Bunt, Strategic Director of Finance and Investment	
<p>Summary</p> <p>This report sets out the performance of the Council's partner, Elevate East London, in carrying out the contractual debt management function on behalf of the Council. This report covers the second quarter of the financial year 2015/16. The report also includes details of debt written off in accordance with the write off policy that was approved by Cabinet on 18 October 2011.</p>	
<p>Recommendation(s)</p> <p>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 second quarter of 2015/16 and that a number of these debts will be published in accordance with the policy agreed by Cabinet. 	
<p>Reason</p> <p>Assisting in the Council's Policy aim of ensuring an efficient organisation delivering its statutory duties in the most practical and cost-effective way. This ensures good financial practice and adherence to the Council's Financial Rules on the reporting of debt management performance and the total amounts of debt written-off each financial 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. It also collects rent on behalf of Barking and Dagenham Reside. Council debts not collected by Elevate are not

included in this report, for example parking and road traffic debt prior to warrants being granted and hostel and private sector leasing debt.

- 1.2 This report sets out performance for the second quarter of the 2015/16 municipal and financial year and covers the overall progress of each element of the service since April 2015. In addition it summarises 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 two of 2015/16 achieved for the main areas of debt managed by Elevate.

Table 1: Collection Rate Performance – 2015-2016 Quarter 2

Type of Debt	Quarter 2 Target	Performance	Variance	Actual collected £m
Council Tax	55.8%	55.5%	-0.3	35.136
NNDR	55.6%	55.8%	+0.2	31.794
Rent	99.24	98.34	-0.90	25.212
Leaseholders	49.00%	50.12%	+1.12	1.982
General Income	60.00%	93.60%	+33.60	47.069

Council Tax Collection Performance

- 2.2 Council Tax collection ended the quarter 0.3% below the target.
- 2.3 The collection rate from those in receipt of Council Tax Support (CTS) is significantly below those not in receipt of support. The collection rate for these residents in 2015/16 is 44.5% compared to 51.1% in the second quarter of 2015/16.
- 2.4 Given that Council Tax was increased by 1.99% in April and the minimum amount payable by those of working age rose due to the change in the CTS scheme, the amount of cash collected for CTS accounts has increased by £139k compared to last year. However, the decrease in the CTS scheme from 85% to 75% has resulted in approximately 2,000 former claimants not qualifying for any CTS at all and the full charge has become payable. Comparisons made with previous performance are therefore less accurate as there are 2,000 less residents classified as "CTS payers". The collection rate for CTS was significantly below the overall collection rate in 2014/15 leading to an increase in outstanding arrears at year end. Therefore additional resource has been applied to arrears collection leading to an increase by £0.399m when compared with last year. The tax increase and decrease in the CTS scheme has seen current year collection increase by £2.8m. Therefore, overall collection, in cash terms, has increased by £3.2m as a result of these changes.

2.5 Welfare Reform is an issue with collection of all revenue. A recent LGA Welfare Reform impact model¹ has illustrated that Barking and Dagenham has seen a drop in income of £58.3m per year and the average loss of income to each household is just over £1,000 per annum. The report also shows that 48.6% of our households receive some element of support from benefit.

Council Tax Arrears

2.6 By the end of quarter two £1.298m had been collected for previous years' arrears, significantly above the target of £0.949m. At the end of quarter 2 in 2014/15, by comparison, arrears collection stood at £0.899m.

2.7 It is the never the case that all the Council Tax for a particular year is collected in that year. Therefore the work to collect unpaid Council Tax continues in the years that follow. The table below (table 2) sets out how the percentage collected improves in the years that follow. For example on 31 March 2010 92.9% of the council tax due for the financial year 2009/10 had been collected. Collection work continued so that by 31 March 2015 the collection rate reached 96.7% an increase of 3.8%.

Table 2:

Year	Charge year	Year 1 %	Year 2 %	Year 3 %	Year 4 %	Year 5 %	Year 6 %
2009/10	92.9	95.0	95.7	96.1	96.4	96.6	96.7
2010/11	92.9	95.0	95.7	96.1	96.3	96.4	
2011/12	94.1	95.7	96.3	96.6	96.7		
2012/13	94.6	96.2	96.6	96.7			
2013/14	94.1	96.0	96.2				
2014/15	94.3	95.4 ²					

2.8 During 2015/16 enforcement action continues against those with arrears from 2014/15 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. By the end of quarter two £1.298m of arrears for earlier years had been collected. The target for the year is to collect £1.827m.

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.

¹ <http://www.local.gov.uk/documents/10180/11531/Impact+modelling+tool/572bb1d3-2be3-43e5-8ca3-4075b25f192c>

² Collection achieved by the end of quarter 2.

Business Rates (NNDR) Collection Performance

- 2.10 The NNDR collection rate reached 55.8% by the end of the second quarter. This was 0.2% above the profiled target for the quarter. The collection rate has been affected by more rate payers electing to pay over 12 rather than 10 instalments and the collection profile/target was updated after the first quarter to reflect that change.
- 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 three enforcement agents to try and effect recovery where the first placement of debts is unsuccessful.
- 2.14 There are three main factors affecting collection:
- i. As stated in 2.9, changes in payment profiles continue to affect NNDR. Instalments due in February and March 2016 have increased by £350k. This is due to payers requesting 12 months of instalments. Ratepayers have been able to request the change to 12 from 10 instalments since April 2014. The monthly collection profile was amended to reflect this in July 2015.
 - ii. Changes during the year with properties leaving and entering the rating list. In February 2015 Barking Power stopped trading, with a rateable value of £9.27m; this reduced the amount to be collected by £5m (as the rate set by government is 48p for every pound of the rateable value), almost 10% of the total, for 2014/15 and subsequent years. Such changes of premises with a significant rateable value make collection harder. This is because such hereditaments are usually occupied by large companies who pay their business rates regularly. The loss of such properties increases the reliance for high collection rate on a larger number of smaller premises where the payment of rates can be less reliable and also require more staff effort to secure collection.
 - iii. Rates avoidance activity by certain companies continues to affect the collection rate during the year. The perception is that companies are exploiting loopholes in current legislation. At the end of the second quarter 2015/16, £0.55m debt was identified as being subject to avoidance and therefore potentially uncollectable. 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 consultation with stakeholders regarding this matter; to which the Council responded. The consultation has now closed and the government is considering the responses it has received. Elevate visit empty properties on a regular basis to ensure that evidence of avoidance can be obtained and the correct company held liable.

Rent Collection Performance

2.15 As at the end of quarter 2, the actual cash collection is around £0.380m lower than the target for the first half of the financial year. There are a number of contributing factors to this shortfall including:

- Welfare reform, including measures such as the bedroom tax and benefit cap, has reduced the proportion of the rent paid by HB from 51.51% last year to 49.24% this year, equivalent to around £1.5m.
- There has also been a 37% reduction in the budget for Discretionary Housing Payment (DHP) which is a potential source of short term support to tenants.
- Delays in the processing of housing benefit have also had an impact with the claims backlog being addressed in the third quarter of the year.

Initiatives are in place to narrow the gap over the second half of the year including, as noted above, clearing the benefit backlog, further promoting DHP, monthly door step campaigns and utilising an external outbound calling debt recovery service. To ensure a more consistent approach a new weekly method of measuring rent collection has been introduced from October giving more timely visibility regarding this indicator as this will measure actual debit against actual collection.

2.16 The Housing Transformation programme includes a strong emphasis on improving the collection rate. The Council is also involved with the Capita “Nudge” programme which is using behavioural economics to influence tenants and encourage them to make rent payment their top priority.

Reside Collection Performance

2.17 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 Management who are the managing agent.

2.18 Rent collection is stable with a collection rate of 97.8%.

Leaseholders’ Debt Collection Performance

2.19 At the end of the second quarter collection reached 50.12%, which was 1.12% above profile, with a total £2.336m having been collected so far this year exceeding the target by £0.045m. 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. This means that the team issue reminders without delay and also use outbound calling and email to help leaseholders stay up to date.

General Income Collection Performance

2.20 General Income is the term 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 Elevate’s performance.

2.21 At the end of quarter two collection in this area remained strong reaching 93.60%. The profile used is based on last year's collection. Elevate does not control the billing process which is determined by Council departments. For example so far in 2015/16 collection has benefited from the billing of £10m to the GLA which has already been paid inflating the collection percentage by around 20%. Despite this collection would have been 13% above the profile target for September of 60%.

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

2.22 The Council introduced a new Care and Support Charging policy for 2015/16 following the government introduction of the Care Act 2014.

2.23 Collection of debt for Home and Residential Care is reported separately. The agreed measure for 2015/16 is the amount collected against the in-year debt that has been invoiced.

2.24 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.

2.25 The collection rate for Home Care by the end of quarter two reached 81.65% which was 16.65% above the target.

2.26 As with General Income the profile used is based on last year's collection. As the year progresses a clearer pattern will be established as the debit raised and collection rate will be less susceptible to variation.

2.27 The debt recovery process for these debts is similar to that of other debts, but with extra recognition given to particular circumstances. In order to ensure that the 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

2.28 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. Elevate's collection performance is measured only once a batch of warrants has expired, i.e. after 12 months. Since April 2015, 12 batches of warrants have expired for which the collection rate was 13.99% an improvement on the figure reported for the first quarter of 12.71%.

- 2.29 Effective collection of warrants is affected by how long it takes to obtain the warrant after the PCN is issued. On average Elevate receives warrants from Parking Services around 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.
- 2.30 The total amount of cash collected through enforcement of road traffic warrants was £252,531 by the end of the second quarter.

Housing Benefit Overpayments

- 2.31 By the end of the second quarter of 2015/16 collection totalled £2.424m. So far this year £6.390m has been raised, compared to £3.141m in the first half of 2014/15. At the end of September the overall outstanding HB overpayment debt stands at £16.393m.
- 2.32 During the first quarter central government confirmed the continuation of the "Real Time Information (RTI)" process. This means HMRC data will continue to be made available to the Department of Works and Pensions and shared with local authorities enabling data matching against Council records. This data will continue to ensure that the information used to assess claims for Housing Benefit and CTS, is accurate. This will result in additional overpayments and underpayments being raised.

Enforcement Agent (Bailiff) Performance

- 2.33 Enforcement agent action is a key tool for the Council to recover overdue debts but is only one area of collection work and is always the action of last resort. The introduction of the CTS scheme in 2013/14 meant around 13,000 additional households became liable to pay Council Tax. This number increased again in April 2015 with the revised CTS scheme meaning that there has been additional debt recovery action. The affected group of residents are working age but their circumstances vary as they move in and out of work. Elevate's ability to collect all sums due on behalf of the Council continues to be made progressively more challenging as welfare reforms take effect. This is alongside the cumulative yearly effect of CTS on arrears which is increasing overall indebtedness. This position will continue in 2015/16.
- 2.34 Information on the performance of the enforcement agents is set out in the table below by type of debt for the first quarter of 2015/16. It should be noted the debt recovery process via enforcement agents only began at the end of quarter one for NNDR and Council Tax:

Table 3: Enforcement Agent Collection Rates – 2014-15

Service	Value sent to enforcement agents £	Total collected by enforcement agents £	Collection rate %
Council Tax	£3,697,794	£293,650	7.94%
NNDR	£1,250,604.64	£195,855.18	15.66%
Commercial rent	£22,563	£20,728	91.87%
General Income	£14,567.96	£3,853.00	26.44%

Debt Write-Offs: Quarter 2 2015/16

- 2.35 All debt deemed suitable for write off has been through all the recovery processes and is recommended for write off in accordance with the Council's policy. The authority to "write off" debt remains with the Council. The value of debt recommended to the Strategic Director, Finance & Investment and subsequently approved for write off during the second quarter of 2015/16 totalled £262,259. The value and number of cases written off in quarter two is provided in Appendix A.
- 2.36 322 debts were "written off" in quarter two for which the reasons are set out below. The percentage relates to the proportion of write offs by value:

Table 4: Write off numbers – 2015/16 Quarter 2

Absconded/not traced	Uneconomic to pursue	Debtor Insolvent	Deceased	Other reasons
20	206	52	22	22
£14,729	£88,150	£107,209	£13,780	£41,392

Absconded/not traced	Uneconomic to pursue	Debtor Insolvent	Deceased	Other reasons
6.2%	64%	16.1%	6.8%	6.8%

(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).

- 2.37 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)

- 2.38 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 Manager Corporate Finance

- 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 At the end of quarter 2, Elevate have exceeded profiled collection targets for leaseholders, general income and NNDR. The profile on general income has been significantly overachieved due to a large invoice to the GLA of £10m being raised and paid in the same quarter.
- 3.4 The Council wrote off debts of £222,892 in the first quarter of 2015/16 with the majority within Council Tax. In quarter two, the Council is writing off £262,259 with the majority of the write off focused on NNDR.
- 3.5 It is important that bad debts are written off promptly for budgeting purposes so the Council can maintain appropriate bad debt provision.

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 Quarter 1 and Quarter 2 2015/16.
- **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 1, 2015/16

Table 1: Debts Written Off during Qtr 1 2015/16

Write-offs		Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
Apr-15	Under 2k	1,968	6,184	0	0	0	4,298	12,450
	Over 2k	0	0	0	0	0	0	0
	Over 10k	0	0	0	0	0	0	0
	Total	1,968	6,184	0	0	0	4,298	12,450
May-15	Under 2k	11,167	671	0	0	38,751	22,185	72,774
	Over 2k	0	0	0	0	0	0	0
	Over 10k	0	0	0	0	0	0	0
	Total	11,167	671	0	0	38,751	22,185	72,774
Jun-15	Under 2k	14,681	22,825	15,185	0	58,830	0	111,521
	Over 2k	15,784	5,489	4,874	0	0	0	26,147
	Over 10k	0	0	0	0	0	0	0
	Total	30,465	28,314	20,059	0	58,830	0	137,668
Quarter 1 Totals		43,600	35,169	20,059	0	97,581	26,483	222,892

Table 2

COUNT for Quarter 1 for 2015/16

Write-offs		Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
Apr-15	Under 2k	86	41	0	0	0	11	138
	Over 2k	0	0	0	0	0	0	0
	Over 10k	0	0	0	0	0	0	0
	Total	86	41	0	0	0	11	138
May-15	Under 2k	34	5	0	0	189	38	266
	Over 2k	0	0	0	0	0	0	0
	Over 10k	0	0	0	0	0	0	0
	Total	34	5	0	0	189	38	266
Jun-15	Under 2k	13	76	78	0	192	0	359
	Over 2k	0	1	1	0	0	0	2
	Over 10k	0	0	0	0	0	0	0
	Total	13	77	79	0	192	0	361
Quarter 1 Totals		133	123	79	0	381	49	765

Table 3: Debts Written Off during Qtr 2 2015/16

Write-offs		Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
Jul-15	Under 2k	13,632	115	0	0	0	0	13,747
	Over 2k	0	5,489	0	0	0	0	5,489
	Over 10k	0	0	0	0	0	0	0
	Total	13,632	5,604	0	0	0	0	19,236
Aug-15	Under 2k	2,031	0	0	0	0	0	2,031
	Over 2k	36,198	4,333	0	0	0	0	40,531
	Over 10k	0	0	0	0	0	0	0
	Total	38,229	4,333	0	0	0	0	42,563
Sep-15	Under 2k	7,359	10,554	0	0	0	113,562	131,475
	Over 2k	0	0	0	0	0	71,985	71,985
	Over 10k	0	0	0	0	0	0	0
	Total	7,359	10,554	0	0	0	185,547	203,460
Quarter 2 Totals		59,221	20,491	0	0	0	185,547	265,259

Table 4

COUNT for Quarter 2 2015/16

Write-offs		Housing Benefits	General Income Debts	Former Tenant Arrears	Rents	Council Tax	NNDR	TOTAL
Jul-15	Under 2k	41	1	0	0	0	0	42
	Over 2k	0	1	0	0	0	0	1
	Over 10k	0	0	0	0	0	0	0
	Total	41	2	0	0	0	0	43
Aug-15	Under 2k	8	0	0	0	0	0	8
	Over 2k	4	2	0	0	0	0	6
	Over 10k	0	0	0	0	0	0	0
	Total	12	2	0	0	0	0	14
Sep-15	Under 2k	35	32	0	0	0	182	249
	Over 2k	0	0	0	0	0	16	16
	Over 10k	0	0	0	0	0	0	0
	Total	35	32	0	0	0	198	265
Quarter 1 Totals		88	36	0	0	0	198	322

Table 1: 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 2: 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 3: 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 4: 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	£2,268,652

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APPENDIX C

NAME	AMOUNT	DEPARTMENT	REASON
Ms Daniela Neto & Mr O K Nwannenah	£2,326.04	GI	The invoices for nursery accounts are issued for a set period as specified by the nursery. In this case the customer was invoiced for the period 3.9.12 up to 31.12.12. Nurseries specify that payments can be made by monthly instalments to match the receipt of childcare vouchers and salary payments. In this case the initial invoice was for £4,789.67. Following this instructions were received to reduce the invoice on 10.10.2012 by £167.70 due to an overcharge, on 26.11.2012 by £1509.93 as place was terminated and on 19.12.2012 by 786.00 utilising the deposit paid to reduce the amount outstanding. This left a balance of £2326.04. No payments were received. Recovery action was taken and the court process followed with a judgement awarded to the Council. However, it was not possible to trace the debtor. The case was referred to an enforcement agent but again their attempts to trace the debtor were unsuccessful so the case was referred for write off.
Mr Naghmi Maik	£2,007.33	GI	The debt was for a "works in default", i.e. where the owner had not carried out the required work and the Council had had to carry it out. The invoice was issued 31.07.2012. No payments have been received. Recovery action taken was taken including the award of a court judgement to the Council. However, it was not possible to trace the debtor. The case was referred to an enforcement agent but again their attempts to trace the debtor were unsuccessful so the case was referred for write off.
Mr Jamil Ahmed	£1,874.06	NNDR	Account opened on 01.01.2013 and closed on 15.08.2013. The case was referred to an enforcement agent on 13.06.2013. The files were returned from the enforcement agent to establish if ratepayer resides at the forwarding address on 29.10.2013. A new bill was issued but was returned and there was no trace on external databases on 05.02.2014. Further searches produced the same negative results on 01.08.2014. The account passed for write off 11.09.2015.
Mrs Eileen Easton	£1,732.99	NNDR	Account opened on 31.12.2012 and closed on 01.08.2013. Referred to enforcement agent on 07.08.2013. Enforcement agent went to property and could not find the ratepayer, they returned the case 18.09.2013. It has not been possible to trace the debtor with searches carried out from September 2013 to September 2015. The account passed for write off 11.09.2015.

Mrs Saroj Bala Kanda	£1,670.33	NNDR	Account opened on 30.10.2010 and closed on 05.02.2013. Account sent to the enforcement agent in 03.06.2011. The enforcement agent was unable to find the debtor and subsequent searches also failed. As a consequence the account was submitted for write off on 8.09.2015.
Mr David Marks	£1,664.72	NNDR	Account was opened on 1.07.2008 and closed on 01.04.2009. Referred to enforcement agent on 03.02.2010. Returned from enforcement agent as rate payer was not at address on 22.03.2010. An address for the debtor was found in Epping, however the enforcement agent returned from address as ratepayer had moved away. Epping Council stated he moved back to Redbridge 17.12.2013. Redbridge provided a forwarding address; however the debtor was found not to live there. Further attempts to trace the debtor have not been successful and the account was passed for write off on 8.9.2015.
Mr Steven Wicks	£1,624.07	NNDR	Account opened on 11.09.2000 and closed on 01.01.2010 following a split of the premises. The period of liability is 11.09.2000 is to 01.01.2010. Business rates was last paid on 26.12.2007 and that payment cleared the balance for 2007/08. The Council received no payments after this. The period from 1.04.2009 to 1.01.2010 was covered by relief and the period from 1.04.2008 to 01.04.2009 was unpaid. Therefore the amount written off was £1,624 for one financial year. The debt was referred to an enforcement agent on 20.09.2008 following no contact from Mr Wicks. Two bills were returned from a forwarding address on 7.04.2009. Further searches failed to provide a new address. Debt passed for write off on 24.04.2015.
Ms Marion Waruguru	£1,607.19	NNDR	Account was opened on 19.05.2009. The liability period is 30.11.2008 to 24.08.2009. Throughout this period the property remained empty and no forwarding address was established. The debt was issued to enforcement agent on 19.10.2009 and was returned on 23.03.2010 as the debtor was not traced. Further searches established a forwarding address but despite this the enforcement was unable to collect and the debt was returned in January 2014. Further searched failed to produce a new address and the debt was passed for write off.
Miss Alexandra Thomas	£1,490.50	GI	The debt relates to the overpayment of wages. The initial invoice was issued 15.01.2014. Recovery action has been taken up to and including court action with the award of a judgement to the Council. The debt was referred to a debt collection agency and the debtor made an arrangement of £25.00 per month. However after 5 months the debtor defaulted. Further attempts to trace and contact the debtor were unsuccessful and the case was consequently referred for write off.

Ms Rachal Socrates	£1,442.97	NDR	Account was opened on 18.01.2012. Liability period was 1.01.2012 to 31.07.2013. The debtor informed the Council she had vacated and bills were issued to the forwarding address provided. However, these bills were returned on 12.06.2013. Further searches failed to find the debtor, the debt was passed for write off on 1 August 2015.
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