

## Notice of Meeting

### CABINET

**Tuesday, 21 January 2020 - 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 Sade Bright, Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Margaret Mullane, Cllr Lynda Rice and Cllr Maureen Worby

Date of publication: 13 January 2020

Chris Naylor  
Chief Executive

Contact Officer: Alan Dawson  
Tel. 020 8227 2348  
E-mail: alan.dawson@lbbd.gov.uk

---

Please note that this meeting will be webcast, which is a transmission of audio and video over the internet. Members of the public who attend the meeting and who do not wish to appear in the webcast will be able to sit in the public gallery on the second floor of the Town Hall, which is not in camera range.

Webcast meetings can be viewed at <https://www.lbbd.gov.uk/council/councillors-and-committees/meetings-agendas-and-minutes/overview/>.

### 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 (Pages 3 - 9)**

**4. Budget Monitoring 2019/20 - April to November (Month 8) (Pages 11 - 21)**

**5. Housing for Vulnerable People Programme (Pages 23 - 31)**

6. **Review of School Places and Capital Investment - Update January 2020 (Pages 33 - 52)**
7. **Procurement of Refuse / Recycling Wheeled Bins and Bags (Pages 53 - 60)**
8. **Procurement of Private Hire Vehicle Services for Children and Young People with Special Educational Needs and/or Disabilities (Pages 61 - 71)**
9. **Council Tax Support Scheme 2020/21 (Pages 73 - 75)**
10. **Calculation and Setting of the Council Tax Base for 2020/21 (Pages 77 - 81)**
11. **Any other public items which the Chair decides are urgent**
12. **To consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

#### **Private Business**

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

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



Our Vision for Barking and Dagenham

## **ONE BOROUGH; ONE COMMUNITY; NO-ONE LEFT BEHIND**

Our Priorities

### **A New Kind of Council**

- Build a well-run organisation
- Ensure relentlessly reliable services
- Develop place-based partnerships

### **Empowering People**

- Enable greater independence whilst protecting the most vulnerable
- Strengthen our services for all
- Intervene earlier

### **Inclusive Growth**

- Develop our aspirational and affordable housing offer
- Shape great places and strong communities through regeneration
- Encourage enterprise and enable employment

### **Citizenship and Participation**

- Harness culture and increase opportunity
- Encourage civic pride and social responsibility
- Strengthen partnerships, participation and a place-based approach

This page is intentionally left blank

## MINUTES OF CABINET

Wednesday, 18 December 2019  
(7:00 - 8:20 pm)

**Present:** Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Sade Bright, Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Margaret Mullane, Cllr Lynda Rice and Cllr Maureen Worby

### 77. Declaration of Members' Interests

There were no declarations of interest.

### 78. Minutes (12 November 2019)

The minutes of the meeting held on 12 November 2019 were confirmed as correct.

### 79. Budget Monitoring 2019/20 - April to October (Month 7)

The Cabinet Member for Finance, Performance and Core Services presented a report on the Council's revenue budget monitoring position for the 2019/20 financial year as at 31 October 2019 (Month 7).

The forecast expenditure in the General Fund was £159.059m against a budget of £148.820m. Once planned drawdowns from reserves and surpluses from Collection Fund and Business Rates budgets had been taken into account, the overall budget gap was projected at £7.562m, which was broadly in line with last month.

The Cabinet Member referred to the extremely high pressures within service areas, particularly in care and support services, and referred to the Government's austerity programme and the harm it was bringing to the most vulnerable in the community.

Cabinet Members referred to the challenges in meeting the needs of those with mental health problems such as dementia and the high number of families who were struggling to cope. The Council had lobbied the Government on the issue and the need for services to be properly funded, and reference was also made to local initiatives that were being progressed to help facilitate care needs and cushion the high rise in demand.

Cabinet **resolved** to:

- (i) Note the projected revenue outturn for Council services as set out in sections 2 to 11 and Appendix A to the report, and
- (ii) Note the implications for the reserves position and the need to identify in-year action in relation to General Fund expenditure.

## 80. Update on Budget Strategy 2020/21 to 2023/24

Further to Minute 30 (16 July 2019), the Cabinet Member for Finance, Performance and Core Services presented a report which provided an update on the Council's Medium Term Financial Strategy (MTFS) for 2020/21 to 2023/24.

The Cabinet Member stated that the Council was coming to the final stages of its ambitious 2017-21 strategic transformation and savings programme, which was developed in response to the unprecedented cuts to public funding by the Government, at the same time that the Borough experienced high population growth and increasing demand for Council services. The Transformation Programme had identified £48.8m of savings to be delivered over the four year period and, as at September 2019, £23.8m had been delivered. While that was a considerable achievement, the Cabinet Member commented that the delivery of the remaining £25m was essential to the balancing of the budget in 2020/21 and beyond.

The Cabinet Member referred to the Council's revenue reserves going forward and the continuing need to mitigate in-year budget pressures to ensure that the Council retained an adequate level of reserves to respond to future unforeseen events.

The Cabinet Member also commented on the Government's decision in September to push back the detailed spending review and announce a one-year only Spending Review for 2020/21, with a new national funding formula commencing on 1 April 2021. The Cabinet Member summarised its impact and other Government funding changes on the Council, citing particularly the forecast pressure of £4m in 2020/21 caused by the changes in Business Rates Pooling arrangements, and the potentially catastrophic effect of the total removal of the New Home Bonus.

Cabinet Members referred to the tactics used by the Government to obscure the impact of its austerity policies, citing the impact on local taxpayers of essential increases to the Council Tax to support social care services and the restrictions on how Council could spend grant funding.

Cabinet **resolved** to:

- (i) Note the continued commitment to delivering the savings proposed in the MTFS reports approved by Assembly in February 2017 and updated in subsequent years;
- (ii) Agree the proposed consultation process for the budget, as set out in section 9 of the report;
- (iii) Agree to consult the residents and taxpayers of the borough on the levying of a 2% General Council tax increase and a 2% Social Care Precept to support the Borough's most vulnerable residents;
- (iv) Note that London authorities are currently exploring the possibility of a further business rates pooling arrangement and approve, in principle, that the Council should join such an arrangement if deemed appropriate; and

- (v) Delegate authority to the Director of People and Resilience, in consultation with the Chief Operating Officer, the Schools Forum and the Cabinet Member for Educational Attainment and School Improvement, to approve the final 2020/21 school funding formula submission to the Education Funding Agency.

## **81. Dedicated Schools Budget and School Funding Formula 2020/21**

The Cabinet Member for Educational Attainment and School Improvement presented a report on the latest position regarding the Government's education funding reforms and the proposed allocation of funding to schools for 2020/21.

The Cabinet Member referred to the provisional allocations for 2020/21 across the four funding areas covering the main allocation to schools (Schools block), central costs for core Local Authority education services (Central block), additional costs for Special Educational Needs pupils (High Needs block) and childcare and pre-school services (Early Years block).

The Cabinet Member reported that following intensive lobbying from many interested parties, including local councillors, MPs, headteachers, governors and the teaching unions, the Government had increased the overall funding available. For Barking and Dagenham, that had resulted in an increase of 3.4% in the main Schools block. The High Needs block had increased by 17.6%, proportionately the largest increase in the country, although the Cabinet Member clarified that the increase merely brought the level of funding more in line with the growth in demand for High Needs services in the Borough, and did not compensate for the years of underfunding.

The Schools' Forum had been consulted on the proposed funding factors for 2020/21 and the specific allocation for each school was currently subject to final consultation with Headteachers and Governing Bodies.

Cabinet **resolved** to:

- (i) Note the latest position on the national Education Funding Reform and the expected implications for Barking and Dagenham, as set out in section 2 of the report;
- (ii) Approve the 2020/21 strategy for the Schools Block as set out in section 3 of the report;
- (iii) Agree, subject to consultation with schools and (iv) below, to adopt the proposed model as the method for allocating school funding in 2020/21, as set out in section 4 and Appendix A of the report;
- (iv) Note the allocated funding for the High Needs Block as set out in section 5 of the report;
- (v) Approve, subject to final confirmation of Early Years funding, the increased hourly rates for two, three and four-year olds as set out in section 6 of the report; and

- (vi) Delegate authority to the Director of People and Resilience, in consultation with the Chief Operating Officer, the Schools Forum and the Cabinet Member for Educational Attainment and School Improvement, to approve the final 2020/21 school funding formula submission to the Education Funding Agency.

## 82. Review of the Housing Allocations Policy

Further to Minute 76 (22 January 2019), the Cabinet Member for Regeneration and Social Housing presented a report on a review of the Council's Housing Allocations Policy, which detailed the responses from a public consultation to a number of proposed amendments to the policy.

The Cabinet Member explained that the proposed amendments would help achieve the following objectives and support the Council in meeting its statutory obligations to those in housing need:

- To make the best use of the scarce resources available;
- To ensure that the Council uses its housing stock to assist in meeting the support needs of the community, including those supported by Children's Services and Adult Social Care;
- To ensure that the housing stock is used effectively to reduce costs; and
- To encourage local people to engage in finding their own solutions to problems and to become independent and resilient.

Cabinet Members noted that the proposed amendments to the policy received clear support in the consultation and agreed that the amendments would promote the above objectives.

Cabinet **resolved** to:

- (i) Note the results of the Housing Allocations Policy consultation as set out in section 4 of the report;
- (ii) Approve the amended Housing Allocations Policy as attached at Appendix 1 to the report;
- (iii) Delegate authority to the Director of Inclusive Growth, in consultation with the Cabinet Member for Regeneration and Social Housing and the Director of Community Solutions, to determine the implementation date of the policy;
- (iv) As per policy change 6 (4.11), delegate authority to the Director of Community Solutions and the Director of My Place (or nominated Heads of Service), to approve rehousing cases on the basis of exceptional circumstances or cases demanding exceptional sympathy; and
- (v) Delegate authority to the Director of Inclusive Growth to work with Reside to approve any variations to Reside policy or operations required to adhere to the allocations policy.



### **83. Corporate Plan 2018-2022: Quarter 2 2019 Performance Reporting**

The Cabinet Member for Finance, Performance and Core Services presented a report on the Council's Corporate Performance in the second quarter of the 2019/20 financial year, which set out progress in respect of the Key Accountabilities and Key Performance Indicators (KPIs).

It was noted that 33% of the KPIs were rated 'green', 31% were rated 'amber' and 22% were rated 'red' (14% fell into the 'not applicable' category because a target had not been set or performance data was awaited).

Cabinet **resolved** to:

- (i) Note progress against the Key Accountabilities as detailed in Appendix 1 to the report; and
- (ii) Note performance against the Key Performance Indicators as detailed in Appendix 2 of the report.

### **84. Procurement of Insurance Contracts**

The Cabinet Member for Finance, Performance and Core Services presented a report on the procurement of insurance contracts, covering a range of corporate insurance categories and Leasehold Right To Buy Buildings insurance.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of contracts for insurance in accordance with the strategy set out in the report; and
- (ii) Authorise the Chief Operating Officer, in consultation with the Cabinet Member for Finance, Performance and Core Services and the Director of Law and Governance, to conduct the procurement and award and enter into the contracts and all other necessary or ancillary agreements with the successful bidder(s).

### **85. Supply of Electricity through Cyclo Meters to Residential Properties**

The Cabinet Member for Regeneration and Social Housing presented a report on the procurement of a direct contract with EDF Energy to supply electricity to high-rise residential blocks served by Cyclo heating.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a direct contract with EDF for the supply of electricity through Cyclo meters to relevant LBBD residential properties, via the North East Purchasing Organisation (NEPO) framework, in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Chief Operating Officer, in consultation with the Cabinet Member for Regeneration and Social Housing, the Director of Law and Governance and Director of My Place, to enter into the contract(s) and

all other necessary or ancillary agreements with the appointed supplier.

## **86. Essex and Suffolk Water Agreement**

The Cabinet Member for Finance, Performance and Core Services presented a report on an agreement with Essex and Suffolk Water regarding the collection of water and sewage charges.

The Council collected water and sewerage charges from its social housing tenants as an agent for Essex and Suffolk Water (ESW) and the report proposed a further two-year contract with ESW, effective from 1 April 2020, with a possibility of extending the contract for another two-year term.

Cabinet **resolved** to:

- (i) Agree that the Council enters into an agreement with Essex and Suffolk Water regarding the collection of water and sewage charges, effective from 1 April 2020, on the terms set out in the report; and
- (ii) Authorise the Director of My Place, in consultation with the Cabinet Member for Regeneration and Social Housing, the Director of Law and Governance and the Chief Operating Officer, to enter into the contract and all other necessary or ancillary agreements with Essex and Suffolk Water.

## **87. Debt Management Performance and Write-Offs 2019/20 (Quarter 2)**

The Cabinet Member for Finance, Performance and Core Services introduced a report on debt management performance and write-offs for Quarter 2 of the 2019/20 financial year in respect of the debt management functions carried out on behalf of the Council by the Revenues and Benefits service within Elevate East London.

Members noted that of the 12 collection targets, seven had been met or exceeded, and five were below target. The Cabinet Member referred to the increase in Council Tax and rent arrears and suggested that the introduction of Universal Credit was a direct cause.

Cabinet **resolved** to:

- (i) Note 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 emerging impact of Universal Credit on collection levels, particularly Council Tax and rents.

## **88. Private Business**

Cabinet **agreed** to exclude the public and press for the remainder of the meeting by reason of the nature of the business to be discussed which included information exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

## 89. Investment Acquisition in Barking Town Centre

The Cabinet Member for Finance, Performance and Core Services presented a report on the proposed purchase of a strategically important site in the Barking Town Centre area, as part of the Council's Investment and Acquisition Strategy.

The Cabinet Member referred to financial arrangements associated with the proposed purchase and the projected investment yield based on a maximum purchase price, which took into account the rental income from the existing tenants and costs of borrowing.

Cabinet **resolved** to:

- (i) Agree the purchase of the headlease of the asset, as shown edged red in Appendix 1 to the report, on the terms set out in section 2 of the report; and
- (ii) Delegate authority to the Chief Operating Officer, in consultation with the Cabinet Member for Finance, Performance and Core Services and the Director of Law and Governance, to enter into necessary agreement(s) to purchase the asset subject to satisfactory due diligence and an independent valuation.

This page is intentionally left blank

## CABINET

21 January 2020

<b>Title:</b> Budget Monitoring 2019/20 - April to November (Month 8)	
<b>Report of the Cabinet Member for Finance, Performance and Core Services</b>	
<b>Open Report</b>	<b>For Decision:</b> No
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
<b>Report Author:</b> Katherine Heffernan, Group Manager – Service Finance	<b>Contact Details</b> Tel 020 289 3262 Email: <a href="mailto:katherine.heffernan@lbbd.gov.uk">katherine.heffernan@lbbd.gov.uk</a>
<b>Accountable Director:</b> Philip Gregory, Director of Finance	
<b>Accountable Strategic Leadership Director:</b> Claire Symonds, Chief Operating Officer	
<p><b>Summary</b></p> <p>This report provides a high-level overview of the key financial risks and issues faced by the Council in this financial year. There are significant demand and cost pressures within the forecast which are being monitored carefully but which carry a degree of uncertainty and are may still change during the remainder of the year. The report describes the potential impact of these pressures in high level terms and the forecasts have been made on a prudent basis. The position may therefore be overstated but the scale of the challenge means that there is no room for complacency.</p> <p>The forecast expenditure in the General Fund is £159.908m against a budget of £148.820m. A net £0.205m will be funded by planned draw down from reserves leaving £159.702m which equates to a gross General Fund overspend of £10.882m, before Collection Fund and Business rates surpluses including monies brought forward from the previous year are added which puts the overall variance at £8.318m (see Appendix A).</p> <p>This is an increase in expenditure of £0.848m largely within Social Care and Support. This is the result of a budget and data reconciliation exercise which has shown that care costs for clients with Learning Disabilities had previously been understated by around £1.3m. This is offset by improvements in Adults services from the implementation of the Charging policy and in Childrens from reductions in the cost of LAC. There has also been an improvement in Community Solutions and in Central Expenses. The forecasted Corporate Income including grants, business rates and collection fund has increased by £0.09m.</p> <p>The net result of these movements is an increase in the overall forecast of £0.755m. If the final outturn is broadly in line with the forecast the net position is an overspend of £8.318m. As at the end of 2018/19 the budget support reserve stands at £12m. Up to £4m of this however, has been earmarked to fund Transformation programmes. This would mean that this year's overspend could be largely covered from this reserve with any further residual overspend being taken from the unearmarked General Fund reserve of £17m.</p>	

<p>Although the reduction in reserves in 2019/20 is foreseen and can be managed, it is not desirable and will limit our future ability to respond to unforeseen events or invest in the borough. If this level of expenditure continues into next year it would exceed the funding plans set out in our Medium Term Financial Strategy (MTFS) and so would require the identification of further savings or income in order to set a balanced budget. For these two reasons the overspend must not be allowed to continue to grow and serious consideration needs to be given to possible remedial measures.</p>
<p><b>Recommendations</b></p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> <li>(i) Note the projected revenue outturn for Council services as set out in sections 2 to 11 and Appendix A to the report; and</li> <li>(ii) Note the implications for the reserves position and the need to identify in-year action in relation to General Fund expenditure.</li> </ul>
<p><b>Reason(s)</b></p> <p>As a matter of good financial practice, the Cabinet should be informed about the Council's spending performance and its financial position. This will assist the Cabinet in holding officers to account and in making future financial decisions.</p>

## 1 Introduction and Background

- 1.1 The final outturn for 2018/19 was an overall overspend of just under £3m (after transfers to and from reserves were taken into account). This was the net position after collection fund surpluses and there was an underlying overspend of £7m in service expenditure budgets. In addition, it must be remembered that last year the budget setting approach was that as far as possible services would be expected to contain their own growth. Only a limited amount of additional funding was identified, and this was applied in the most part to Care and Support Services. This reduced the gap for budget setting purposes and meant that additional savings proposals were not required to be identified so 2018/19 could be a “consolidation” year.
- 1.2 However, the expectation that services could contain their own growth is a challenge for many. The small amount of growth funding that could be identified was used both to deal with some specific issues in the budget and then to provide additional care and support funding. However, the sums available for this purpose (£1m for Children’s, £1.3m for Disabilities) were lower than the 2018/19 pressures. This means that those services with existing pressures have continued to overspend into 2019/20.

## 2 2019/20 Budget Monitoring Position - Summary

- 2.1 Across the Council there are known budget pressures of up to **£16.4m, with some underspends of £5.6m forecast centrally giving rise to a forecast net spend position of £10.8m.** It should be noted that this forecast has been made on a prudent basis and so there is potential for further reduction although there is also the potential for additional costs to be incurred especially in Care and Support

where we are seeing high levels of client and demand growth. It should be noted that the final quarter of the year is the period of “Winter Pressures” which can result in high demand for Adult Social Care support.

- 2.2 As in previous years there is an expected underspend within Central Expenses. The £2m provision for non-delivery of savings included in the budget in 2018/19 is still available. There are other contingency budgets such as the Redundancy budget (£1.3m of which half is currently assumed in the forecast) and the Council consistently over-achieves on gainshare against its budget (c£1.5m). In addition, there is a forecast underspend on levies of £0.2m resulting in net forecasted **underspend of £5.6m** on central budgets.
- 2.3 The Council has reviewed its policy on Minimum Revenue Provision (part of the mechanism for funding capital expenditure) and approved changes to this policy, the impact of which could result in a reduction in the forecast. However, the Public Work Loans Board has recently increased its interest rates which could offset this to some extent.
- 2.4 Included within Corporate Income are additional corporate grants, Collection Fund surpluses and business rates via the London pool totalling **£2.564m additional income**. Overall the net overspend forecast at the end of October is now expected to be £8.318m.

	MAR-20	Forecast	Forecast	
DEPARTMENT	ADJUSTED BUDGET	OUTTURN	VARIANCE	Change
SDI COMMISSIONING	7,316,490	7,166,490	(150,000)	0
CORE	6,822,740	6,936,508	113,768	0
CENTRAL MINUS F30080	35,092,527	29,530,527	(5,562,000)	(95,000)
EDUCATION, YOUTH & CHILDCARE	3,918,400	3,918,400	0	0
LAW, GOVERNANCE & HR	(1,357,906)	(1,374,906)	(17,000)	0
POLICY & PARTICIPATION	2,909,765	3,024,765	115,000	(80,503)
CARE & SUPPORT	72,133,998	86,765,998	14,632,000	1,322,000
INCLUSIVE GROWTH	994,880	994,880	0	0
COMMUNITY SOLUTIONS	9,790,605	9,987,605	197,000	(298,000)
MY PLACE	6,259,591	6,693,591	434,000	(102)
CONTRACTED SERVICES	4,938,920	6,058,920	1,120,000	0
<b>TOTAL GENERAL FUND BUDGET</b>	<b>148,820,010</b>	<b>159,702,778</b>	<b>10,882,768</b>	<b>848,395</b>
<b>CORPORATE INCOME</b>	<b>(148,820,010)</b>	<b>(151,384,326)</b>	<b>(2,564,316)</b>	<b>(92,716)</b>
<b>NET GENERAL FUND POSITION</b>	<b>0</b>	<b>8,318,452</b>	<b>8,318,452</b>	<b>755,679</b>

- 2.5 More information about the key areas of risk are given below. The overall impact on reserves will be a drawdown of around £8.3m from reserves. This is manageable as there is sufficient funding to do this, but it would restrict our ability to respond to future unforeseen events and to invest in the borough. If this level of spending continues it could also put at risk our Medium Term Financial plans, requiring the identification of future savings.

### 3. Care and Support/ People and Resilience

3.1 The overall budget for People and Resilience (excl Education) in 2019/20 is £81.810m. The total expenditure forecast (main case) for these services 2019/20 is £96.2m which would result in an overall budget pressure of £14.4m. There is also a significant savings gap which is contributing to the budget gap.

3.2 Further information on the specific services is given below.

People & Resilience Group	19/20 Budget £000	19/20 Forecast £000	Variance £000	Period Movement £000	Change since 18/19 £000
Adults Care & Support	19,774	22,837	3,063	-403	1,040
Adults Commissioning	4,427	4,427	0	0	141
Disabilities Service	19,432	25,367	5,935	1,859	4,439
Children's Care & Support	34,490	40,124	5,634	-134	2,754
Children's Commissioning	4,387	4,237	-150	0	237
Public Health	-700	-700	0	0	0
<b>Group Total</b>	<b>81,810</b>	<b>96,292</b>	<b>14,482</b>	<b>1,322</b>	<b>8,611</b>

### 4. Adults' Care and Support

4.1 The total forecast for Adults Care and Support is £22.8m resulting in a budget overspend of £3.06m. This is a reduction since last month – however this is largely due to a budget transfer from Adults Commissioning of £300k. The other £100k improvement relates to increased client contributions since the implementation of the new charging policy. There continue to be underlying upwards pressures in expenditure and demand.

Service Area	19/20 Budget £000	Forecast £000	Variance £000	Period Movement £000
Adult packages	7,781	8,440	659	-131
Adult teams	3,735	3,775	40	40
Adult homes and centres	2,031	2,191	160	-40
Mental Health	4,567	7,071	2,204	-271
Adults Other (Support services)	1,360	1,360	0	0
<b>Directorate Total</b>	<b>19,474</b>	<b>22,837</b>	<b>3,063</b>	<b>-402</b>

4.2 The main area of increase and budget pressure is in the Adults' Care Packages. This forecast includes provision for the expected care fee increases (which will be funded from the IBCF) and assumes a continuation of the clear upward trend in demand. This means that if demand growth slows or ceases the position may improve. There are no further savings targets within Adults. However, the brought forward savings shortfall from previous years is a significant part of the current overspend.



- 4.3 The main areas of pressure in this area are spread across the range of provision:
- £1m in Homecare – although this makes up a significant portion of the overspend, compared to last year this area has actually seen a significant reduction in net expenditure mostly due better collection of client contributions, but due to insufficient budgets still remains one of the main causes of the overall overspend.
  - £2.5m overspend in Direct Payments which is consistent with last year's outturn position in this area but continues to be an area of significant pressure. It is expected that Direct Payments will decrease in the future as more regular reviews mean that the amount paid to clients is more accurate of their needs.
  - The above is partially offset by a £1.6m forecast on direct payment refunds, this is where unspent balances are clawed back from clients' accounts where overpayments on DP has been made. If the reviews above start to take place, we will see a drop in this figure as less will be paid out to clients in the first place thus not requiring as much claw back.
  - The above is further offset by the £913k of winter pressures money which we expect to receive in December and £400k of BCF which was additional in year growth only ratified in September.
- 4.4 Adults Homes and Centres - £160k overspend due to two significant areas. The first is Kallar Lodge where there is an income shortfall due to not being able to attract the self-funders required to meet the income target. There has been a small improvement in the position in this period but there is a remaining large gap. The other is the ongoing overspend in Relish where there is a historical pressure due to the challenges in running the café as a self-funded business.
- 4.5 Mental Health has a £2.2m overspend the bulk of which (£1.6m) is on supported living, this is due to 14 new service users in 19/20, as well as several packages having been reviewed and uplifted. The overspend in this area has increased by £0.7m from last year.
- 4.6 Mental Health has also seen over 350 Dementia cases transfer over from the Locality teams this year, which has caused a significant increase in Homecare, Residential and Nursing expenditure. A lack of in borough provisions to support these numbers is also partially to blame in the significant rise in spend within Mental Health this year.
- 4.6 The level of income has been improving steadily since the implementation of changes to the Charging Policy and the latest evidence shows that the previous estimate of £0.4m can be confirmed.
- 4.7 It should be noted although the forecast has been improving over the last few months we are about to enter the "winter pressures" period and so there is still potential for it to change as a result of new demands if these are higher (or lower) than allowed for in the forecast.

## 5. Disabilities Care and Support

5.1 The total forecast for Disabilities Care and Support is £25.4m and would result in a budget overspend of £5.9m. There has been a large increase in forecast variance for the demand led budget for Adult Care Packages and Placements.

Service Area	19/20 Budget £000	Forecast £000	Variance £000	Period Movement £000
Adults Care Packages (inc Equipment)	10,313	14,025	3,712	1,763
Children's Care Costs	1,074	2,011	937	0
SEND transport	2,619	3,327	708	139
Centres and Care Provision	1,756	2,021	265	(31)
Staffing/Management	3,670	3,983	313	(12)
<b>Directorate Total</b>	<b>19,432</b>	<b>25,367</b>	<b>5,935</b>	<b>1,859</b>

5.2 There has been a large increase in forecast variance for the demand led budget for Adult Care Packages and Placements. This is the final impact of a large data cleansing exercise following the implementation of a new Care Management system finance module. There were a group of clients that were previously being paid for via manual invoices and were not included in the forecast. These have now been added to ContrOcc which has resulted in a £1.3m shift in the projections. There is also a revised forecast for CHC income that has resulted in a £0.4k reduction in the forecast.

5.3 The main budget variances after these changes are as follows:

- £3.8m overspend on Learning Disabilities Adults across Direct Payments, Homecare, day care and residential care;
- £937k Overspend on Children with Disabilities across Direct Payments, Respite packages and legal / court costs;
- £621k overspend on Teams and Centres, made up of pressures within the education psychology service, 80 Gascoigne Road and Life Planning; and
- £708k overspend on SEND Transport, due to existing pressure in the cost of the routes- the growth that was given to meet this pressure doesn't fully cover it.

5.4 The SEND transport forecast has increased since last month. This reflects higher demand for this service. The numbers of applications for support remain high and there are many children with complex needs who require specialist services.

5.5 The forecast is based on known commitments and has not been adjusted for future placement growth. The assumption is that the care package review activity, improved life planning and increased CHC will be enough to contain the costs of growth. If these initiatives produce greater benefits, then this would reduce the forecast, however so far demand and complexity of care needs has meant costs have increased and reviews are revealing more care costs than savings. It should be noted that there is a large cohort of young people who are due to move from

Children's to Adults services over the next few years. This may result in a large net increase in cost (for a number of reasons – a net increase in client numbers, Education funding drops out, care packages may increase as parents may not provide the same level of care and needs can increase.)

- 5.6 Including this year's savings, the service has a cumulative total of £0.835m undelivered savings built into its budget which is contributing to the pressure. There are two MTFS savings initiatives in 2019/20 – the expansion of Shared Lives and new provision at 80 Gascoigne. It is now clear that the 80 Gascoigne savings can no longer be delivered as the CQC has deemed the additional room unfit for use, whereas the shared lives scheme is still considered high risk, thus the position is unlikely to improve this year.
- 5.7 Due to the high levels of growth in this forecast – which is largely outside the services control then this forecast is a reasonable main case. The position is unlikely to improve and if anything may worsen with further transition cases being identified that will be coming into the disability service.

## 6. Children's Care and Support

- 6.1 The total forecast for Children's Care and Support is £40.12m and would result in a budget overspend of £5.6m. This is a smallish improvement since last month largely on LAC placements.
- 6.2 The third year of MTFS savings of £1.126m has been taken from the Looked After Children and Placements budget. Growth funding to support the new TOM has been added to the service at a high level. This is currently held centrally but will be vired across the service in line with the new TOM implementation.

Service Area	19/20 Budget £000	Forecast £000	Variance £000	Period Movement £000
Care Management	5,063	6,765	1,702	4
Looked After Children	20,555	25,612	5,057	(136)
Assessment Teams	3,355	4,388	1,033	(10)
Adolescence & YOS	1,213	1,346	133	0
Other/Central	4,304	2,013	(2,291)	7
<b>Directorate Total</b>	<b>34,490</b>	<b>40,124</b>	<b>5,634</b>	<b>(135)</b>

- 6.3 The additional costs of the Children's TOM can be met from budget available within this growth funding. However, there are staffing pressures on the service in addition to this. Currently there are posts above the TOM establishment in the forecast – additional staff in Rapid Response and staff to support the probationary period of the social workers recruited from overseas. The usage of agency has come down from the high point of around 39% but is still in excess of the budgeted ratio of 15%. This is the main factor in the overspends in Assessment and Care Management.
- 6.4 The service are confident of achieving the low risk targets which amount to £0.55m, most of these are to do with contract frameworks that are currently in place and costs are reducing as and when client packages are being transferred over to the cheaper framework rates, therefore these are effectively savings already within the projections and will not improve the outturn significantly as they will be converted to the new framework over time as reviews are undertaken.

- 6.5 The high-risk savings targets are unlikely to be achieved in this financial year as progress on these are still very minimal. Edge of Care may have up to 8 clients by the end of the year, but this will only at best achieve half of the target savings due to timing. The specialist in house provision will not be fully operational till January thus minimising the amount of savings this can generate in year.
- 6.6 Most of the pressure, however, relates to the cost of Looked After Children as follows:
- £1.35m overspend on Residential Homes, a reduction from last month
  - £1.1m overspend in the Leaving Care Service
  - £658k overspend in Specialist Agency Fostering
  - £632k overspend on Adoption Placements
  - £348k overspend in Children in Care
  - £326k overspend Family Assessment Units
  - £255k overspend in the Leaving Care Team
  - £179k overspend on Secure Units
  - £154k overspend in the Fostering Team
- 6.7 There is growth funding allocated in the MTFs to address some of these pressures.

## **7. My Place**

- 7.1 My Place are forecasting a budget pressure of £434k, which is unchanged from Month 8. The pressure is within Public Realm, which is forecast to overspend by £1.127m. This is offset by a forecast underspend of £693k across other services within My Place. There are some indications that successful management action is beginning to reduce the staffing overspends in Public Realm. If this continues after Christmas, then the forecast will be reviewed and may be reduced.
- 7.2 The forecast underspend of £693k across other services within My Place is largely within Business Development and is due to vacant posts. There are also underspends within Contract Management and Property and Asset Management. An overspend of £609k is forecast for Landlord Services, which is attributable to interim management costs and repairs and maintenance costs outside the scope of the contract with BDMS.

## **8. Contracted Services**

- 8.1 Contracted Services are forecasting a budget pressure of £1.12m. This consists of a forecast overspend of £994k for Barking and Dagenham Direct and £126k on ICT. Over the past two years savings of £0.7m have been taken for the Customer Experience and Digital Programme that have not yet been achieved in cashable terms. This is currently being assumed will be a net overspend on the budget at the end of the year.

## **9. Policy and Participation**

- 9.1 Culture and Heritage are forecast to overspend by £115k – an improvement since last month of £65k. The improvement is due to increased underspends in Cultural Commissioning and below forecast costs of NNDR. However, there are still staffing pressures at both Valence and Eastbury and Valence has a pressure on NNDR.

## **10. Core**

- 10.1 Core services are anticipating to overspend by £114k. This consist of £203k on the Elevate Client Unit, and an underspend of £89k on Finance.

## **11. Law, Governance and HR**

- 11.1 Law, Governance and HR are forecast to underspend by £17k. There is currently a nil variance on Law and Governance. Enforcement are forecast to underspend by £17k after transferring a £45k surplus within the Markets cost centre to the Markets reserve.
- 11.2 Within Enforcement where there are underspends across a number of service areas, offset by a forecast overspend of £293k within Parking. However, following the introduction of more CPZs in recent months there has been an increase in income that should offset the costs of scheme implementation and capital financing and the additional staffing costs. The service may therefore be able to come down to an on-budget position before the end of the year.

## **12. Community Solutions – £0.197m overspend**

- 12.1 At month 6, Community Solutions reported a pressure in their staffing budgets especially within Intervention services where there appear to be nine staff above the funded establishment. Since this issue was identified, the Director and his management team have been putting in place mitigations to offset this pressure. Since that time there has been confirmation of the Troubled Families income which supports some of the staffing costs in this area which has also improved the position. The net forecast variance is now £0.197m.
- 12.2 There are challenging targets for Temporary Accommodation reductions built in the budget which have been achieved as at the end of October. There are some associated risks around income collection in the hostels and the costs of the rent deposit and other prevention schemes, but these are being managed closely. If the Temporary Accommodation performance is sustained, this is expected to offset these risks and may even be a further mitigation against the other pressures in the service

## **13. Financial Implications**

Implications completed by Katherine Heffernan, Group Manager – Service Finance

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

## **14. Legal Implications**

Implications completed by Dr Paul Field, Senior Governance Lawyer

- 14.1 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.

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

**List of Appendices**

- Appendix A – General Fund Revenue budgets and forecasts.

BUDGET MONITORING REPORT - NOV 2019

APPENDIX A

CODE	DEPARTMENT	MAR-20	MAR-20	MRP	MAR-20	NOV-19	FORECAST	RESERVE TRANSFERS		OUTTURN	VARIANCE
		BUDGET	DEPRECIATION		ADJUSTED BUDGET	ACTUAL		TO	FROM		
F1000A	SDI COMMISSIONING	8,210,370	893,880		7,316,490	3,255,822	7,166,490			7,166,490	(150,000)
F1500A	CORE	6,950,740	128,000		6,822,740	9,741,223	6,936,508			6,936,508	113,768
F1600A,~	CENTRAL EXPENDITURE	26,194,567	0	8,897,960	35,092,527	11,982,079	29,530,527			29,530,527	(5,562,000)
F2000A	EDUCATION, YOUTH & CHILDCARE	20,954,810	17,036,410		3,918,400	12,321,887	3,918,400			3,918,400	0
F3000A	LAW, GOVERNANCE & HR	(1,090,536)	267,370		(1,357,906)	(4,556,157)	(1,374,906)			(1,374,906)	(17,000)
F4000A	POLICY & PARTICIPATION	3,204,475	294,710		2,909,765	483,377	3,024,765			3,024,765	115,000
F4500A	CARE & SUPPORT	73,395,668	1,261,670		72,133,998	54,448,637	86,765,998			86,765,998	14,632,000
F5000A	INCLUSIVE GROWTH	1,107,850	112,970		994,880	564,287	1,244,880		(250,000)	994,880	0
F5500A	COMMUNITY SOLUTIONS	13,495,115	3,704,510		9,790,605	6,490,119	9,987,605			9,987,605	197,000
F6500A	MY PLACE	17,635,511	11,375,920		6,259,591	(12,029,420)	6,693,591			6,693,591	434,000
F7000A	CONTRACTED SERVICES	5,385,050	446,130		4,938,920	14,061,212	6,058,920			6,058,920	1,120,000
F8000A	RESIDE PARENT	0	0		0	110,621	0			0	0
	<b>TOTAL GENERAL FUND BUDGET</b>	<b>175,443,620</b>	<b>35,521,570</b>	<b>8,897,960</b>	<b>148,820,010</b>	<b>96,873,686</b>	<b>159,952,778</b>	<b>0</b>	<b>(250,000)</b>	<b>159,702,778</b>	<b>10,882,768</b>
	<b>CORPORATE FUNDING</b>										
F30700	COUNCIL TAX	(61,786,000)			(61,786,000)	(61,785,551)	(61,785,551)			(61,785,551)	449
F30700	BUSINESS RATES	(79,161,010)			(79,161,010)	(29,321,368)	(79,839,349)			(79,839,349)	(678,339)
F30700	NON-RINGFENCED GRANTS	(7,873,000)			(7,873,000)	(45,082,928)	(7,200,139)	209,968	(975,994)	(7,966,165)	(93,165)
F30700	C/F SURPLUS	0			0	(1,793,261)	(1,793,261)			(1,793,261)	(1,793,261)
		(148,820,010)			(148,820,010)	(137,983,109)	(150,618,300)	209,968	(975,994)	(151,384,326)	(2,564,316)
	<b>NET GENERAL FUND POSITION</b>	<b>26,623,610</b>	<b>35,521,570</b>	<b>8,897,960</b>	<b>0</b>	<b>(41,109,423)</b>	<b>9,334,478</b>	<b>209,968</b>	<b>(1,225,994)</b>	<b>8,318,452</b>	<b>8,318,452</b>
F2500A	DEDICATED SCHOOLS GRANT	0	0		0	5,602,628	3,056,095			3,056,095	3,056,095
F3500A,~	HRA MINUS F51020	0	0		0	(847,723)	2,790,603			2,790,603	2,790,603
	<b>OVERALL LBBD POSITION</b>	<b>26,623,610</b>	<b>35,521,570</b>	<b>8,897,960</b>	<b>0</b>	<b>(36,354,518)</b>	<b>15,181,176</b>	<b>209,968</b>	<b>(1,225,994)</b>	<b>14,165,150</b>	<b>14,165,150</b>

This page is intentionally left blank



## CABINET

21 January 2020

<b>Title:</b> Housing for Vulnerable People Programme	
<b>Report of the Cabinet Member for Health and Social Care Integration and Cabinet Member for Regeneration and Social Housing</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
<b>Report Authors:</b> Michael Westbrook, Head of Housing and Asset Strategy - Inclusive Growth Ross Graham, Strategy & Commissioning Officer - Inclusive Growth	<b>Contact Details:</b> E-mail: ross.graham@lbbd.gov.uk; michael.westbrook@lbbd.gov.uk
<b>Accountable Strategic Leadership Directors:</b> Graeme Cooke, Director of Inclusive Growth and Elaine Allegretti, Director of People and Resilience	
<p><b>Summary</b></p> <p>Next spring, three strategies will be taken forward to Cabinet and then Assembly: Inclusive Growth; Prevention, Independence &amp; Resilience and Participation &amp; Engagement.</p> <p>Central to the Inclusive Growth strategy is our ambitious plans for providing homes and housing. Aligned to this and the aims of the Prevention, Independence &amp; Resilience strategy, the Council has recently launched a corporate programme around Housing for Vulnerable People. The aim of this programme is to ensure no one is left behind as Barking and Dagenham's accommodation supply increases: providing vulnerable residents with suitable accommodation which is inclusive of complex and changing needs and provides a platform to improve their prosperity and well-being.</p> <p>This report seeks Cabinet endorsement of a set of commitments related to housing for vulnerable groups which will guide the delivery of this programme.</p> <p>Once adopted, they will be integrated into the strategic framework brought forward next spring.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <p>(i) Note the background and aims of the Housing for Vulnerable People Programme as set out in section 2 of the report; and</p> <p>(ii) Endorse the commitments set out in section 3 of the report.</p>	

## **Reason(s)**

The development of a housing offer for vulnerable residents which enables outcomes and makes cost-effective use of supply is a priority for the Council. Inadequate housing is currently a major cause of several issues facing the borough's population, and for the Council services who support residents.

Recognising the importance and complexity of this issue, the Council has launched a corporate programme which is working across Inclusive Growth, People and Resilience, Community Solutions, My Place and other areas to align the housing need of vulnerable groups in the borough with the delivery of our new build programme and other improvement activities, ensuring no one is left behind as the borough grows.

### **1. Introduction and Background**

- 1.1 Inadequate housing is a major cause of several issues facing the borough's population, and for the Council services who support residents. This ranges from overcrowding, to residents with high needs having to live in inappropriate accommodation.
- 1.2 Some of the effects of this are easily quantifiable – financial pressures placed on council budgets, or departmental caseloads. But there are several wider social issues that are exacerbated by poor housing – such as child poverty, loneliness/isolation and impacts on children's performance at school.
- 1.3 A key pillar of our Inclusive Growth strategy is our ambitious programme for homes and housing. This is about the cost of housing, security of tenure, quality of homes, and the ability of our housing provision to meet changing needs – whether around size of home needed, supporting households to get on the housing ladder, or specialist and adapted housing to enable vulnerable residents to remain part of the community and receive the support they need.
- 1.4 The growth in the number of homes in the borough in the coming years is an opportunity to increase the amount and quality of housing provision for more vulnerable residents. A significant proportion of the new homes built in the borough will be delivered by the Council directly – built by Be First and managed by Reside.
- 1.5 However this also needs to be supported by joint-working which ensures that we allocate homes in a way that supports residents – understanding their wider circumstances – and making best use of available properties. It is also essential that we have in place robust processes which ensure that the homes are good quality, well design and well managed. This includes making the best use of existing homes.
- 1.6 The corporate programme brings together all of these points with an aim to develop a housing offer that enables the best possible outcomes for our vulnerable residents.

## 2. Proposal and Issues

- 2.1 This report seeks Cabinet endorsement for a set of commitments for housing for vulnerable people in Barking & Dagenham. These commitments will be delivered on through a programme of work which seeks to understand demand, align this with supply, and create effective and joined up processes to deliver the best possible outcomes for vulnerable people.
- 2.2 The Housing for Vulnerable People programme sits within the wider Inclusive Growth programme. Its aim to ensure no one is left behind as Barking & Dagenham grows, by building relationships, processes and governance to align the housing need of vulnerable groups in the borough with the delivery of our new build programme and other housing improvement activities.
- 2.3 The programme builds on a number of successes already achieved in this area and is aligned to wider Barking and Dagenham innovations in areas such as prevention and early intervention and the use of data and insight to guide decisions.
- 2.4 The programme is organised into the following workstreams:

### **Workstream 1: Demand modelling**

- Deliver robust demand modelling that can be reviewed and revisited regularly as the population and or policy changes to ensure it is kept up-to-date and responsive.

### **Workstream 2: Process and operational improvements**

- Create new processes and enhance existing process around allocation, placements, lettings and move-on planning.

### **Workstream 3: Ratification and monitoring of housing pathways**

- Joint agreement of the overall process and user journey – connecting demand, process, policy and supply

### **Workstream 4: Policy**

- Ensure the needs and aspirations of vulnerable residents are captured in relevant policy and strategy frameworks, with policies clearly articulating how the available supply is apportioned to ensure that we are using our available resources in the best possible way.

### **Workstream 5: Supply**

- Deliver new housing supply as part of the Council's new build programme to meet the needs of vulnerable residents

- 2.5 While there are specific vulnerable cohorts which have been identified as a priority within the programme, the programme will be dynamic and run on the premise that it support work on accommodation solutions for a broad cohort of vulnerable individuals based on insight and evidence from Care and Support and Community Solutions. As such, it will include, but will not be limited to:

- Care leavers
- Older people
- Mental Health
- Disability

- Domestic violence
- Substance misuse
- Homeless 16/17 year olds.

### **3. Housing for Vulnerable People commitments**

3.1 As part of the housing for vulnerable people programme, the following set of commitments have been developed for endorsement by Cabinet:

- We will ensure the Barking Riverside development leaves no one behind: to date, we have secured an extra care scheme for older residents of 60 units, 35 units for vulnerable adults with learning disabilities and a further 35 for young people leaving care within general needs schemes.
- We are the corporate parents of our children leaving care – and our new build programme will provide stable accommodation that supports their social and mental wellbeing, including shared accommodation and one bedroom flats integrated into the existing community.
- Older people in our borough should live independently wherever possible in a setting that supports this. We will initiate a comprehensive review of our provision for sheltered housing and extra care and bring forward a plan of investment, improvements and new provision to best meet the needs of individuals and our future older population.
- Every new build development will consider the needs of vulnerable people. We will build specialist accommodation – purpose-built properties for people with physical disabilities, severe and enduring mental health needs, older people and care leavers. These properties will be future proofed – with the capacity for adaptations and care technology.
- All accommodation for vulnerable people must consider how they are connected to their wider communities, including avoiding social isolation, having access to shops, green spaces, transport, healthcare, community facilities and a social life. All vulnerable people should be able to be part of a thriving community.
- Vulnerability exists outside of statutory social care responsibilities as well. Inclusive Growth means everyone, and we will assess and deliver according to the housing need of groups beyond Care Act eligibility such as victims of domestic abuse, those with substance misuse issues and those with no recourse to public funds.
- When allocating housing we will work in a relational way with vulnerable residents to understand their wider circumstances and ensure that housing can best support their needs and their wellbeing and provide choice and control – not just allocating the first available accommodation.

#### 4. Options Appraisal

- 4.1 The only other option would be to not adopt these commitments, but this was discounted as Cabinet-level endorsement demonstrates the importance of this issue.

#### 5. Consultation

- 5.1 Consultation has taken place with the following in preparing this report and commitments:

- Cabinet Member for Health and Social Care Integration
- Cabinet Member for Regeneration and Social Housing
- Corporate Strategy Group
- People & Resilience Management Group

#### 6. Financial Implications

Implications completed by Katherine Heffernan, Group Manager – Service Finance

- 6.1 There are no direct financial implications arising from this report at this state. However, it is important to recognise that the commitments must be delivered in ways that are financially sustainable and this could be a limiting factor to the scale and method of delivery. There are several potential funding streams for new housing including capital receipts (including Right to Buy receipts,) GLA and Central Government grant funding, borrowing secured against and repaid from future rent income and investment by developers as part of the planning requirements. All proposed schemes and developments will require a full financial appraisal of their viability and the options for funding.

#### 7. Legal Implications

Implications completed by Dr Paul Field, Senior Governance Lawyer

- 7.1 This report sets out policy considerations to be considered when determining the housing dimension component of the Housing for Vulnerable People Programme and will inform the developing Inclusive Growth and Prevention, Independence & Resilience strategies. Setting policy consideration accords with the performance regime established by the Local Government Act 1999 as amended by the Local Audit and Accountability Act 2014 together with supporting legislation, requires the Council to work to achieve continuous improvement and best value as it provides a tool to assess whether plans and actions will secure the objectives agreed by the Cabinet to be housing for vulnerable people commitments.

#### 8. Other Implications

- 8.1 **Risk Management** – The following risks are associated with the commitments

Risk	Mitigation
The commitments are not delivered on, causing reputational damage to the Council.	Successfully deliver the Housing for Vulnerable People programme.

The housing for vulnerable people programme does not operate according to these commitments.	Ensure these commitments and this report is held as part of the project documentation and referred to when different project elements, such as new build plans, come forward.
--	---

8.2 **Corporate Policy and Equality Impact** – This report is a set of Cabinet commitments and therefore does not directly impact residents.

This report does indirectly have a positive impact on certain protected characteristics given the intentions of the Housing for Vulnerable People Programme. This is because the commitments support the Housing for Vulnerable People programme which seeks to ensure that no one is left behind as Barking and Dagenham’s accommodation supply increases: providing vulnerable residents with suitable accommodation which is inclusive of complex and changing needs and provides a platform to improve their prosperity and well-being.

The vulnerable groups to be supported as part of this programme include care leavers, people with disabilities, older people, and people with severe and enduring mental health needs.

An equalities screening tool has been completed and included as an appendix.

8.3 **Safeguarding Adults and Children** - These commitments support the Housing for Vulnerable people programme and will guide its delivery. This programme seeks to improve the housing offer for vulnerable groups including care leavers and looked after children, older people, people with disabilities and people with severe and enduring mental health issues. In improving the housing offer for these groups it seeks to improve well-being and reduce inequalities, delivering on the Council’s statutory responsibilities under the Children Act 2006 and the Care Act 2014.

8.4 **Health Issues** - These commitments support the Housing for Vulnerable people programme and will guide its delivery. In seeking to provide housing for vulnerable groups, this programme will improve health and well-being outcomes.

8.5 **Property / Asset Issues** - These commitments support the Housing for Vulnerable people programme and will guide its delivery. This programme will seek to align the needs of vulnerable groups with the new build programme.

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

**List of appendices:**

- **Appendix 1:** Equalities Impact Assessment Screening tool.

## Appendix 1 - Equality Impact Assessment Screening Tool

Equality Impact Assessments help the Council to comply with its public sector duty under the Equality Act 2010 to have due regard to equality implications. EIAs also help services to be customer focussed, leading to improved service delivery and customer satisfaction.

The Council understands that whilst its equalities duty applies to all services, it is going to be more relevant to some decisions than others. We need to ensure that the detail of Equality Impact Assessments (EIAs) are proportionate to the impact of decisions on the equality duty, and that in some cases a full EIA is not necessary.

This tool assists services in determining whether plans and decisions will require a full EIA. It should be used on all new policies, projects, functions, staff restructuring, major development or planning applications, or when revising them.

Full guidance on the Council's duties and EIAs and the full EIA template is available at [Equality Impact Assessments](#).

<b>Proposal/Project/Policy Title</b>	Housing for Vulnerable People Programme – Cabinet Commitments	
<b>Service Area</b>	Inclusive Growth / Care and Support	
<b>Officer completing the EIA Screening Tool</b>	Ross Graham, Strategy and Commissioning Officer, Inclusive Growth	
<b>Head of Service</b>	Michael Westbrook, Head of Housing and Asset Strategy, Inclusive Growth	
<b>Date</b>	21/11/2019	
<b>Brief Summary of the Proposal/Project/Policy</b> Include main aims, proposed outcomes, recommendations/decisions sought.	In September 2019, Corporate Strategy Group endorsed the Housing for Vulnerable People Programme Initiation Document (PID). This programme is now live, being delivered across services, facilitated by Inclusive Growth. Principles and actions from the PID, particularly in relation to provision for vulnerable people as part of the Council's new build programme, have been drafted into a set of Cabinet commitments for a report of the Cabinet member for Health and Social Care Integration. These commitments will guide the delivery of the Housing for Vulnerable People Programme, and will be integrated into both the Inclusive Growth and People & Resilience strategies going to Cabinet next May.	
<b>Protected characteristic</b>	<b>Impact</b>	<b>Description</b>
<b>Age</b>	Positive impact (L)	These commitments include a commitment to ensuring older people in Barking and Dagenham can live independently wherever possible, and pledges to review current sheltered housing provision.

## Appendix 1 - Equality Impact Assessment Screening Tool

<b>Disability</b>	Positive impact (L)	These commitments note that every new build development will consider the needs of those with physical disabilities.
<b>Gender re-assignment</b>	Positive impact (L)	These commitments will have no impact on gender re-assignment.
<b>Marriage and civil partnership</b>	Not applicable (N/A)	These commitments will have no impact on marriage status.
<b>Pregnancy and maternity</b>	Not applicable (N/A)	These commitments will have no impact on Pregnancy and maternity.
<b>Race</b>	Not applicable (N/A)	These commitments will have no impact on Race
<b>Religion</b>	Not applicable (N/A)	These commitments will have no impact on Religion
<b>Sex</b>	Not applicable (N/A)	These commitments will have no impact on Sex
<b>Sexual orientation</b>	Not applicable (N/A)	These commitments will have no impact on sexual orientation
<b>How visible is this service/policy/project/proposal to the general public?</b>		<b>Medium visibility to the general public (M)</b>
<b>What is the potential risk to the Council's reputation?</b> Consider the following impacts – legal, financial, political, media, public perception etc		<b>Medium risk to reputation (M)</b>

If your answers are mostly H and/or M = **Full EIA to be completed**

If after completing the EIA screening process you determine that a full EIA is not relevant for this service/function/policy/project you must provide explanation and evidence below.

A full EIA is not relevant because this cabinet report is a set of cabinet commitments in relation to the Housing for Vulnerable People programme, and does not in itself directly impact residents. Each new development brought to Cabinet which is part of the new build will be subject to equality impact assessments.

In addition, the commitments pledge and support this programme which seeks to ensure that no one is left behind as Barking and Dagenham's accommodation supply increases: providing vulnerable residents with suitable accommodation which is inclusive of complex and changing needs and provides a platform to improve their prosperity and well-being.

The vulnerable groups to be supported as part of this programme include care leavers, people with disabilities, older people, and people with severe and enduring mental health



## Appendix 1 - Equality Impact Assessment Screening Tool

needs.

Therefore this report has, indirectly, a positive impact on certain protected groups given the intentions of the Housing for Vulnerable People Programme.

Please submit the form to [CE-strategy@lbbd.gov.uk](mailto:CE-strategy@lbbd.gov.uk) and include the above explanation as part of the equalities comments on any subsequent related report.

This page is intentionally left blank

## CABINET

21 January 2020

<b>Title:</b> Review of School Places and Capital Investment - Update January 2020	
<b>Report of the Cabinet Member for Educational Attainment and School Improvement</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All Wards	<b>Key Decision:</b> Yes
<b>Report Author:</b> Andrew Carr, Group Manager School Investment, Organisation and Admissions	<b>Contact Details:</b> Tel: 020 8227 2254 E-mail: andrew.carr@lbbd.gov.uk
<b>Accountable Director:</b> Jane Hargreaves, Commissioning Director Education	
<b>Accountable Strategic Leadership Director:</b> Elaine Allegretti, Director of People and Resilience	
<p><b>Summary</b></p> <p>This report sets out the latest information regarding forecast demand for education places across the Borough's Schools and education settings, including nurseries and special needs dedicated provision. The forecast for demand for school places is based on a recent exercise which has been completed over the summer 2019 and has been used to inform the Department for Education (DfE) of the trends and impacts on demand at local level. These forecasts are based on a number of factors which could fluctuate and impact on the level of need: these include birth rates, migration and local housing availability, particularly new housing and regeneration projects.</p> <p>In order to respond to the need for school places a revised and updated Future Planning Programme for Basic Need 2019 to 2027 is attached as Appendix A to this report. This paper sets out the planned way it is intended to address the need for education places in the Borough and is an update based on latest information following the summer forecast review of school places.</p> <p>The report also looks forward to demonstrate a measure of the impact and forecast costs for providing new or expanded school facilities during the planned housing regeneration programme up to 2035.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> <li>(i) Note the latest position regarding forecast pupil population over the next five years, as detailed in section 2 of the report;</li> <li>(ii) Approve the Future Planning Programme for Basic Need 2019 to 2027 (revised January 2020) as set out at Appendix A to the report;</li> <li>(iii) Approve the inclusion in the Capital Programme of £7.3m from Basic Need Grant to</li> </ul>	

support the development of Greatfields Secondary and Primary school facilities and address some outstanding matters at previously expanded schools;

- (iv) Delegate authority to the Director of People and Resilience, as advised by the Procurement Board, to consider and approve the final procurement strategies for each project; and
- (v) Delegate authority to the Director of People and Resilience, in consultation with the Cabinet Member for Educational Attainment and School Improvement, the Chief Operating Officer and the Director of Law and Governance, to conduct the procurements and award the respective project contracts.

### **Reason(s)**

The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child who lives in the Borough and support the Council's Vision and Priorities, the Borough Manifest and the ambition for excellence in education set out in the LBBB Education Strategy.

## **1. Introduction and Background**

- 1.1 A report setting out the position of demand for school places and how the Council needs to respond is provided to Cabinet twice yearly. The last report was at the Cabinet meeting held on 16 July 2019, Minute 36 refers.
- 1.2 This report includes the most up to date information on forecasting pupil numbers and demand for school places taking into account birth rates, migration, regeneration projects and new housing programmes of development. Attached is a programme of school provision which will help the Council to ensure every child has the opportunity for a school place in the Borough. Future Planning Programme for Basic Need (including SEN places) 2019 to 2027 – Revised January 2020 (*Appendix A*). Details are also included here about how the Council might respond to support the provision and for pupils who have an identified Special Educational Need.
- 1.3 Following on from the significant number of schools which have been expanded in the last 10 years the opportunity to continue that practice has become much more difficult, mainly because we have exhausted the expansion opportunities where demand is highest. Also, expansion schemes need to provide value for money and not be so complex that they impact on the education of the young people attending the school.
- 1.4 As explained in previous reports the Council is now required to work with good Academy and Free school education providers to secure new schools in the Borough where such provision is approved by the Secretary of State.

## 2. Update on Pupil Numbers and Capacity

- 2.1 In the new academic year which commenced in September 2019 the forecast dip in the number of Reception age pupils due to the reduction of the corresponding birth rates in both 2014 and 2015 was maintained. Additionally, however, Reception numbers have dropped below forecasts for the second year which indicates that factors other than birth rates have come into play. This information was reported to Cabinet in the report 16 July 2019. This is accompanied by an increased demand at Yr7, the first year of secondary school. This increased demand is as a result of higher numbers again in top year primary groups, last year's Yr6 now entering secondary school. This will increase again next year. To manage this demand, increased provision has been made available at both Eastbrook Secondary in Dagenham and Greatfields Secondary in Barking and a further planned new provision at Lymington Fields (Robert Clack Lymington) for September 2020.
- 2.2 When looking at the forecast in growth of the pupil population the following factors are taken into consideration:
- numbers of pupils currently in the borough;
  - birth figures;
  - new housing proposals, as advised in the Local Plan Review;
  - historical data e.g. pupils living in borough but choosing out borough schools;
  - internal knowledge of recent population fluctuations.
- 2.3 The most recent set of pupil forecast figures have been reviewed over the last 6 months in order to provide evidence to the Government about the local changes and forecast changes to the pupil population. This data, when put together with all the other Council's forecast data, is then used by the DfE to measure the growth in pupil demand at national level and to allocate resources for meeting school place basic need at local level.
- 2.4 The forecast indicates the following:
- the primary school population across the Borough is forecast to increase from its present levels of 25,439 (excluding nurseries) at May Census 2019, to 28,641 (excluding nurseries) for the school year 2023/2024;
  - the secondary school population across the Borough is forecast to increase from its present level of 17,450 (including 6<sup>th</sup> form) at May Census 2019, to 21,394 (including 6<sup>th</sup> form) for the school year 2023/2024.
- [Note: these figures allow for the growth of the borough and projected increases to population allowing for published house building; there may be fluctuations owing to other demographic changes.]*
- 2.5 Cabinet Members are asked to note the extent of the overall increase in the last 10 years from a total pupil population of 30,967 (Jan 2010 Census) to a population of 42,889 (May 2019 Census) excluding nursery and special school numbers. This has been a period of extensive activity to create additional places to manage this 38.5% increase in the school population in the Borough. Projecting forward the forecast in numbers set out in 2.4 above indicate that in the next 5 years to 2023/2024 overall pupil numbers will increase from 42,889 to 50,035, a potential increase of 16.6%.

2.6 Looking further ahead and reflecting on the Borough Manifesto plans to increase the number of homes in the Borough, some work has been done to analyse the impact on demand for education places to support the future growth. The 41,000 new homes planned to 2034/35, which are on top of those already in construction, could generate a further 45,580 young people based on historical data and once the developments are completed and have matured. This would be broken down as follows:

Pre-School	10,910
Primary	19,091
Secondary	13,637
6 <sup>th</sup> Form	1,942
	45,580

2.7 To facilitate the numbers of pupils anticipated through the growth outlined above, there would need to be a significant investment in new school places. The number of new schools and costs are estimated as follows:

### **Pre School Nursery**

22 new pre-school nursery provision, at a projected cost of £27m

### **Primary Schools**

14 new schools at a total cost of £147m and up to 17 further schools at a projected cost of £178.5m.

### **Secondary Schools**

6 new schools at a projected cost of £252m and up to a further 4 schools at projected cost of £160m.

### **Special Schools**

2 new schools at a projected cost of £60m

Total initial cost for schools and pre-school provision would be £486m rising to £824.5m, subject to clarification about housing type and tenure. These figures exclude land costs.

At this stage it is difficult to forecast where the burden of cost will fall, this inevitably relates back to Government policy decisions in the future. Further, there will be a rise in revenue implications across the whole range of provision and for pupils who need support to get to school there are some specific additional cost related to transport. This increase will also have to be considered in relation to other Children's Services including children in social care and health.

### **3. Alternative Provision**

- 3.1 Alternative Provision (AP) is education outside school, arranged by local authorities or schools, for pupils who do not attend mainstream school for reasons such as school exclusion, behaviour issues, school refusal or short or long term illness.
- 3.2 In Barking and Dagenham there are three sites used to deliver education collectively known as Mayesbrook Park School. At this time the School is resource hungry due to its three site bases and it is felt there may be improvements to the existing facilities which would benefit the long term provision. These are currently being explored on the principles of education provision in the first instance with a future view to possibly reducing sites.
- 3.3 The three buildings currently used were never designed to support pupils in a teaching environment. The use of the buildings has grown as demand for places has increased in line with the growth in numbers. Whilst some work has been carried out to refurbish the facilities this has been limited by the extent of the existing buildings.
- 3.4 Alternative Provision is an increasingly important part of educational provision. It supports children and young people with a high level of additional needs and requires appropriate facilities and skilled staff to help young people stay connected with education, reintegrate to mainstream where possible, find positive destinations and help them to move away from behaviours which may put themselves and others at risk.
- 3.5 This is an appropriate time to review the current provision, plan for future need and look to create an environment and facilities which make a positive contribution to outcomes for the young people who are educated there.
- 3.6 A further report will come to Cabinet Members on this matter once the options have been explored. This will also need to cover any potential increase in the pupil population that might arise within the next few years.

### **4. Demand for Places for Pupils with Special Educational Needs and Disabilities**

- 4.1 Nationally, the demand for places for pupils with Special Educational Needs and Disabilities (SEND) is increasing exponentially. The number of pupils with Statements or Education, Health and Care Plans (EHCPs) requiring specialist provision to meet their needs has risen by 35% since 2014 in London (London Councils data), and the complexity of these needs is increasing.
- 4.2 Barking and Dagenham is without exception in this matter and has too experienced rapidly increasing numbers of children and young people requiring support for SEND. The report articulates the reasons as to why the demand for school places for pupils with Special Educational Needs and Disabilities (SEND) has increased and a new forecasting model to be used which will forecast with greater accuracy the level of demand to be anticipated over the next 4 year period. In addition, the model and report, highlights the most likely anticipated types of SEND likely to be seen over this period. Section 4.7 of the report outlines the type of provision required over this period to meet demand.

- 4.3 There are four areas acknowledged which have contributed to the significant rise in children with a statement of SEN or an EHCP and the number of children who have been permanently excluded and or who require alternative provision. These are;
- legislative changes,
  - underlying demographic factors
  - policy decisions which have had an impact on inclusion
  - funding pressures within in education and children's services.

#### 4.4 **Forecasting Growth in SEND**

- 4.4.1 The provision of school places is a national issue and in particular London due to the rising population which has impacted on the demand for school places in general. For Barking and Dagenham, the provision of school places has been a major area of capital investment over the last 12 years and since 2007 there has been a continuous need to create additional high quality provision to meet that demand
- 4.4.2 The forecasting of the pupil population is continually reviewed and twice yearly reported to the Councils Cabinet. This is to ensure that long term plans are developed to ensure that there are sufficient school places for every pupil who lives in the Borough and wants a school place. It should be noted that the provision of a school place is a statutory function of the Council so it is vitally important to accurately forecast the demand going forward and to balance this with the right number of additional school places. This could mean expanding existing schools and building new where there are new communities such as Barking Riverside.
- 4.4.3 There are a number of factors which are taken into consideration when calculating this overall pupil demand which are outlined in 2.2 above.
- 4.4.4 With regards to SEND, many local authorities particularly in London and this includes Barking and Dagenham have tracked information which indicates a progressive rise in children with SEND. Historically the forecasting of SEND pupils has used a method of applying a percentage (2%) of the total child/pupil population to forecast this group of young people. This until recently this has proved satisfactory however the changing and increasing numbers has called for a rethink in how future forecasts are calculated.
- 4.4.5 In order to introduce a more sophisticated forecasting model a number of senior colleagues with SEND expertise have been working together to develop a more appropriate approach.
- 4.4.6 In developing the new SEND forecasting model the starting point was to use the data on SEND primary need since 2010 for children of primary and secondary age and project that forward into future years. The projection assumed that the trend in prevalence noted from 2010 to 2018 will continue into the future and that the growth in population seen in the period 2010 to 2018 will also continue at the same rate, subject to certain contingencies.
- 4.4.7 Forecasts were made to 2022/23 for primary aged pupils and 2024/25 for secondary aged pupils. It should be noted that forecasts were based on prevalence



of SEND in primary and secondary phases and did not project existing cohorts forward.

4.4.8 Of the six models developed and tested, a hybrid of one version has been taken forward as the most suitable terms of future SEND forecasting. The model will be tested against school census data as this comes available and any adjustments made to improve forecasting reliability

4.4.9 The model chosen was used to forecast numbers requiring special school places, ARPs, and additional support in mainstream schools in and out of Borough so every pupil was captured. This apportionment to different types of provision was a strategic decision based on past patterns of decision making and an evidence that to date had been the most effective way in meeting needs of the pupil concerned and their family or carer.

#### 4.5 Primary SEND

4.5.1 Using this new model, in summary, this would indicate that an additional 113 pupils with SEND are anticipated over the next 4-year period. Further analysis of the sub-data sets also enabled the LA to forecast the following types of SEND to be seen over this 4-year period. These are:

<b>SEN classifications</b>	<b>Total</b>
ASC Autistic Spectrum Disorder	48
HI Hearing Impairment	3
VI Visual Impairment	2
SEMH Social, Emotional and Mental Health	7
PMLD Profound and Multiple Learning Difficulties	3
SLD Severe Learning Difficulty	10
SPLD Specific Learning Difficulty	0
SLCN Speech, Language and Communication Need	23
PD Medical/Physical	5
MLD (Moderate Learning Difficulties)	12
<b>Total</b>	<b>113</b>

4.5.2 Of the 113 increase in demand in pupil's places, based upon historical patterns of placements, the distribution of pupils is most like to reflect the following table below.

<b>Forecast Distribution According to Provision</b>	<b>Total Number of Additional Pupils Forecast Over 4 Years</b>
Special School	20
Mainstream ARP	14
Out Of Borough Mainstream and Independent Schools	4
Mainstream School	75
<b>Total</b>	<b>113</b>

## 4.6 Secondary SEND

4.6.1 Similar, using the new forecasting model, in summary, this would indicate that an additional 353 pupils would be anticipated over the next 4-year period. Further analysis of the sub-data sets forecast the following types of SEND to be seen over this 4-year period.

<b>SEN classifications</b>	<b>Total</b>
ASC	79
HI	10
VI	3
SEMH	67
PMLD	7
SLD	74
SPLD	1
SLCN	56
Medical/Physical	24
MLD	31
<b>Total</b>	<b>353</b>

4.6.2 Of this 353 increase in demand in pupils, based upon historical patterns of placements, the distribution of pupils is most like to reflect the following table below.

<b>Forecast Distribution According to Provision</b>	<b>Total Number Additional Pupils Forecast Over 4 Years</b>
Special School	117
Mainstream ARP	61
Out Of Borough Mainstream and Independent Schools	55
Mainstream School	120
<b>Total</b>	<b>353</b>

## 4.7 Future SEND Provision in the Borough.

4.7.1 The current SEND provision and their respective capacities have been mapped against current pupil numbers on role and forecast using the new model over the next four period to understand the additional type of places to be required.

4.7.2 Firstly, the review forecasting model has underpinned the Councils existing strategic plan for the need for a new permanent school to support pupils with Social Emotional, Mental Health (SEMH).

4.7.3 Creating such provision was initiated last September 2018 on the former City Farm site in Thames Road, Barking operated by Trinity Special School on an interim basis. From the summer of 2019 this arrangement ceased as a new Free School

called Pathways was established operated by the EKO Trust opened in September 2019 in the same location. Pathways will operate at this site until the Department for Education construct a purpose built school at another location within the borough. The new SEMH School will have the capacity to take up to 90 pupils once constructed.

- 4.7.4 The second aspect of the review again underpinned the need for a school to support pupils with Severe Learning Difficulties and Autism. A new special school would be needed to provide places for up to 160 pupils.
- 4.7.5 The DfE have previously approved the opening of such a new school in the Borough whereby they would under the Free Schools programme identify a suitable site and build the SEN school for an Academy Trust to operate. Currently Officers in the Council are assisting the DfE in a search for a suitable site to take the project forward however in reality a purpose built school will not materialise until the earliest 2022-23. The location of a new proposed site will ideally need to be located centrally in the borough, the reason is that we need to consider the transport implications for parents and carers of those vulnerable pupils and young people. In addition, it may be necessary to consider some temporary provision to accommodate the growth over the next 3 years. LBBB continues to work with the DfE to resolve this as a matter of urgency.

## **5 Greatfields School**

- 5.1 Members will be aware that officers are working in conjunction with the DfE/ESFA to provide a new secondary school and a primary facility at Greatfields Schools, on the regeneration scheme at Gascoigne (Minute 63, Cabinet 10 November 2015 refers). The new buildings are to be constructed in phases as the pupil population grows. As part of the site preparations, however, several issues have arisen including:
- Demolition and removal of spoil
  - Specialist removal of hazardous waste
  - Removal of service infrastructure
  - Installing new services for the site
- 5.2 The items highlighted above are not fully reclaimable from the DfE and the LA need to support the cost of carrying out some of these works. There have been extended discussions with the DfE, who have agreed to contribute £3m towards the costs which are likely to be in the region of £8.3m across the whole site. There is a gap to be funded therefore of £5.3m.
- 5.3 As the land belongs to the Council and the freehold for all buildings on the site remain with LBBB it seems appropriate that LBBB makes a contribution to this project to overcome the site difficulties. There is a clear benefit in the Borough in supporting this project as we are likely to hit a delay in making any additional accommodation available for September 2020, and there could be a need to educate some pupils in the new school year off site, but discussions with the school operator, the DfE and the contractor are continuing. The biggest issue is having secure knowledge about what is underground on the site.

- 5.4 In order to manage this issue in the most appropriate way it is suggested that we set aside £5.3m from the Basic Need Grant provided by DfE to support the scheme. In this way we will be able to minimise any further delays to the project.

## **6 Follow Up on Roding Primary School Fire, 4 September 2018**

- 6.1 At the Cabinet meeting 22 January 2019 details were made available about the incident of a fire as indicated above. Agreement was reached to bring in some temporary classroom accommodation – to ensure that the impact on pupil’s education was minimised. Further, that the Council was working closely with AIG, the Council’s insurers, and had appointed Equitix Management Services (EMS) the Council partner in the Local Education Partnership.
- 6.2 There has been excellent progress in carrying out this work, the liaison with the insurers Loss Adjustors, Crawford & Company, and the LEP’s building contractor MidGroup Companies – Contracting have helped to achieve a completion of the new classroom accommodation on 20 August 2019. Final settlement of the claim is to be agreed with our insurers which is estimated to be in the region of £3.6m.

## **7 Government Grant to Support new School Places – Basic Need.**

- 7.1 Further to the report provided to Cabinet 16 July 2019, Lord Agnew, Parliamentary Under-Secretary of State for the School System, has written to Directors of Children’s Services to advise that the consideration of departmental capital budgets had not been reviewed in the recent spending review. The review of capital spending will take place at government level in 2020 and it is currently proposed to advise local authorities of any allocations shortly after. Funding would relate to the financial year 2021/22.

## **8 Capital Finance – Available Capital for Meeting Basic Need**

- 8.1 At the Cabinet Meeting 16 July 2019 a summary of the available capital budget to support new school place provision that had not been allocated to specific projects was made available. This is summarised below:

8.1.1	Allocation of funding not set against specific projects	£10,959,874
8.1.2	School Condition Funding from previous year	£4,538,569
8.1.3	Funding to support additional School Place Provision in Chadwell Heath ( <i>Cabinet 12 December 2018 minute 69</i> )	£7,000,000
	<b>Total</b>	<b>£22,518,443</b>

- 8.2 Additional Works at Expanded Schools – at the June 2017 and December 2017 meeting of Cabinet it was reported that a need existed to revisit some of the expanded schools project the expanded school projects. This was because of a need to respond to subsequently identified problems which had come about since the additional provision had been put in place and more pupils were using the existing facilities.

Examples of additional works were:

- loss of space for small group tuition
- need to improve dining facilities
- visitor reception and interface
- improving external spaces

Subsequently there are still matters which need to be addressed some of these relate to secondary schools requiring addition paces for science and IT.

It is requested that £2m be set aside for supporting this continuing work during the next 2 years.

### 8.3 Financial Summary for future funding as follows:

Budget indicated at 8.1.1 above	£10,959,874
Less	
Greatfields Secondary and Primary Schools (Sections 5 above)	- £5,300,000
Additional Works at Expended Schools (Section 8.2 above)	- £2,000,000
	<hr/>
Balance to be returned for future Expansions	£3,659,874

## 9. Options Appraisal

- 9.1 Current strategy is through the housebuilding initiative formulated against a backdrop of continuing increase in demand for school places for the foreseeable future; short run surges of demand for school places e.g. over the summer period and on the supply side: limited funding on short time horizons; shortage of sites in areas of high demand; and timescales for new providers e.g. timescales for Free Schools to be established are not in the Council's control and may take 2/3 or 4 years to be set up once land is identified.
- 9.2 The agreed investment strategy (see Future Planning Programme to meet Basic Need [including SEN places] 2019 to 2027 which is attached to this report) is first, to expand provision on existing school sites as far as practicable to meet local demand on a forward looking basis (i.e. to seek value for money solutions which have longevity); then subsequently to seek and build on sites in areas of demand in Council or other public ownership that are suitable for development as a school and which also offer value for money and longevity; to support those external providers that have access to further capital funding and are capable and willing to provide high quality inclusive education places that comply with the Council's Admissions Policies.
- 9.3 The variables that influence the delivery of this strategy are: demand fluctuations; the willingness of governing bodies to accede to expansion plans; funding limitations; cost variances – specific to sites; timescales to achieve cost efficient/ competitive prices in short timescales.

- 9.4 The proposed delivery of the strategy is set out in the report approved by Cabinet 16 July 2019, Minute 36 (Strategy for Ensuring School Places and School Modernisation). As part of the strategy the document encompasses a further document now updated Future Planning Programme to meet Basic Need [including SEN places] 2019 to 2027. This document sets out proposed projects. Specific projects may be subject to change for the reasons set above, and other projects substituted. The overall strategy is robust and remains the same: individual project specifics may change but will remain in the overall strategic framework.
- 9.5 Options exist for any specific scheme and are explored to ensure that the overall strategic outcomes sought are achieved in the most beneficial way being economic and appropriate for the school. Other overall strategies e.g. to rely on outside providers to meet the prospective short fall of school places would not be effective on their own: timescales and speed of reaction are too short.

## **10. Consultation**

- 10.1 These proposals are not Ward specific. There has been consultation with a range of officers throughout the Council in order that appropriate matters are considered including financial, legal, risk management and others mentioned in section 13 of this report.

## **11. Financial Implications**

Implications completed by: Mike Maduro, Investment Monitoring Officer, Corporate Finance

- 11.1 This report provides an update on projected pupil numbers and planned place provision for the 2019/20 academic year. There is a forecast dip in demand for reception places which could result in excess capacity however in the longer term the forecast is for future growth especially in the west and south of the borough. Since school funding is directly linked to the number of filled places, it is very important that the authority and schools work together in a planned way to minimise vacancies.
- 11.2 This report provides an update on projected pupil numbers and planned place provision between 2019/20 – 2034/35. It is anticipated that 46K new school places will be required, detailing a potential increase in cost provision from £486m to £825m.
- 11.3 These allocations are generally fully grant funded and should have no additional financial implications for the Council. However at this stage it is very difficult to predict where the burden of costs will fall and relate back to Government policy decisions in the future. Any major risks, issues or overspending that become apparent will be monitored, managed and reported on as part of the Council's normal quarterly capital monitoring process.
- 11.4 The report also identifies growth in the number of children with special educational needs (SEND) including those with complex needs requiring specialist provision. This trend (which has existed for some time) is linked to pressures on the High Needs Block of the DSG which overspent in 2018/19 and is at risk of doing so again in 2019/20. There is a strong need therefore to expand provision available that

offers best value for money (both high quality and lower in cost than the independent sector).

- 11.5 The report details the Capital Finance allocation to meet basic needs, including £11mil not set aside for specific projects, £4.5mil for school condition funding and £7mil for School place provision in Chadwell Heath.
- 11.6 It should also be noted that £8.3mil is required to provide new schools provision with the Gascoigne regeneration scheme. The DfE are only willing to fund £3m of this, leaving a shortfall of £5.3mil. It is anticipated that this will be covered in the short term by un-allocated basic needs grant. However long term consideration needs to be made as to how the council will fund this to minimise impact to the overall capital programme.

## **12. Legal Implications**

Implications completed by: Lucinda Bell, Education Lawyer and Kayleigh Eaton, Senior Contracts and Procurement Solicitor

- 12.1 The Council as an education authority has a duty to promote high standards of education and fair access to education. It also has a general duty to secure sufficient schools in their area, and to consider the need to secure provision for children with SEN (sections 13 and 14 of the Education Act 1996).
- 12.2 Where the Council carries out any procurements it must do so in accordance with the Council's Contract Rules and where the contract has a value which is in excess of the EU thresholds then the procurement must be carried out in accordance with the Public Contracts Regulations 2015.
- 12.3 In line with Contract Rule 50.15, Cabinet can indicate whether it is content for the Chief Officer to award contracts following the procurement process with the approval of Corporate Finance.

## **13. Other Implications**

### **13.1 Risk Management**

- 13.1.1 Risk that funding levels will not be sufficient to meet demand to create new education places needed.

This risk is high impact (4) and medium (3) probability = 12 red. This risk is being managed by purchasing the most affordable accommodation which is system build where possible. Post control the risk is high impact (4) and low (2) probability = 8 amber.

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

- 13.1.3 Secondary schools: risk that site availability would prevent delivery of school places in the areas where demand is highest.  
This risk is high impact (4) and medium (3) probability = 12 red. This risk is being mitigated, as far as practicable, by expanding all available sites in high demand areas, and reviewing other buildings for potential school use. Post control the risk is still high impact (4) and medium (3) probability = 12 red.
- 13.1.4 Risk that the cost of the rate of deterioration of the school estate will outrun the funding available to maintain it.  
This risk is high impact (4) and high (4) probability = 16 red. This risk is being mitigated as far as practicable by lobbying DfE for improvements in funding. Post control the risk is high impact (4) and medium (3) probability = 12 red.
- 13.1.5 The provision of school places is a matter which is directly identified in the Corporate Risk Register and listed at Corporate Risks 31 – Provision of School Places.
- 13.1.6 Risk that final costs will be higher than estimate costs.  
This risk is high impact (4) and high (4) probability = 16 red. This risk is managed through monthly finance meetings and initial planning figures that architects and schools are asked to work within being set below the highest estimate to allow for unforeseen challenges.
- 13.2 **Contractual and Procurement Issues** - It is anticipated that projects will be procured through options related either to the Local Education Partnership, open competition or through the Council's Framework of Contractors or other national or local frameworks which are accessible to the Council, with a view to securing value for money. Where the building is under a PFI contract then the requirement exists to designate the PFI contractor to arrange the works.
- 13.2.1 Legal, procurement, technical and other professional advice will be sought regarding the appropriate procurement routes and contractual agreements to procure and secure the individual projects which fall within the second phase, consisting of the secondary and primary school schemes. All procurement activity will be conducted in compliance with the Council's Contract Rules and EU Legislation.
- 13.2.2 Projects will be subject to the Capital Appraisal Process and the agreement of the Procurement Board to progress schemes. However, Cabinet Members are asked to approve procurement principles as set out to avoid the need to report back to Cabinet as such procurements are either beyond our control or need to happen quickly within pressing timescales because pupils need to be accommodated.
- 13.3 **Staffing Issues** - There are no specific staffing issues although the growing demand for school places will create additional opportunities in schools for both teaching and non-teaching staff.
- 13.4 **Corporate Policy and Customer Impact** - The decision will assist the Council in fulfilling its statutory obligations to provide a school place for every child and support the intention of the Council's Vision and Priorities, including encouraging civic pride, enabling social responsibility and growing the Borough. It is part of the mitigation of Corporate Risk 31 – Inability to Provide School Places.



The short-term impact of the recommendations for the coming year would be positive for customers on all counts of: race, equality, gender, disability, sexuality, faith, age and community cohesion. The longer term outlook is unlikely to be positive on the proposed funding levels as it will be difficult to address need on current budget levels.

- 13.5 **Safeguarding Children** - Adoption of the recommendations in the short term would contribute to the Council's objectives to improve the wellbeing of children in the borough, reduce inequalities and ensure children's facilities are provided in an integrated manner, having regard to guidance issued under the Childcare Act 2006 in relation to the provision of services to children, parents, prospective parents and young people.
- 13.6 **Health Issues** - The health and wellbeing board and JSNA highlight the importance of investing in early intervention and education to support children's and young people's long term wellbeing. The evidence and analysis set out in Fair Society, Healthy Lives (Marmot Review) has been developed and strengthened by the report of the Independent Review on Poverty and Life Chances. The reports draw attention to the impact of family background, parental education, good parenting and school based education, as what matters most in preventing poor children becoming poor adults. The relationship between health and educational attainment is an integral part of our Health and Wellbeing Strategy. At this point there is no need to change the focus of the Health and Wellbeing Strategy as a result of this report.
- 13.7 **Crime and Disorder Issues** - Appropriate consideration of the development of individual projects will take into account the need to design out potential crime problems and to protect users of the building facilities.
- 13.8 **Property / Asset Issues** - This proposed decision would facilitate the improvement and renewal of Council assets.

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

**List of appendices:**

**Appendix A** - Future Planning Programme for Basic Need (including SEN places) 2019-2027 (revised January 2020)

This page is intentionally left blank

This programme reflects the build planned and forecast opening. This data can change because of site availability and demand changes, and would be subject to negotiation with the school operator.

September 2019	Early Year Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
	Places to be reviewed	Need 0 YrR places YrR Capacity 4137 Demand forecast 3687	Need 120 Yr7 places Yr7 Capacity 3450 Demand forecast 3360	Demand forecast 3292	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	Provided 0 YrR places, capacity 4137	Greatfields Free School 3fe Yr7  Provided 90 Yr7 places, capacity 3450	No additional – to be reviewed through 6 <sup>th</sup> Form Review/Strategy	Barking Riverside Bridge (30 places per year for 5 years) – year 5  15 places SEMH provision (phase 2)
September 2020	Places to be reviewed	Need 0 YrR places YrR Capacity 4137 Demand forecast 3943	Need 0 Yr7 places Yr7 Capacity 3450 Demand forecast 3453	Demand forecast 3480	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	Provided 0 YrR places, capacity 4137	Robert Clack Lymington Fields 4fe Yr7  Provided 120 Yr7 places Capacity 3570	No additional – to be reviewed through 6 <sup>th</sup> Form Review/Strategy	15 place SEMH Provision (phase 3)

**NB: Places indicating growth are build programme, the opening of new classes or new school facilities are determined by the need to respond to forecast demand in the year of opening.**

September 2021	Early Years Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
	Places to be reviewed	<b>Need 0 Year R places YrR Capacity 4137 Demand forecast 4119</b>	<b>Need 66 Yr 7 places Yr7 Capacity 3570 Demand forecast 3636</b>	<b>Demand forecast 3787</b>	<b>SEND Places</b>
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	Lymington Fields 3fe YrR (Robert Clack)  Greatfieds Primary School 3fe YrR places  <b>Provided 180 YrR places, capacity 4317</b>	Robert Clack Lymington Fields 2fe Yr7   <b>Provided 90 Yr7 places, capacity 3660</b>	<b>No additional – to be reviewed through 6<sup>th</sup> Form Review/Strategy</b>	Planned growth over 5 years to be reported in Summer 2019 following review.
September 2022	Places to be reviewed	<b>Need 0 YrR places YrR Capacity 4317 Demand forecast 4125</b>	<b>Need 140 Yr 7 places Yr7 Capacity 3660 Demand forecast 3780</b>	<b>Demand forecast 4060</b>	<b>SEND Places</b>
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	Ford View Primary  Beam Park 3fe YrR  Mallard Primary 3fe YrR  <b>Provided 180 YrR places, capacity 4497</b>	Warren 2fe yr7   <b>Provided 90 Yr7 places, capacity 3750</b>	<b>No additional – to be reviewed through 6<sup>th</sup> Form Review/Strategy</b>	New SEND School for up to 160 places to open gradually over to next 5 years

September 2023	Early Years Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
	Places to be reviewed	Need 0 YrR places YrR Capacity 4497 Demand forecast 4112	Need 0 Yr 7 places Yr7 Capacity 3750 Demand forecast 4005	Demand forecast 4362	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	Provided 0 YrR places, capacity 4497	New Free School – Thames View – 120 Yr7 places  New Free School East Dagenham 4fe Yr7 Beam High  Provided 240 Yr7 places, capacity 3990	No additional – to be reviewed through 6 <sup>th</sup> Form Review/Strategy	
September 2024	Places to be reviewed	Need 0 YrR places YrR Capacity 4497 Demand forecast 4111	Need 0 Yr7 places Yr7 Capacity 3990 Demand forecast 4064	Demand forecast 5122	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	3 <sup>rd</sup> Barking Riverside 3fe YrR  Provided 90 YrR places, capacity 4587	New Free School – Thames View – 60 Yr7 places  New Free School East Dagenham 6fe Yr7 Beam High  Provided 240 Yr7 places Capacity 4230	No additional – to be reviewed through 6 <sup>th</sup> Form Review/Strategy	

September 2025	Early Years Provision for 2 year olds	Primary	Secondary	Sixth Form	Special Needs Provision
	Places to be reviewed	Need 0 YrR places YrR Capacity 4677 Demand forecast 4144	Need 0 Yr 7 places Yr7 Capacity 4173 Demand forecast 4064	Demand forecast 5380	SEND Places
	Provided by maintaining Ofsted inspection ratings of existing 'good' or 'outstanding' provision.	Barking Central 3fe YrR  Provided 90 YrR places, capacity 4677	To be planned when housing details are clarified  Provided 0 Yr7 places Capacity 4230	No additional – to be reviewed through 6 <sup>th</sup> Form Review/Strategy	
September 2026	Places to be reviewed	Need 0 YrR places YrR Capacity 4677 Demand forecast 4184	Need 0 Yr 7 places YrR Capacity 4230 Demand forecast 4064	Demand forecast 5412	SEND Places
		To be planned when housing details are clarified  Provided 0 YrR places, capacity 4677	To be planned when housing details are clarified  Provided 0 Yr7 places Capacity 4230	No additional – to be reviewed through 6 <sup>th</sup> Form Review/Strategy	
September 2027	Places to be reviewed	Need 0 YrR Places YrR Capacity 4677 Demand forecast 4270	Need 0 Yr 7 Places YrR Capacity 4230 Demand forecast 4064	Demand forecast 5480	SEND Places
		To be planned when housing details are clarified  Provided 0 YrR places, capacity 4677	To be planned when housing details are clarified  Provided 0 Yr7 places Capacity 4230	No additional – to be reviewed through 6 <sup>th</sup> Form Review/Strategy	

**CABINET****21 January 2020**

<b>Title:</b> Procurement of Refuse / Recycling Wheeled Bins and Bags	
<b>Report of the Cabinet Member for Public Realm</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> None	<b>Key Decision:</b> Yes
<b>Report Author:</b> Colin Bartlett - Head of Operations, Public Realm	<b>Contact Details:</b> Tel: 020 8227 5123 E-mail: <a href="mailto:colin.bartlett@lbbd.gov.uk">colin.bartlett@lbbd.gov.uk</a>
<b>Accountable Director:</b> Robert Overall, Director of My Place	
<b>Accountable Strategic Leadership Director:</b> Claire Symonds, Chief Operating Officer	
<p><b>Summary</b></p> <p>This report presents proposals for the procurement of Domestic and Commercial Refuse and Recycling Bins including Refurbishment, Refuse and Recycling Sacks/Bags by running a mini-competition under the auspices of the Eastern Shires Purchasing Organisation Framework 860_18 Refuse and Recycling Products.</p> <p>The proposals for part of the Council's bid to reduce waste as detailed in the Waste Strategy 2016-2020 report. The report outlines steps to reduce, reuse and recycle waste by 2020 which, in turn, will reduce the volume of waste, increase reuse rate, increase recycling and increase operational efficiency boroughwide.</p> <p>A recent study showed that LBBD produces approximately 90,000 tonnes of residual waste a year. This is the highest waste production level across all London Boroughs. The study also found that LBBD was one of the lowest performing boroughs in recycling rate across London. Although some of the borough's waste is recycled, some of it is reused, some diverted for energy recovery and some of it sent to landfill, having suitable receptacles across commercial and domestic services is key to operational efficiency. With this variety of wheeled plastic and metal bins being utilised, waste will be gathered, stored, collected and transported.</p> <p>This procurement will provide a more compliant, cost effective and efficient way for the council to achieve some of the targets set in the Waste Strategy Report thus alleviating some of the concerns regarding waste collection and disposal frequently highlighted by the residents.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <p>(i) Agree the procurement of domestic and commercial refuse and recycling bins, including refurbishment, refuse and recycling sacks / bags, via the Eastern Shires Purchasing Organisation Refuse and Recycling Products Framework, in</p>	

accordance with the strategy set out in the report; and

- (ii) Delegate authority to the Director of My Place, in consultation with the Cabinet Member for Public Realm and the Director of Law and Governance, to carry out the procurements and award the contract(s) to the successful bidder(s).

### **Reason(s)**

To complete a procurement process so that the operational requirements for the supply of Refuse and Recycling Bins including Refurbishment, Refuse and Recycling Sacks/Bags are captured under a contract. This procurement will ensure that the Council's operations and services can be provided with outcomes achieved which supports the Waste Strategy Vision for 2020 - 'We want to reduce waste, increase re-use, increase recycling and provide effective, efficient and customer-focused waste services that demonstrate value for money.'

The objectives of the Waste Strategy are;

- To reduce the quantity of waste produced by the borough.
- To minimise the amount of waste that goes to landfill through increased reuse, recycling, composting and energy recovery.
- To provide an excellent waste containment and collection service to residents and businesses.
- To ensure that the Council's waste collection services are cost effective.
- To determine the best approach to reuse and recycling.
- To fully participate in the East London Waste Authority (ELWA), joint management of disposal and collection operations and the preparation for future contractual arrangements.

This procurement will provide a more compliant, cost effective and efficient way for the council to achieve some of the objectives above as set in the Waste Strategy Report, thus alleviating some of the concerns regarding waste collection and disposal frequently highlighted by the residents.

## **1. Introduction and Background**

- 1.1 A recent study showed that the London Borough of Barking and Dagenham (LBBD) produces approximately 90,000 tonnes of residual waste a year. This is the highest waste production level across all London Boroughs. The study also found that LBBD was one of the lowest performing boroughs in recycling rate in the London boroughs. Although some of the borough's waste is recycled, some of it is reused, some diverted for energy recovery and some of it is sent to landfill; having suitable receptacles across Commercial and Domestic services is key to operational efficiency. With this variety of wheeled plastic and metal bins being utilised, waste will be gathered, stored, collected and transported.
- 1.2 A Procurement Strategy report was presented and approved at Procurement Board on 20 May 2019 for Bins. Since then bin volume requirements have been checked against actuals as the volumes previously presented were estimates. The outcome is the estimated volumes were much lower than the actuals. This has had an effect on the contract values and the strategy now requires Cabinet approval for the procurement to proceed.



- 1.3 LBBD's strategy for the procurement of refuse bags has also been included into this report as it falls under the same category as bins.

## 2. Proposal and Issues

### 2.1 Timetable (envisaged)

Procurement Board Strategy Approval	16 <sup>th</sup> December 2019
Cabinet Approval	21 <sup>st</sup> January 2020
Issue Mini Competition	w/c 27 <sup>th</sup> January 2020
Deadline for responses to Further Competition	w/c 17 <sup>th</sup> February 2020
Evaluate Further Competition	February 2020
Award	March 2020

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

**Bins** - Various steel and plastic wheeled bins color coded of varying sizes to suit location, collection method and to identify different types of waste collection (Trade or Commercial) and to facilitate the separation of waste types e.g. recycling.

**Sacks/Bags** – Red/Blue Refuse bags/sacks delivered on Pallets and distributed to locations around the borough to facilitate refuse collection and recycling.

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

The total value of all the combined contracts is estimated at £756,874 over 4 years.

#### **Bins**

Over 4 years based on the following which includes a 3% uplift each year from year 2 on the two main plastic wheeled bins ordered;

Contract values by category:

Plastic wheeled bins £145,657

Steel wheeled bins £385,877

Refurbishment of steel wheeled bins £65,340

#### **Sacks/Bags**

The total Contract value is estimated at £160,000 over a 4-year contract based on the following projections;

Year 1 £40,000

Year 2 £40,000

Year 3 £40,000

Year 4 £40,000

#### 2.4 **Duration of the contract, including any options for extension.**

Each contract will be let for 4 years from date of commencement

#### 2.5 **Recommended procurement procedure and reasons for the recommendation.**

It is recommended to proceed with the procurement of Domestic and Commercial Refuse and Recycling Bins (including refurbishment), Refuse and Recycling Bags by carrying out a separate Mini-Competition for each area, under the auspices of the Eastern Shires Purchasing Organisation (ESPO) Framework 860\_18 Refuse and Recycling Products.

**Bins** – Lots 1A, 2 and 3

Lot 1A – Supply of Plastic Wheeled Bins (2 Wheeled)

Lot 2 – Supply of Steel Wheeled Bins

Lot 3 – Bin Maintenance and Repair

**Sacks/Bags** – Lot 11 – Supplier of Plastic Refuse Sacks

The council's waste management strategy has set objectives to be achieved by 2020 and the bags will make a huge contribution to achieving these objectives.

The ESPO Framework provides the best route to market due to the following reasons.

- Frameworks are well established in this area of supply with the ESPO framework covering more of the key suppliers than any other framework available. This means that the key suppliers have already been shortlisted for use providing a time and resource advantage to the Council reducing cost when compared to an open market tender.
- The framework covers refurbishment of steel wheeled bins which other frameworks do not cover
- The Council also intends to utilise the same framework for the provision of refuse sacks which will also be governed by a common set of terms & conditions allowing contract management advantages.
- Running a Mini competition for LBBDs specific requirements and projected volumes for the next four years will appoint providers who have assurance that they will receive our business for the next 4 years. This advantage of assured business (with no volume guaranteed) should result in better pricing and service from the successful provider.

**2.6 The contract delivery methodology to be adopted.**

ESPO Terms and conditions shall apply. The suppliers on the framework have all signed the terms already and are used to operating under them.

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

LBBB currently procures the bins and sacks/bags utilising the “call off pricing” from various agreements, it is expected that advantageous pricing will be received compared to current prices being paid. Service planning and operational efficiencies should be achieved as a result of the longer-term arrangement and closer relationship with the appointed providers. A section regarding added value and innovative ideas will be added into the tender which it is hoped may encourage and yield additional value or innovation from the appointed suppliers. It will also provide a more compliant, cost effective and efficient way for the council to achieve some of the targets set in the Waste Strategy Report thus alleviating some of the concerns regarding waste collection and disposal frequently highlighted by the residents

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

Price 80%, Quality 20% for all mini-competitions

With a tight specification of the provision of bins and bags, which is already heavily standardised, a strong weighting on cost can be used.

**2.9 TUPE, other staffing and trade union implications.**

Not applicable

**2.10 How will the procurement address and implement the Council’s Social Value policies?**

The provision of wheeled bins and bags assists in securing the vision of the Waste strategy 2020 - ‘We want to reduce waste, increase re-use, increase recycling and provide effective, efficient and customer-focused waste services that demonstrate value for money.

All objectives above provide environmental social value to residents and businesses in LBBB.

**3. Options Appraisal**

**3.1 Option 1 (Rejected)** – Open market procurement. This would extend the project timeframes associated with the project and is the most labour intensive and therefore costly option. The Council would have to run the procurement process starting from advertising to the open market, selection of providers, financial assessment, vetting etc. through to final award. This increases costs associated with, legal, procurement and officer time constructing and running a compliant tender from scratch and running the complete process end to end. With a choice of

well-established existing Framework encompassing the key suppliers in this area of supply this option was discounted.

- 3.2 **Option 2 (Rejected)** – Continue using “Call off framework Pricing” from the various agreements available. LBBB has been using call off pricing for the last 2 years plus. This is no longer advisable as the volumes are in excess of those recommended under the frameworks. Utilising the framework in this way provides some value for money however a mini competition utilising LBBB’s specific projected volumes over a four year period should provide better pricing and service than this option therefore this option was rejected.
- 3.3 **Option 3 (Rejected)** – Conduct a Mini competition using the Yorkshire Purchasing Organisations frameworks. This consist of two Frameworks one for metal bins one for plastic bins. This agreement was discounted as it doesn’t cover as many of the key providers and it does not provide for the provision of refurbishment of bins.
- 3.4 **Option Four: (Recommendation)** - It is recommended to proceed with the procurement of Domestic and Commercial Refuse and Recycling Bins (including refurbishment), Refuse and Recycling Sacks/Bags by running separate Mini-Competition’s under the auspices of the Eastern Shires Purchasing Organisation Framework 860\_18 Refuse and Recycling Products.

**Bins** – Lots 1A, 2 and 3

Lot 1A – Supply of Plastic Wheeled Bins (2 Wheeled)

Lot 2 – Supply of Steel Wheeled Bins

Lot 3 – Bin Maintenance and Repair

**Sacks/Bags** – Lot 11 – Supplier of Plastic Refuse Sacks

The Council’s waste management strategy has set objective to be achieved by 2020 and these bags will make a huge contribution to achieving these objectives.

The ESPO Framework provides the best route to market due to;

- Frameworks are well established in this area of supply with the ESPO framework covering more of the key suppliers than any other framework available. This means that the key suppliers have already been shortlisted for use providing a time and resource advantage to the council reducing cost when compared to an open market tender.
- The framework covers refurbishment of bins which other frameworks do not cover
- The Council also intends to utilise the same framework for the provision of refuse sacks (a separate lower value contract) which will also be governed by a common set of terms & conditions allowing contract management advantages.
- Running a Mini competition for LBBBs specific requirements and projected volumes for the next four years will appoint providers who have assurance that

they will receive our business for the next 4 years. This advantage of assured business (with no volume guaranteed) should result in better pricing and service from the successful provider

#### **4. Consultation**

- 4.1 The Director of My Place and Cabinet Member for Public Realm were consulted on this report in February and April 2019
- 4.2 The proposals for LBBB's bin requirements were considered and endorsed by Procurement Board on 20 May 2019.
- 4.3 This report required further Procurement Board approval due to the change in the contract value. Approval was obtained on 16<sup>th</sup> December 2019.

#### **5. Financial Implications**

Implications completed by Tony McNamara, Finance Business Partner

- 5.1 The reports primary aim is to formalise the procurement of the domestic, commercial refuse and recycling wheeled bins purchasing contract to improve waste collection in line with LBBB's waste strategy. The report highlights the 4 year cost at £757k which should be contained within existing budgeted resources or through additional internal and external recharges for use of commercial bins.

#### **6. Legal Implications**

Implications completed by: Graham Marlow, Contracts and Procurement Solicitor.

- 6.1 The Public Contracts Regulations 2015 ("the Regulations") and LBBB's contract rules require that a competitive tender be utilised for procurements of this nature.
- 6.2 Due to the fact that the four separate procurements are to be treated as separate procurement exercises, the legal requirements for the different lots vary due to the expected value of each of the four.
- 6.3 Refurbishment of steel wheeled bins (value: £65,340), purchase of plastic wheeled bins (value £145,657) and purchase of sacks/bags (value: £160,000) are each below the financial threshold which would otherwise require a full competitive tender under the Regulations. However, LBBB's contract rules still require a competitive tender of a less rigorous nature than as set out in the Regulations.
- 6.4 Purchase of steel wheeled bin (value: £385,877) is above the financial threshold which requires a full competitive tender in accordance with the Regulations.
- 6.5 In any event, the proposal to run mini-competitions under the ESPO framework for each of the four procurements meets the requirements of both the Regulations and LBBB's contract rules.
- 6.6 As a consequence, the recommended route for these procurements meets the necessary legal and governance requirements and so, if the recommendation is approved, then it is legally permissible to proceed down this route.

## 7. Corporate Procurement Implications

Implications completed by Sam Woolvett, Corporate Procurement

- 7.1 This report outlines the intention to use the ESPO framework agreement as the preferred route to market running a mini competition for LBBD's specific requirements forecast for the next 4 years. This route to market is compliant with the Councils procurement rules and with the EU Procurement regulations.
- 7.2 Running a full open market tender would appear to be more labour intensive than the proposed route to market which on balance should result in the best overall value for money of the available options.
- 7.3 The award criteria are stipulated by the framework owners however with this agreement provision has been made to allow the customer to tailor the weighting to the specific requirement when running a mini competition. The weightings selected should drive the cost aspect to receive competitive pricing, a very detailed specification will be required to ensure that quality and service aspects are at the levels required.

## 8. Other Implications

- 8.1 **Risk Management** – In order to ensure that the bins are of the right quality and price, a detailed specification of each bin type will be included in the tender coupled with a high weighting on price should mitigate risk and achieve the required outcomes.
- 8.2 **Contractual Issues** -ESPO's terms and conditions will be used for all mini-competitions.
- 8.3 **Corporate Policy and Equality Impact** - To assist in service improvement of providing a quality and efficient value for money service to all customers and residents within the LBBD. To promote a clean and safe environment through containerisation of waste.
- 8.4 **Property / Asset Issues** - Improper collection and disposal of refuse causes environmental issues and further highlights concerns of the lack of proper waste management by the council. This also hinders the councils bid to achieve its waste strategy objectives

### Public Background Papers Used in the Preparation of the Report:

Waste Strategy 2016 – 2020 Reduce, Reuse and Recycle

<https://modgov.lbbd.gov.uk/Internet/ieListDocuments.aspx?CId=180&MID=8805#AI64166>

**List of appendices:** None.

## CABINET

21 January 2020

<b>Title:</b> Procurement of Private Hire Vehicle Services for Children and Young People with Special Educational Needs and/or Disabilities	
<b>Report of the Cabinet Member for Educational Attainment and School Improvement and Cabinet Member for Social Care and Health Integration</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
<b>Report Author:</b> Zoe Sherritt, Commissioning Support Officer (Transport)	Contact Details: Tel: 020 8227 2713 E-mail: <a href="mailto:zoe.sherritt@lbbd.gov.uk">zoe.sherritt@lbbd.gov.uk</a>
<b>Accountable Director:</b> Chris Bush, Commissioning Director of Children's care and Support	
<b>Accountable Strategic Leadership Director:</b> Elaine Allegretti, Director of People and Resilience	
<b>Summary:</b>	
<p>The Council has a legal duty to ensure travel assistance for "eligible children" as they consider necessary to facilitate their attendance at school (s508B Education Act 1996 (EA 1996)). The term "eligible children" is defined at Schedule 35B of the Education Act 1996. Children and young people with special educational needs and/or disabilities may be considered as "eligible".</p> <p>The DfE has just launch a review into "Home to school travel and transport guidance: Statutory guidance for local authorities". The consultation has just closed (October 31st), so there could be changes to the current policy.</p> <p>The Council has a further statutory duty to provide social care support under the Care Act 2014, to vulnerable adults who qualify for support under the national eligibility criteria, both for those who cannot fund their care but also for those who can.</p> <p>This report requests authorisation for the Council to lead on a procurement exercise for the provision of private hire vehicle transport services (with and without Passenger Assistants) for children and young people with special educational needs and/or disabilities (SEND) and vulnerable adults. The other local authority requesting to be named on the framework contract is the London Borough of Redbridge.</p> <p>This exercise will culminate in the creation of a framework of suitably qualified and experienced providers for the provision of the services outlined above. This framework will also be accessible to eligible families opting to receive a Direct Payment to make their own travel arrangements, securing them the peace of mind that a rigorously vetted framework of this nature offers.</p> <p>The contracts awarded will be for a period of four years commencing 1st September 2020</p>	

and are likely to be awarded to multiple providers. Forecasts indicate that total expenditure in this area over the four-year period will be approximately £5m.

### **Recommendation(s)**

The Cabinet is recommended to:

- (i) Agree that the Council acts as the lead borough for the procurement of a four-year framework contract ,on behalf of itself and the London Borough of Redbridge, for the provision of private hire transport services (with and without passenger assistants) for children and young people with special educational needs and/or disabilities (SEND) and vulnerable adults in accordance with strategy set out in the report; and
- (ii) Delegate authority to the Director of People and Resilience, in consultation with the Cabinet Member for Educational Attainment and School Improvement, the Chief Operating Officer and the Director of Law and Governance, to award and enter into the contract and access agreements.

### **Reason(s)**

1. To provide an appropriate, best-value service that delivers excellent outcomes for children and young people, and vulnerable adults;
2. The Framework will reduce cost pressures through increased joint working, economies of scale and by use of shared services where possible; and
3. To help meet key savings targets, through the promotion of more cost-effective means to support families of vulnerable children, young people and adults with their home-to-school travel.
4. To continue to provide a mixed market of travel assistance, enabling the Council to promote independent travel as far as possible and help keep children safe, gain independence and support resilient families.

## **1. Introduction and Background**

- 1.1 The purpose of this paper is to explain the reasons for establishing a joint Framework Contract for Private Hire transport provision and seek approval to proceed further. This is underpinned by the overall vision: to create a framework of competent companies capable of providing a managed service of transport for children and young people with special needs and/or disabilities and vulnerable adults, where the service is provided on behalf of the Council, or is funded by the Council through a Direct Payment<sup>1</sup>.
- 1.2 The Council has a legal duty to ensure travel assistance for “eligible children” as they consider necessary to facilitate their attendance at school (s508B Education Act 1996 (EA 1996). The term “eligible children” is defined at Schedule 35B of the

---

<sup>1</sup> A Direct Payment is a payment made to the family to enable them to source a personal travel solution for their child. This offers a flexible solution for families when arranging travel support for a child.



Education Act 1996. Children and young people with special educational needs and/or disabilities may be considered as “eligible”.

- 1.3 The Council has a further statutory duty to provide assistance for vulnerable adults in line with the Care Act 2014, to residents who qualify for support under the national eligibility criteria, both for those who cannot fund their care but also for those who can. Their eligible needs are those that are determined after an adult care assessment. As part of the assessment it may be deemed that a person requires transportation as part of a holistic package to meet a need. A personal budget will be issued to an individual so there is flexibility choice and control over the service which can be purchased.
- 1.4 The Council’s approach to determining the eligibility and provision of home-to-school transport is governed by the “*London Borough of Barking and Dagenham Transport Policy Statement*”. In July 2015 the Department for Education (DfE) published the document “*Home to school travel and transport guidance: Statutory guidance for local authorities*”, requiring the Council to review the existing policy on the provision of home-to-school transport assistance. It is important to note that there has been no substantive change to school transport legislation and the associated duties continue to rest with local authorities. This is being reviewed and the consultation closes on the 31<sup>st</sup> October 2019. We have given comments on how this will impact our services.
- 1.5 Currently, the Council provides home-to-school travel assistance to approximately 543 children and young people with SEND. The form that this travel assistance takes can be seen in the table below:

Travel Assistance Type	No. of CYP	2018/19 Budget	2019/20Forecast	Budget Pressure
Private Hire Vehicles (Taxis)	189	£1,233,073.78	£1,417,542.90	£200,000
<b>Totals</b>		<b>£</b>	<b>£</b>	<b>£</b>

(**Note:** The figures above are not static and are subject to change at any given time. At present we currently have 1668 EHC plans this is the highest figure we have had at any given time. The pressure on transport is growing every year. We cannot foresee how many SEND children will be moved into the borough, as of October 2019 there are limited special school placements within the borough, this will make more children eligible for travel support.

- 1.6 As the Council pursues an agenda of personalization and aims to help children to gain greater independence, it is anticipated that the proportion of children and young people being transported in private hire vehicles arranged directly by the authority will reduce. It is highly unlikely, however, that a position will be arrived at where this figure reaches zero as no family can be legally compelled to accept a Direct Payment in lieu of direct provision. Furthermore if, as is hoped, an increasing number of families *do* choose a Direct Payment so that they may make their own arrangements for home-to-school travel, they will need access to providers who are suitably qualified and experienced to meet the needs of their child. This framework would offer families a significant degree of reassurance in this respect.

- 1.7 This formalised approach will continue to drive savings through joint working with neighboring Councils (and the associated economies of scale and market management of this approach) and by use of shared services where possible. It will also enable financial transactions to be based on contracted prices, helping continue to contain costs and accurately forecast expenditure.
- 1.8 The proposed procurement strategy will ensure that local companies are able to tender for the provision of private hire, coach and special vehicle provision, all with qualified and trained drivers. All providers must be capable of ensuring continuity of supply, including tight management of safety, vehicle and driver provision to ensure minimum disruption of supply to vulnerable members of the community. Separate lots will ensure provision of special needs transport with appropriately qualified, vetted and trained passenger assistants.

## **2. Proposed Procurement Strategy**

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

- 2.1.1 The council, on behalf of itself and the London Borough of Redbridge will invite expressions of interest from suitably qualified and experienced private hire providers interested in joining a Framework Agreement to provide transport for children and young people with SEND via private hire vehicles (with and without Passenger Assistants).
- 2.1.2 The framework will be accessible to the London Borough of Redbridge who has provided a formal expression of interest to be named in the development of this Framework.
- 2.1.3 The maximum number of participating firms will be 40 (this does not limit the number of providers that apply to be on the framework) and the Framework Agreement will run for 48 months from the anticipated commencement of 1<sup>st</sup> September 2020. The framework will comprise 8 lots as follows:

- Lot 1: Saloon Cars
- Lot 2: Saloon Cars with Passenger Assistants
- Lot 3: Multi Person Vehicles (MPV) up to 8 seats
- Lot 4: MPV with Passenger Assistants
- Lot 5: Mini-bus (12 seats and above)
- Lot 6: Mini-bus with Passenger Assistants
- Lot 7: Accessible vehicles (12 seats and above)
- Lot 8: Accessible vehicle with Passenger Assistants

*The rationale for having a maximum of 40 providers on the framework is to ensure that the performance of each provider can be monitored within the resources of the transport commissioning office.*

- 2.1.4 There are a number of accepted advantages to agreeing a contractual framework over spot-purchasing.

- quality assurance monitoring can take place across the participating authorities both with regard to statistical returns, as well as regular meetings with providers;

- good practice and training opportunities can be shared amongst providers and forums held with local partners;
- good quality services should lead to more consistent, needs-focused, transport for children, young people and adults, allowing them to live more normal lives;
- a pre-agreed pricing structure that commits the providers to maintain their base prices across the term of the contract; and
- Guaranteed pricing structure for local residents and those in receipt of direct payments.

2.1.5 The contractual method recommended to Cabinet, is a Framework Agreement, as it would have additional advantages. It would not oblige the local authority to purchase any particular volume from a provider. As the tender would be issued on behalf of participating authorities the quality assurance requirements would be identical, leading to efficiencies on the local authorities' side in their respective commissioning and procurement services.

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

2.2.1 The contract will be a Framework Contract that will have no minimum value, nor will any commitment to expenditure by the Council be stipulated within the contract itself. Expenditure will only be incurred when referrals are made. The estimated contract for each authority is as follows:

- London Borough of Barking and Dagenham: circa. £1.25m per annum
- London Borough of Redbridge: circa, £600k per annum

The total estimated value of the contract would, therefore, be circa. £7.4m, over the duration of the framework agreement.

## 2.3 **Duration of the contract, including any options for extension**

2.3.1 The framework contract will be for 4 years, with no option to extend.

## 2.4 **Is the contract subject to (a) the (EU) Public Contracts Regulations 2015 or (b) Concession Contracts Regulations 2016? If Yes to (a) and contract is for services, are the services for social, health, education or other services subject to the Light Touch Regime?**

2.4.1 This contract is subject to the (EU) Public Contracts Regulations 2015 and is not subject to the light touch regime.

## 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 in addition to the Council's Contract Rules. The tendering of this service will be advertised on all participating Council's websites and on Contracts Finder to ensure transparency.

2.5.2 There is a requirement for the tender to be advertised in the OJEU as it is 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 60% price and 40% quality. This will be a single stage tender using the Open Process, this will offer the opportunity and support to less experienced providers to submit a tender for this framework contract.

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):

2.5.5 This is a single stage tender process

- Base rate prices 60%
- Quality 40%
  - Licences & Insurances
  - Safeguarding Children & Adults
  - Data Protection

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

2.5.6 Providers will be only be submitted on the framework if they achieve 30% of the quality score from their tender submission.

### **Expected Tender Outline**

Procurement Board	18 November 2019
Portfolio	10 December 2019
CSG	19 December 2019
Cabinet approval	21 January 2020
Hold provider events	January/February 2020
Advertise and send out tender application packs	February/March 2020
Tender submissions to be returned	May 2020
Tender evaluations and interview	June 2020
Approval and award of contract	July 2020
Start of contract delivery	1 September 2020

2.5.7 Following the evaluation of the tenders, providers will be advised if they have been successful in being awarded a framework contract for participating authorities.

2.5.8 Each academic year, successful providers will be requested to submit best and final offers for all available routes available for the academic year. This process will be carried out by individual authorities accessing the framework.

## 2.6 **The contract delivery methodology and documentation to be adopted**

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

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

2.7.1 Having Redbridge named on the framework will give more options for shared routes and economies of scale and could increase potential savings.

2.7.2 To provide a safe and reliable service for vulnerable children and young people who are unable to access public transport.

2.7.3 To ensure providers are vetted and that base prices are available for local residents and those in receipt of Direct Payments.

2.7.4 From the perspective of the five Every Child Matters outcomes, transport impacts on 'staying safe' in its broader interpretation, as well as outcomes under the heading 'enjoy and achieve' in terms of access to education and other opportunities (such as sports provision), and 'making a positive contribution' in terms of work.

## 2.7.5 **Charges to Redbridge for services provided by LBBD:**

Procurement of contract £2000

Legal Services: £2000

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

2.8.1 The price quality ratio upon which contracts will be awarded will be 60% price/40% quality. Providers will be ranked per Lot that they can provide based on their tender submission.

2.8.2 Each academic year all providers on the framework contract will have the opportunity to submit: Best and Final Offers (BAFO) for all regular routes. All routes are subject to change over the academic year and allocation of a route can be changed based on the needs of the service.

2.8.3 Each participating authority will carry out their own yearly commissioning of regular routes.

*NB: the previous framework contract required e-auctions to be undertaken in preparation for each academic year. In the majority of cases the routes awarded at auction did not achieved best value. For example, a route that was awarded at auction was awarded at £135 per trip, however based on the distance and vehicle type this route should have been costed at approximately £79 per trip. There are many examples where awarded routes are not cost effective. The providers also found the e-auction process challenging, and after several years of participating in auctions still find the process very difficult to understand. Travel support changes on a daily basis and therefore the routes that are auctioned in preparation for the academic year change regularly throughout the course of the academic year.*

## 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:

- **Promote employment and economic sustainability** – tackle unemployment and facilitate the development of skills
- **Build the capacity and sustainability of the voluntary and community sector** – enabling groups to provide the service and encourage volunteering and employment of local residents
- **Creating opportunities for SME's and social enterprises** – Enabling the development of local businesses in the provision of this service.

2.10 **Contract Management methodology to be adopted** - The contract will be monitored by the Commissioner for the service. Due to the requirements of service delivery this contract will require daily liaison with the provider to ensure that transport routes are fit for purpose, and the provider is delivering to the requisite standards.

## 3. **Options Appraisal**

### 3.1 **Option 1: Do nothing**

The current contract will expire. The Council could purchase this service from their current suppliers without having contractual cover in place. This option would fail to be compliant with EU procurement legislation as well as the Council's own policies. There would also be a high degree of risk associated with this option, exposing the Council to potential price increases and deficit budgetary positions. Without contracts in place we cannot enforce DBS (Disclosure and Barring Service) checks being mandatory, and that taxi companies hold appropriate licences. This is critical as the taxi companies will be transporting vulnerable children which will put the council in a position of needing to sport purchase from providers which will have an impact on the cost of the services required and could have an impact on the safety and quality of service that is delivered to the most vulnerable young people who access this support.

### 3.2 **Option 2: Independent Procurement**

The Council may choose to initiate an independently run Council procurement process (not in conjunction with other local authorities). If the Council was to act independently to create its own Framework Agreement, it would achieve many of the intended objectives of a joint-procurement exercise, but may risk not realising potential economies of scale, and would increase the overall cost of the procurement (as the charges levied against Redbridge would not be collected as income).

### **3.3 Option 3: Joint Procurement**

The Council may choose to initiate, and lead, a joint procurement exercise (in conjunction with the LB Redbridge. If this course of action were chosen many the intended objectives realised through an independent tender exercise would be achieved, with the additional benefit of levying procurement and contract management charges against the participating authorities as income.

### **3.4 Option 4: Join an existing framework**

There is no suitable existing framework in place across the boroughs that that have expressed an interest in participating.

## **4. Waiver**

4.1 Not Applicable

## **5. Consultation**

5.1 The proposals in this report were endorsed by the Procurement Board on 18 November 2019 and the Corporate Strategy Group on 19 December 2019. Consultation with the Just Say Parents Forum on transport provision is ongoing and parents will be involved in the tender evaluation process where possible.

## **6. Corporate Procurement**

Implications completed by Francis Parker – Senior Procurement Manager

6.1 The procurement strategy is suitable for this service

6.2 The strategy is compliant with the Councils contract rules and the PCR2015

6.3 The Price quality split is suitable for this contract and is likely to ensure quality provision and the best value for money.

## **7. Financial Implications**

Implications completed by: Florence Fadahunsi, Finance Business Partner

7.1 This report seeks Cabinet approval for LBBD to enter into a joint procurement arrangement with the London Borough of Redbridge for private hire vehicles to transport children and young people with Special Education Needs and Disabilities and vulnerable adults, mainly from home to school. This is a statutory duty which the council must provide to these cohort of clients.

7.2 This arrangement provides an opportunity for cost savings due to economies of scale. The contract is intended to commence 1st September 2020 for a four-year period, with an estimated contract value of £5m.

7.3 The cost of this contract will be met from the existing Special School's transport budget.

## **8. Legal Implications**

Implications completed by: Kayleigh Eaton, Senior Contracts and Procurement Solicitor, Law & Governance

- 8.1 This report is seeking approval to tender a four-year framework for the provision of Private Hire Vehicles for children and young people with special educational needs and/or disabilities and vulnerable adults from 1<sup>st</sup> September 2020 on behalf of itself and the London Borough of Redbridge
- 8.2 It is anticipated that the estimated value of the new framework agreement will be in excess of the threshold for services (currently set at £189,330) under the Public Contracts Regulations 2015 (the Regulations) and therefore a competitive tendering process will be required, which will be subject to the full application of the Regulations. The anticipated spend over the life of the framework for both the Council and London Borough of Redbridge should be set out in the requisite notice.
- 8.3 As it is the intention to procure on behalf of another local authority the OJEU Contract Notice must specify this in order to be compliant with the Regulations.
- 8.4 Contract Rule 28.8 of the Council's Contract Rules requires that all procurements of contracts above £500,000 in value must be submitted to Cabinet for approval.
- 8.5 In line with Contract Rule 50.15, Cabinet can indicate whether it is content for the Chief Officer to award the contract following the procurement process with the approval of Corporate Finance.
- 8.6 The procurement procedure anticipated by this report would appear to be following a compliant tender exercise and Legal Services will be available to assist and advise upon further instruction.

## **9. Other Implications**

### **9.1 Risk and Risk Management**

- 9.1.1 As a Framework Agreement there is no specific guarantee to any provider of a level of service and, by extension, expenditure. A Framework on behalf of all participating boroughs is likely to attract a higher level of interest from potential providers than one borough alone, so encouraging more competitive pricing and minimising the risk from default by any individual provider.
- 9.1.2 Given the statutory duty upon the Council, a suitable and safe provision for children, young people and adults with special educational needs and/or disabilities could be considered as risk mitigation. This framework would tie providers into contractual obligations that would better ensure continuity of provision, as well as service quality for service users. The key elements of this can be summarised as follows:
  - vehicles will carry a first aid kit, at least one appropriate fire extinguisher, a kit adequate to deal with any spillages (including bodily fluids), safely and without hazard to the driver, or other passengers;
  - contractors will provide Passenger Assistants as required by each Authority;



- contractors must arrive at the specified collection and drop-off points by the times stated in the Schedule of Journeys; and
- all taxi drivers as governed by their PCO licence, passenger assistants will hold a valid DBS check that is no more than 3 years. A DBS must also be obtained for all other staff that may be used as part of this contract.

9.1.3 All providers will be expected to ensure that all passengers provided with transport by the Council be allocated an appropriate seat including the provision of any harnesses, standard booster seats or child seats (appropriate to the age, height and weight and mobility needs of the child) or secured wheelchair space. There is to be no standing at any time. The vehicle shall be so equipped as to enable passengers to be transported comfortably and should be heated when necessary. Passengers are not to be conveyed in any sideways facing seat.

9.1.4 All named authorities will need to sign an access agreement to be able to call off the framework contract.

9.2 **TUPE, other staffing and trade union implications** - Not Applicable

9.3 **Corporate Policy and Equality Impact**

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

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

9.4 **Safeguarding Adults and Children** - Staff working with the young people will be expected to have a current Disclosure and Barring Service (DBS) check. In addition, as a part of the tender exercise any potential providers will be thoroughly assessed on child protection and safeguarding methods that they employ and policies that they have in place.

9.5 **Health Issues** - A Framework Agreement will ensure that the health needs of vulnerable members of society are better supported, particularly with regard to mobility and where passengers have complex physical, psychological and/or sensory needs.

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

**List of appendices:** None

This page is intentionally left blank

**CABINET****21 January 2020**

<b>Title:</b> Council Tax Support Scheme 2020/21	
<b>Report of the Cabinet Member for Finance, Performance and Core Services</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
<b>Report Author:</b> Donna Radley, Head of Benefits	<b>Contact Details:</b> E-mail: <a href="mailto:donna.radley@elevateeastlondon.co.uk">donna.radley@elevateeastlondon.co.uk</a>
<b>Accountable Director:</b> Claire Symonds, Chief Operating Officer	
<b>Summary</b>	
<p>The Council has a statutory duty to consider annually whether to revise its Local Council Tax Support Scheme (CTS) or replace it with another scheme. This report recommends keeping the current scheme for use in 2020/21. The Assembly has a legal duty to approve the CTS by 31<sup>st</sup> January 2020.</p>	
<b>Recommendation(s)</b>	
<p>The Cabinet is asked to recommend the Assembly to agree that the Council Tax Support Scheme implemented for 2019/20 be retained for 2020/21.</p>	
<b>Reason</b>	
<p>The Council's CTS scheme requires no changes for effective processing of the scheme.</p>	

**1 Introduction and Background**

- 1.1. The Welfare Reform Act in 2012 abolished Council Tax Benefit (CTB) from April 2013 and, in its place, support took the form of a local Council Tax Support Scheme (CTS). The Local Government Finance Act 2012 contains provisions for the setting up of local support schemes. The current scheme in Barking & Dagenham has been based around the Default Council Tax Reduction Scheme and has been ratified by Assembly.
- 1.2. The current scheme in operation ensures that;
  - The scheme is means tested
  - Pensioners are protected, i.e. they must be able to receive up to a 100% reduction (a provision of the national pension age scheme).
  - Everyone of working age contributes something towards their Council Tax. A "minimum payment" of 25%. There is a 75% maximum on which any entitlement to CTS is based.

- Those who are not pensioners and with capital in excess of £6,000 are not eligible for a Council Tax reduction under this scheme.
- Universal Credit is considered and aligned with the principles of Housing Benefit administration.

## **2. Proposals and Issues**

- 2.1. There are no proposals to change the scheme.

## **3. Financial Implications**

Implications completed by Katherine Heffernan, Group Manager (Corporate Finance)

- 3.1 The Council is required to maintain a Council Tax Support Scheme. This is now funded as part of the Council's overall funding settlement and so any increases or decreases in take up or cost fall upon the Council's budget (rather than being provided for by a grant.)
- 3.2 The annual cost of the current scheme does vary somewhat with demand but is in the region of £12.7m to £13m (ie around 20% of total Council tax income.)
- 3.3 This report proposes no changes to the current scheme and so there are no direct financial implications arising. However, it should be noted that where amounts specified such as the applicable amount rise by less than local income inflation this will over time tend to remove households from eligibility and so reduce the cost of the scheme. It must be remembered that households on very low incomes on or near the thresholds for Council Tax Support are likely to struggle to pay their Council Tax and so the true cost to the Council taking into account collection rates, arrears and bad debt is likely to be much lower.
- 3.4 The Council must set aside a discretionary fund for circumstances of exceptional hardship. It is anticipated that a discretionary fund of £50,000 can be created to assist those with exceptional circumstances. This would be monitored and reviewed quarterly, although case law does suggest that if exceptional hardship is shown the Council must grant a discretionary reduction and cannot refuse due to a "depleted budget". It is therefore vital that a clear policy is implemented so the Council can set their own criteria of whom would qualify for a discretionary reduction. The cost of the discretionary fund will reduce the overall Council Tax collected by £50,000.

## **4. Legal Implications**

Implications completed by Dr Paul Feild, Senior Governance Lawyer

- 4.1 The CTS is a continuation of the 2019/20 scheme as approved by the Assembly last year. It was produced following consultations as required by the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012.
- 4.2 As observed in the report the discretionary hardship fund while set at £50,000 shall be administered according to the exceptional hardship policy and the cap is not a reason for refusal.

## **5. Other Implications**

- 5.1 **Risk Management** - It is considered likely that keeping the current scheme will continue to make it difficult to collect Council Tax from those entitled to a reduction under the scheme. Presently there are 75,958 live properties with a Council Tax Charge in this borough, as of 30 August 2019, and 15,488 Council Tax Support claims against these properties.

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

**List of appendices:** None.

This page is intentionally left blank

**CABINET****21 January 2020**

<b>Title:</b> Calculation and Setting of the Council Tax Base for 2020/21	
<b>Report of the Cabinet Member for Finance, Performance and Core Services</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> None	<b>Key Decision:</b> No
<b>Report Author:</b> Zaber Ahmed, Principal Accountant (Budgets)	<b>Contact Details:</b> Tel: 0208 227 3341 E-mail: Zaber.Ahmed@lbbd.gov.uk
<b>Accountable Director:</b> Philip Gregory Symonds, Finance Director	
<b>Accountable Strategic Leadership Director:</b> Claire Symonds, Chief Operating Officer	
<b>Summary</b>	
<p>The Council has a duty to set a Tax Base for Council Tax purposes by 31 January each year under Section 67 of the Local Government Finance Act 1992.</p> <p>This report seeks approval of the Authority's Council Tax Base for 2020/21.</p>	
<b>Recommendation(s)</b>	
<p>The Cabinet is recommended to agree that, in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, the amount calculated by the London Borough of Barking and Dagenham Council as its Tax Base for the year 2020/21 shall be 51,204.07 Band 'D' properties.</p>	
<b>Reason(s)</b>	
<p>To meet the Council's statutory duties under the Local Government Finance Act 1992.</p>	

**1. Introduction and Background**

- 1.1 The Tax Base must be conveyed to the major precepting Authorities by 31 January prior to the start of the financial year.
- 1.2 The Tax Base must be calculated in accordance with regulations made by the Secretary of State under Section 33(5) of the Local Government Finance Act 1992 and The Local Authorities (Calculation of Tax Base) (England) Regulations 2012.
- 1.3 The regulations set a prescribed period for the calculation of the tax, which is between the 1 December and 31 January in the financial year preceding that for which the calculation of the council tax base is made. The data used in the calculation must be that held by the Council as at 30 November.

## 2. Proposal and Issues

- 2.1 The valuation of properties for Council Tax purposes is carried out by the Valuation Office Agency.
- 2.2 For Council Tax purposes each property is placed in a band based on its open market value as at 1 April 1991. The bands are as follows:

Range of Values Band	Valuation
Values not exceeding £40,000	<b>A</b>
Values exceeding £40,000 but not exceeding £52,000	<b>B</b>
Values exceeding £52,000 but not exceeding £68,000	<b>C</b>
Values exceeding £68,000 but not exceeding £88,000	<b>D</b>
Values exceeding £88,000 but not exceeding £120,000	<b>E</b>
Values exceeding £120,000 but not exceeding £160,000	<b>F</b>
Values exceeding £160,000 but not exceeding £320,000	<b>G</b>
Values exceeding £320,000	<b>H</b>

- 2.3 The Tax Base is calculated in terms of the equivalent number of Band 'D' properties after discounts and exemptions have been taken into account. There are statutory ratios which determine the proportion of the band D charge that will be charged for a property in each band. The ratios are as follows:

A = 6/9ths	E = 11/9ths
B = 7/9ths	F = 13/9ths
C = 8/9ths	G = 15/9ths
D = 1	H = 18/9ths

- 2.4 The standard Council Tax is set in relation to Band 'D' properties, this will mean that somebody living in a Band 'A' property pays 2/3rds of the standard amount whilst somebody in a Band 'H' property pays twice the standard amount.
- 2.5 The full Council Tax charge is based on the assumption that the property is occupied by two or more adults. However, some properties are exempt from any charge, and others qualify for a discount. In determining the Tax Base the relevant discounts and exemptions are taken into account:
- 2.6 The following table shows the number of chargeable properties at 30 November after all discounts and exemptions have been applied.



2019/20			2020/21	
Last Year Totals	Band 'D' Equivalents	Band	Total	Band 'D' Equivalent
0.19	0.10	A*	0.57	0.3
3,752.88	2,501.90	A	3,898.25	2,598.80
8,077.29	6,282.30	B	8,282.45	6,441.90
36,264.32	32,235.00	C	37,025.02	32,911.10
8,130.39	8,130.40	D	8,416.38	8,416.40
1,539.79	1,882.00	E	1,546.47	1,890.10
310.11	447.90	F	315.02	455.00
40.54	67.60	G	39.67	66.10
4.00	8.00	H	4	8
<b>58,119.51</b>	<b>51,555.20</b>		<b>59,527.83</b>	<b>52,787.70</b>

\*Disabled person's reductions

- 2.7 When determining the tax base for the purpose of setting the Council Tax an allowance has been made for non-collection. The losses on collection allowance for 2019/20 has been assessed as 3%.
- 2.8 The adjustment, expressed as band D equivalents, is shown below.

Band D equivalent at 30 November 2019	52,787.70
In year losses in collection allowance of 3%	(1,583.63)
<b>Council Tax Base for 2020/21</b>	<b>51,204.07</b>

- 2.9 A fully detailed calculation of the tax base is contained in Appendix 1.

### 3. Consultation

- 3.1 The calculation of the council tax base follows a prescribed process and, as such, does not require consultation.

### 4. Financial Implications

- 4.1 The Council Tax Base has increased by 1195.53 band D equivalent properties from 2019/20 (50,008.54). At the current Council Tax charge of £1,235.50 this would generate an additional £1.5m of income for the Council compared to the previous year.

- 4.2 The latest MTFs had assumed an increase in the Council Tax base of 1.5%. The actual increase in the Council Tax base for 2020/21 is 2.4%, which generates an additional £0.5m over and above the latest MTFs assumptions for 2019/20.
- 4.3 The Council Tax collection rate is a significant factor in determining the level of income and will affect the actual amount of Council Tax collected in 2020/21. For every 1% change in the collection rate, income would increase/decrease by £0.6m for the Council.

## 5. Legal Implications

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

- 5.1 As observed above there is a legal requirement that the Council as a billing authority must set its Council Tax base before 31 January 2020 for the following financial year starting 1 April 2020. Section 31B of the Local Government Finance Act 1992, as inserted by the Localism Act 2011, imposes a duty on the Council as a billing authority, to calculate its Council Tax by applying a formula which as set out in the Local Authority (Calculation of Council Tax Base) (England) Regulations 2012. The formula involves a figure for the Council Tax Base for the year, which must itself be calculated. The basis of liability for Council Tax is the valuation band to which a dwelling has been assigned. Valuation bands range from A to H, and the relative liabilities of each band are expressed in terms of proportions of Band D.
- 5.2 The calculation to establish the relevant basic amount of council tax by is done by dividing the council tax requirement for the financial year by the billing authorities' council tax base. In brief, the council tax base is the aggregate of the relevant amounts calculated for each valuation band multiplied by the authority's estimated collection rate for the year. The estimated collection rate is the percentage of council tax payable which the authority actually expects to be paid i.e. the difference between what it ought to be paid in council tax and certain fund transfers and what it is likely to be paid.
- 5.3 The Council is under an obligation to notify major precepting authorities of the calculation.
- 5.4 For this Council the setting of the Council Tax Base is a Cabinet function. This is because Section 67 Local Government Finance Act 1992 as amended by section 84 of the Local Government Act 2003, (and more recently the Localism Act 2011), enabled the Assembly to delegate the power to set the tax base to the Cabinet. This is reflected in the Constitution at Part 2 Chapter 6 Responsibility for functions at paragraph 2.1(ii).

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

### List of appendices:

- **Appendix A** – Calculation of the 2020/21 Council Tax Base

Appendix A

- Council Tax Forecast 2020/21 (Based on the Council Tax Base Return) CTB1 return Nov 2019

	Description	2020/21
<b>Line 1</b>	Total number of dwellings on the Valuation list	76,120.00
<b>Line 2</b>	Number of dwellings on valuation list exempt on 2 October 2017 (Class B & D to W exemptions)	1,453.00
<b>Line 3</b>	Number of demolished dwellings and dwellings outside area of authority on 2 October 2017	0.00
<b>Line 4</b>	Number of chargeable dwellings on 2 October 2017 (treating demolished dwellings etc as exempt) (lines 1-2-3)	74,667.00
<b>Line 5</b>	Number of chargeable dwellings in line 4 subject to disabled reduction on 2 October 2017	286.00
<b>Line 6</b>	Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	286.00
<b>Line 7</b>	Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6 or in the case of column 1, line 6)	74,667.00
<b>Line 8</b>	Number of dwellings in line 7 entitled to a single adult household 25% discount on 2 October 2017	21,409.00
<b>Calculation 1</b>		<b>16,056.75</b>
<b>Line 9</b>	Number of dwellings in line 7 entitled to a 25% discount due to all but one resident being disregarded for council tax purposes	1,004.00
<b>Calculation 2</b>		<b>753.00</b>
<b>Line 10</b>	Number of dwellings in line 7 entitled to a 50% discount due to all residents being disregarded for council tax purposes	52.00
<b>Calculation 3</b>		<b>5,629.25</b>
<b>Line 11</b>	Number of dwellings in line 7 classed as second homes	131.00
<b>Line 12</b>	Number of dwellings in line 7 classed as empty and receiving a zero% discount	344.00
<b>Line 13</b>	Number of dwellings in line 7 classed as empty and receiving a discount	0.00
<b>Line 14</b>	Number of dwellings in line 7 classed as empty and being charged the Empty Homes Premium	43.00
<b>Line 15</b>	Total number of dwellings in line 7 classed as empty (lines 12, 13 & 14).	387.00
<b>Line 16</b>	Number of dwellings that are classed as empty and have been for more than 6 months. NB These properties should have already been included in line 15 above.	223.00
<b>Line 16a</b>	The number of dwellings included in line 16 above which are empty because of the flooding that occurred between 1 December 2013 and 31 March 2014 and are only empty because of the flooding.	0.00
<b>Line 16b</b>	The number of dwellings included in line 16 above which are empty on 2 October 2017 because of the flooding that occurred between 1 December 2015 and 31 March 2016 and are only empty because of the flooding.	0.00
<b>Line 17</b>	Number of dwellings that are classed as empty and have been for more than 6 months and fall to be treated under empty homes discount class D (formerly Class A exemptions). NB These properties should have already been included in line 15 above.	0.00
<b>Line 18</b>	Line 16 - line 16a - line 16b - line 17. This is the equivalent of line 18 on the CTB(October 2018) and will be used in the calculation of the New Homes Bonus.	223.00
<b>Line 19</b>	Number of dwellings in line 7 where there is liability to pay 100% council tax before Family Annexe discount	52,159.00
<b>Line 20</b>	Number of dwellings in line 7 that are assumed to be subject to a discount or a premium before Family Annexe discount	22,508.00
<b>Line 21</b>	Reduction in taxbase as a result of the Family Annexe discount (b/fwd from Family Annexe tab)	0.00
<b>Line 22</b>	Number of dwellings equivalents after applying discounts and premiums to calculate taxbase	69,080.37
<b>Line 23</b>	Ratio	-
<b>Line 24</b>	Total number of band D equivalents (to 1 decimal place)(line 22 x line 23)	60,908.70
<b>Line 25</b>	Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2017-18 (to 1 decimal place)	0.00
<b>Line 26</b>	Tax base (to 1 decimal place) (line 24 col 10 + line 25)	60,908.70
<b>Line 27</b>	Number of dwellings equivalents after applying discounts and premiums to calculate tax base (Line 22)	69,080.37
<b>Line 28</b>	Reduction in taxbase as a result of local council tax support	9,552.54
<b>Line 29</b>	Number of dwellings equivalents after applying discounts, premiums and local tax support to calculate taxbase	59,527.83
<b>Line 30</b>	Ratio	
<b>Line 31</b>	Total number of band D equivalents after allowance for council tax support (to 1 decimal place) (line 29 x line 30)	52,787.70
<b>Line 32</b>	Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2017-18 (to 1 decimal place) (line 25)	0.00
<b>Line 33</b>	<b>Tax base after allowance for council tax support (to 1 decimal place)</b>	<b>52,787.70</b>
<b>Line 34</b>	Projected changes in discounts and growth	0.00
<b>Line 35</b>	In year losses in collection at 3%	-1,583.63
<b>Line 37</b>	<b>Council Tax base</b>	<b>51,204.07</b>

This page is intentionally left blank