

**Notice of Meeting**

**CABINET**

**Tuesday, 13 July 2021 - 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 Elizabeth Kangethe, Cllr Margaret Mullane and Cllr Maureen Worby

Date of publication: 5 July 2021

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Please note that this meeting will be webcast to enable the press and public to view the proceedings. Public access to the Town Hall is restricted at the current time and only those invited to attend shall be admitted. To view the webcast click [here](#) and select the relevant meeting (the weblink will be available at least 24-hours before the meeting).

**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 22 June 2021 (Pages 3 - 8)**

**4. Medium Term Financial Strategy and Reserves Policy 2021-22 to 2025-26 (Pages 9 - 29)**

**5. Review of School Places and Capital Investment - Update (Pages 31 - 44)**

6. **Corporate Plan 2020-22 - Q 3 and Q4 2020/21 Performance Monitoring (Pages 45 - 138)**
7. **Contract for Supply of Furniture, Fixtures and Fittings for Early Years Education Settings and Temporary Residential Accommodation (Pages 139 - 158)**
8. **East London Joint Resources and Waste Strategy 2027-2057 - Public Consultation (Pages 159 - 255)**
9. **Reside Business Plan 2021-26 (Pages 257 - 327)**

Appendix A to the report is exempt from publication as it contains commercially confidential information (exempt under paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 (as amended)).

10. **BDTP Business Plan 2021-26 (Pages 329 - 399)**

Appendix A to the report is exempt from publication as it contains commercially confidential information (exempt under paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 (as amended)).

11. **Delivery of Barking Riverside Health and Wellbeing Hub (Pages 401 - 421)**

Appendix 3 to the report is exempt from publication as it contains commercially confidential information (exempt under paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 (as amended)).

12. **Proposed Purchase of 62 Residential Units at Town Quay Wharf, Barking (Pages 423 - 446)**

Appendices 2 and 3 to the report are exempt from publication as they contain commercially confidential information (exempt under paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 (as amended)).

13. **Any other public items which the Chair decides are urgent**

14. **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/observe Council meetings such as the Cabinet, except where business is confidential or certain other sensitive information is to be discussed. Items 9 to 12 above include appendices which are exempt from publication, as described. ***There are no other items at the time of preparing this agenda.***

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

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## Our Vision for Barking and Dagenham

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

## Our Priorities

### **Participation and Engagement**

- To collaboratively build the foundations, platforms and networks that enable greater participation by:
  - Building capacity in and with the social sector to improve cross-sector collaboration
  - Developing opportunities to meaningfully participate across the Borough to improve individual agency and social networks
  - Facilitating democratic participation to create a more engaged, trusted and responsive democracy
- To design relational practices into the Council's activity and to focus that activity on the root causes of poverty and deprivation by:
  - Embedding our participatory principles across the Council's activity
  - Focusing our participatory activity on some of the root causes of poverty

### **Prevention, Independence and Resilience**

- Working together with partners to deliver improved outcomes for children, families and adults
- Providing safe, innovative, strength-based and sustainable practice in all preventative and statutory services
- Every child gets the best start in life
- All children can attend and achieve in inclusive, good quality local schools
- More young people are supported to achieve success in adulthood through higher, further education and access to employment
- More children and young people in care find permanent, safe and stable homes
- All care leavers can access a good, enhanced local offer that meets their health, education, housing and employment needs
- Young people and vulnerable adults are safeguarded in the context of their families, peers, schools and communities

- Our children, young people, and their communities' benefit from a whole systems approach to tackling the impact of knife crime
- Zero tolerance to domestic abuse drives local action that tackles underlying causes, challenges perpetrators and empowers survivors
- All residents with a disability can access from birth, transition to, and in adulthood support that is seamless, personalised and enables them to thrive and contribute to their communities. Families with children who have Special Educational Needs or Disabilities (SEND) can access a good local offer in their communities that enables them independence and to live their lives to the full
- Children, young people and adults can better access social, emotional and mental wellbeing support - including loneliness reduction - in their communities
- All vulnerable adults are supported to access good quality, sustainable care that enables safety, independence, choice and control
- All vulnerable older people can access timely, purposeful integrated care in their communities that helps keep them safe and independent for longer, and in their own homes
- Effective use of public health interventions to reduce health inequalities

## **Inclusive Growth**

- Homes: For local people and other working Londoners
- Jobs: A thriving and inclusive local economy
- Places: Aspirational and resilient places
- Environment: Becoming the green capital of the capital

## **Well Run Organisation**

- Delivers value for money for the taxpayer
- Employs capable and values-driven staff, demonstrating excellent people management
- Enables democratic participation, works relationally and is transparent
- Puts the customer at the heart of what it does
- Is equipped and has the capability to deliver its vision

## MINUTES OF CABINET

Tuesday, 22 June 2021  
(7:00 - 7:52 pm)

**Present:** Cllr Darren Rodwell (Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Sade Bright, Cllr Syed Ghani, Cllr Elizabeth Kangethe, Cllr Margaret Mullane and Cllr Maureen Worby

**Apologies:** Cllr Saima Ashraf, Cllr Evelyn Carpenter and Cllr Cameron Geddes

### **11. Appointment of Cllr Elizabeth Kangethe as Cabinet Member and Champion for Disabled People**

The Leader of the Council announced that he had appointment Councillor Kangethe as the Cabinet Member and Champion for Disabled People and welcomed her to her first meeting of the Cabinet.

### **12. Declaration of Members' Interests**

There were no declarations of interest.

### **13. Minutes (25 May 2021)**

The minutes of the meeting held on 25 May 2021 were confirmed as correct.

In respect of Minute 4, the Cabinet Member for Social Care and Health Integration was pleased to advise that she had been invited to attend a future meeting of the TUC Women's Rights Committee to speak on the Independent Barking and Dagenham Domestic Abuse Commission.

### **14. Revenue and Capital Outturn for the Financial Year 2020-21**

The Cabinet Member for Finance, Performance and Core Services presented a report on the Council's revenue and capital outturn position for 2020/21, which represented the expected final position for the year subject to external audit.

In respect of the revenue outturn position, the Cabinet Member advised that the General Fund net revenue expenditure for the financial year after the use of reserves was £181.927m against the revenue budget of £155.796m. Much of the additional expenditure related to the impact of the COVID-19 pandemic and, after strong lobbying by the local government sector, the Council had received a total of £28.081m Government grant funding during the year, resulting in a year-end underspend position of £1.951m.

The Cabinet Member placed on record his thanks for the tremendous efforts of management, staff and the Trade Unions in helping the Council to keep expenditure within reasonable limits despite the pressures on services due to the pandemic. It was stressed, however, that the Government must recognise the long-term impact of the pandemic on the community and commit to sustainable funding across the public sector, otherwise the Council was likely to face

significant overspends in the years ahead.

The Housing Revenue Account (HRA) showed a projected year-end underspend of £3.566m despite overspends on running costs, primarily due to a reduction in the revenue funding required to support the HRA Capital Programme which experienced considerable slippage due to the pandemic. The Dedicated Schools Grant showed an underspend of £3.843m, although that was expected to reduce to £1.476m once an adjustment was made for the claw back of Early Years funding by the Department for Education.

With regard to the overall Capital Programme, the Cabinet Member advised that the total spend was £319.44m against the revised budget of £370.167m, with the shortfall of circa £50m largely resulting from project delays caused by the pandemic.

The Cabinet Member also referred to the intended allocation of capital receipts amounting to £51.624m and proposals relating to the winding-up of Barking and Dagenham Reside Roding Limited and Barking and Dagenham Reside Regeneration Limited, which would include the write-off of negative net assets projected at circa £1.032m and £0.014m respectively.

Cabinet **resolved** to:

- (i) Note the revenue outturn for the 2020-21 financial year, including the details of the individual service variances, as set out in sections 2 to 4 and Appendix A of the report;
- (ii) Note the outturn for the Housing Revenue Account for 2020-21 as set out in section 4 of the report;
- (iii) Note the update on key savings programmes, as set out in section 5 of the report;
- (iv) Approve the write-off of proposed savings now assessed as no longer possible or desirable to achieve totalling £1.693m, as listed in paragraph 5.5 of the report.
- (v) Note the update on the financial impact of COVID-19 and the lockdown and the financial support provided by the Government, as set out in section 6 of the report;
- (vi) Approve the transfers to and from reserves as set out in section 7 and Appendix D to the report;
- (vii) Note the impact of the consequent position for the Council's reserves, as set out in Appendix E to the report;
- (viii) Note the Capital Programme expenditure outturn and the detailed figures, as set out in Appendix F to the report;
- (ix) Approve the carry forward of £27.4m General Fund capital programme slippage and £22.8m HRA slippage into 2021-22 and the revised total



programme of £399.114m for 2021-22 as set out in Appendix G to the report;

- (x) Approve the allocation of capital receipts totalling £51.624m to fund transformation costs, repay film studio land purchase costs and Becontree Heath build costs, as set out in paragraph 9.6 of the report;
- (xi) Note the outturn on the Dedicated Schools Budget and the Local Management of Schools Reserves, as set out in section 11 of the report;
- (xii) Note the update on the financial position of the Council's subsidiary companies, as set out in section 12 of the report;
- (xiii) Approve the write-off of the intercompany debt owed to the Council by Barking and Dagenham Reside Roding Ltd and agree that any further liabilities that arise under the development agreements and contracts that Barking and Dagenham Reside Roding Ltd was party to are settled directly by the Council who were also party to all the contracts, as referred to in section 13 of the report; and
- (xiv) Agree to appoint an insolvency practitioner and wind-up Barking and Dagenham Reside Roding Ltd by a Members Voluntary Liquidation with the intention that it be a solvent liquidation.

## **15. Treasury Management Annual Report 2020/21**

The Cabinet Member for Finance, Performance and Core Services introduced the Treasury Management Annual Report for 2020/21 which set out the key areas of performance during the year.

The Cabinet Member alluded to the major economic factors that had effected the UK economy during the 2020/21 financial year, with the COVID-19 pandemic being the main issue, and commended the Council's prudent approach to borrowing and vigorous assessment of investment opportunities which, coupled with the excellent work of the Treasury Management team, had resulted in the Council outperforming its targets and benchmarks in a number of areas. Key highlights within the report included:

- Total treasury investments held at 31/3/2021 was £210.17m (2019/20: £347.29m);
- Total cash held at 31/3/2021 was £45.19m (2019/20: £6.79m);
- Interest for 2020/21 was £8.8m (2019/20: £8.8m) compared to a budget of £6.5m;
- The Council's average treasury interest return for 2020/21 was 1.62%, which was 1.31% higher than the average London Peer Group return of 0.31%;
- The Council's average return on its commercial and property loans was 4.46% for 2020/21 (2019/20: 3.63%);
- Interest payable for 2020/21 totalled £32.8m (2019/20: £34.17m);
- Capitalised interest of £1.5m in 2019/20 and £3.0m in 2020/21 had been transferred to the Investment Reserve;
- The Council borrowed £60.0m of long-term General Fund borrowing in 2020/21 at an average rate of 1.28% and an average duration of 31.7 years;

- The total long-term General Fund borrowing at 31/3/2021 was £600.4m;
- The value of short-term borrowing at 31 March 2021 was £67.5m; and
- Total Council borrowing was £1.16bn at 31 March 2021, within the 2020/21 Operational Boundary limit of £1.25bn and Authorised Borrowing Limit of £1.35bn.

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

- (i) Note the Treasury Management Annual Report for 2020/21;
- (ii) Note that the Council complied with all 2020/21 treasury management indicators;
- (iii) Approve the actual Prudential and Treasury Indicators for 2020/21, as set out in Appendix 1 to the report; and
- (iv) Note that the Council borrowed £60.0m from the Public Works Loan Board (PWLB) in 2020/21.

## **16. Social Value in Procurement - Implementation Update**

Further to Minute 4 (19 May 2020), the Cabinet Member for Finance, Performance and Core Services introduced an update report on the Council's new policy framework, guidance and process to ensure that Social Value proposals and principles formed part of all new Council procurements with an annual value over £100,000.

The Cabinet Member advised that since the new Social Value policy and toolkit had been formally launched in October 2020, commitments had been received from the five successful tenderers for qualifying Council contracts which supported one or more of the five main social value themes of "Investment in Local People", "Investment in Local Economy", "Environmental Sustainability", "Community Participation and Engagement" and "People, Independence and Resilience". A further 29 qualifying procurement strategies had been endorsed by the Council's internal Social Value Steering Group and Procurement Board since the launch and the Social Value Coordinator continued to work closely with commissioners to embed the new arrangements.

The Cabinet Member referred to the key lines of focus for the next 12 months and the potential to extend the concept of social value to other aspects beyond procurement. One initiative related to the Council's ambition to achieve London Living Wage (LLW) accreditation from the LLW Foundation which, up until now, had proved difficult because of a lack of data relating to the Council's supply chain.

Cabinet **resolved** to:

- (i) Note the positive impact of the revised Social Value policy in terms of commitments in its first six months;
- (ii) Note the intention for the Council to apply for London Living Wage accreditation and its associated impacts, as set out in section 4.2 of the report; and

- (iii) Note the updated Social Value Toolkit, as set out at Appendix 1 to the report.

## **17. Contract for Provision of Short Break Services for Disabled Children, Young People and their Families**

The Cabinet Member for Social Care and Health Integration introduced a report on the proposals to procure a framework contract for the provision of short break services for disabled children and young people and their families.

The Cabinet Member stressed the importance of the service, which not only offered disabled children and young people new experiences and opportunities to form friendships but also provided much needed respite for carers and other family members. The COVID-19 pandemic had highlighted the significant value of such initiatives and the Cabinet Member confirmed that the new four-year framework arrangements, to commence in April 2022, would enhance the current offer as well as open up the service provision to local providers and those offering bespoke, specialist services aimed at those with specific needs.

It was also noted that the Cabinet Member for Social Care and Health Integration intended to discuss with the Cabinet Member for Educational Attainment and School Improvement, whose portfolio included overseeing the management of the Trewern Outdoor Activity Centre in Herefordshire, the potential for the Centre to offer services beyond the current educational setting.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a contract for Short Breaks provision in accordance with the strategy set out in the report; and
- (ii) Authorise the Commissioning Director, Care and Support, in consultation with the Cabinet Member for Social Care and Health Integration, the Strategic Director of Law and Governance and the Managing Director, to conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements with the successful bidder, in accordance with the strategy set out in the report.

## **18. Debt Management Performance 2020/21 (Quarter 4)**

The Cabinet Member for Finance, Performance and Core Services introduced the performance report covering the final quarter of the 2020/21 financial year and a full-year overview in respect of the Council's debt management functions.

The Cabinet Member referred to the considerable impact that the COVID-19 pandemic had had on collection rates over the past year and the actions being taken by the Council to support those who found themselves unable to pay their rent, Council Tax and/or Business Rates as a result. The Council's ethical approach to debt management and recovery had resulted in over 50,000 telephone calls being made to Council tenants over the last year to discuss their situation and offer advice and support. The Cabinet Member stressed, however,

that whilst the Council was doing all it could to support those who were unable to pay their bills, it was equally vigilant in pursuing those who chose not to pay.

The stark increase in the number of residents claiming Universal Credit since the start of the pandemic had continued, with an estimated 33,034 claimants at the end of March 2021 compared to 13,913 claimants in February 2020. Members expressed their concern at the length of time that areas with high levels of deprivation such as Barking and Dagenham would take to fully recover, particularly in view of the Government's decision to end the furlough scheme in July 2021.

Cabinet **resolved** to:

- (i) Note the performance of the debt management function carried out by the Council's Revenues service for quarter 4 of 2020/21; and
- (ii) Note the impact of COVID-19 on collection levels across all revenue streams and the continued recovery techniques applied to reduce the impact of the pandemic.

#### **19. Former Councillor Marie West**

The Chair paid tribute to former Councillor and Mayor of the Borough, Marie West, who sadly passed away on Tuesday 8 June and asked all those present to stand and join him for a minute's silence in her memory.

## CABINET

13 July 2021

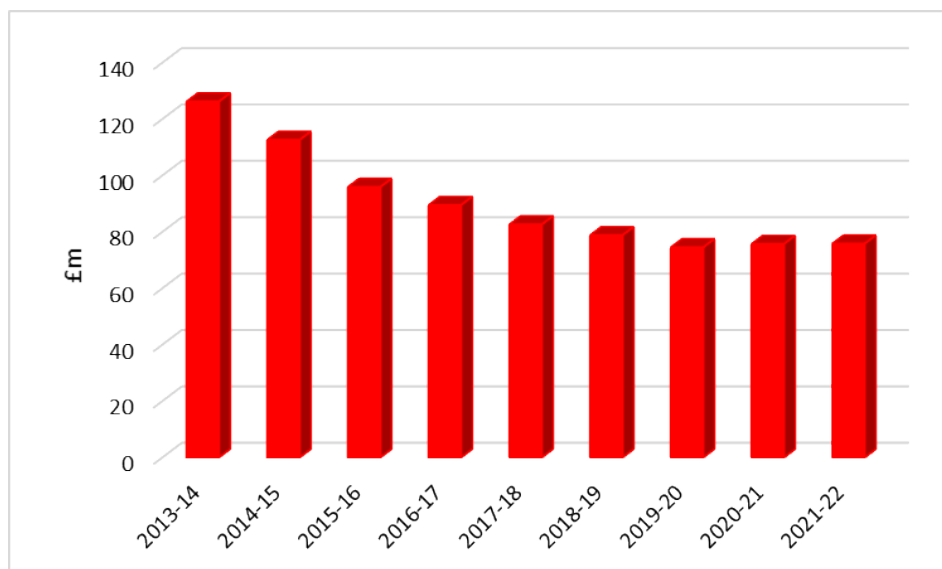
<b>Title:</b> Medium Term Financial Strategy and Reserves Policy 2021-22 to 2025-26	
<b>Report of the Cabinet Member for Finance, Performance and Core Services</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
<b>Report Author:</b> Philip Gregory, Finance Director	<b>Contact Details:</b> Tel: 020 8227 5048 E-mail: <a href="mailto:philip.gregory@lbbd.gov.uk">philip.gregory@lbbd.gov.uk</a>
<b>Accountable Director:</b> Philip Gregory, Finance Director (S151 Officer)	
<b>Accountable Strategic Leadership Director:</b> Claire Symonds, Managing Director	
<b>Summary</b>	
<p>This report sets out a draft Medium-Term Financial Strategy (MTFS) and Reserves policy for the period 2021-22 to 2025-26 for key council (General Fund) services. It shows how the delivery of a strategy for a new kind of council goes hand in hand with organisational financial health. It has been prepared recognising the financial uncertainty as a result of the COVID-19 pandemic and from uncertainty facing the sector in light of plans to delay fair funding reforms and 75% business rates retention until 2023-24 at the earliest, whilst taking into account anticipated demands and pressures.</p> <p>The MTFS identifies a cumulative gap of £25.1m during the MTFS period. This gap is to be closed through targets for both short term and longer-term interventions which will require budget savings to be delivered to ensure a medium term financially balanced position. The report also sets out principles for a robust reserves policy.</p>	
<b>Recommendation(s)</b>	
Cabinet is recommended to:	
<ul style="list-style-type: none"> <li>(i) Approve the Medium Term Financial Strategy and Reserves Policy 2021-22 to 2025-26 as set out in Appendices A and C to the report and the approach proposed to ensure the financial health of the Council over the medium term;</li> <li>(ii) Approve the 2021/22 budget adjustments as detailed in paragraphs 9.1 - 9.5 of the report;</li> <li>(iii) Approve the addition to the Capital Programme and drawdown of up to £927,000 from the Parking Reserve to fund upgrades to the CCTV control room and cameras, as detailed in paragraphs 9.6 - 9.9 of the report; and</li> <li>(iv) Approve the drawdown of £1.05m from the Investment and Acquisition Strategy (IAS) reserve to fund additional resources to support the delivery of IAS returns, as detailed in paragraph 9.10 of the report.</li> </ul>	

## Reason(s)

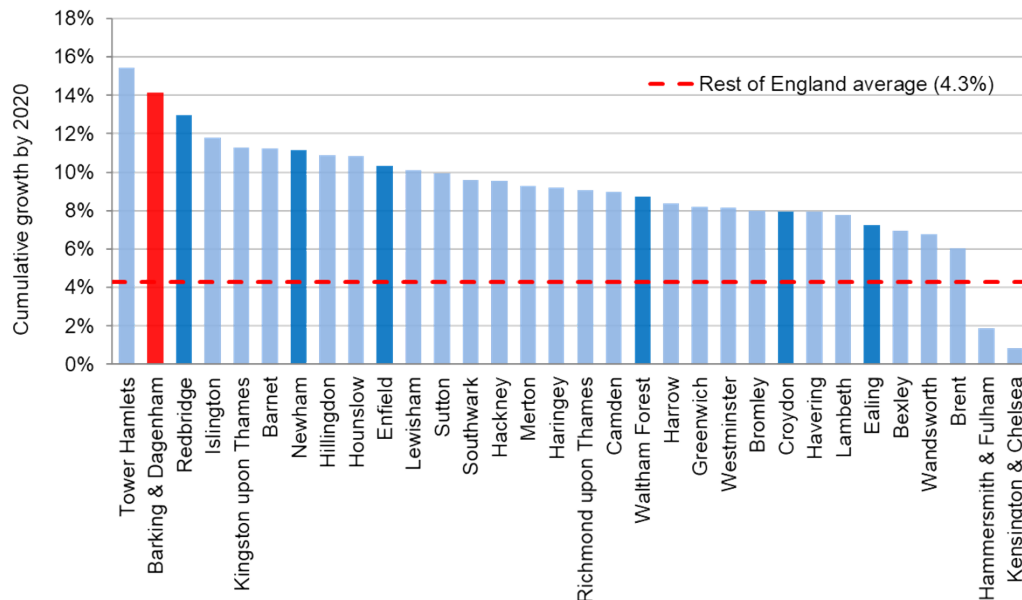
The setting of a robust and balanced Medium Term Financial Strategy will enable the Council to provide and deliver services within its overall corporate and financial planning framework. The Medium Term Financial Strategy underpins the delivery of the Council's vision of One borough; one community; London's growth opportunity and delivery of the priorities within available resources.

### 1. Introduction and Background

- 1.1. This report sets the context for the future financial position for the London Borough of Barking and Dagenham. The Medium Term Financial Strategy (MTFS) is a statement on the council's approach to the management of its financial resources to meet its Corporate Priorities. The MTFS also considers the appropriate level of reserves that the Council holds to mitigate current and longer term risks.
- 1.2. In February 2021, Assembly approved the budget for 2021-22 including an indicative forward forecast for future years.
- 1.3. The funding the Council receives from government has consistently reduced since public sector austerity was introduced in 2010-11. In 2013-14 local government were allocated a share of business rates from their area. Since 2013-14 government grants have reduced by over 40%. In 2013-14 our grant was £126m, in 2021-22 our grant is £76m.



- 1.4. Barking and Dagenham also has seen the second highest population growth in London during the same time period and almost 10% higher than the average English local authority. Our residents tend to be younger than the average in other London boroughs and many of our residents face a range of challenges and disadvantages that mean that they may need help and support from the Council at some point.



- 1.5. The combination of reducing funding and a growing population meant the Council had to do something in order to be able to continue to provide services to local residents and businesses. The Ambition 2020 programme began in 2017 and delivered a New Kind of Council whilst setting out plans to deliver almost £50m in savings and increased income. A primary focus of the programme was to maximise housing, business and economic growth within the borough.
- 1.6. The COVID-19 pandemic has had a profound and unprecedented impact on the activity and finances of the council since March 2020 and this is likely to continue throughout 2021-22 and beyond into the medium term. The pandemic has resulted in three major financial effects on the council's financial position:
  - Additional costs
  - Income loss
  - Agreed savings at risk
- 1.7. The financial scarring effects of the pandemic will continue to impact demand for services and income due to the council for many years to come. Whilst the council is not alone in facing these challenges this does not lessen the scale of the challenge and the impact on the residents and businesses within the borough.
- 1.8. The financial framework was anticipated to change as a result of the Ministry of Housing, Communities and Local Government (MHCLG) Fair Funding review from 2019-20. The Government has not begun consultation on introducing these reforms from 2022-23 which implies that another one-year financial settlement will be provided for 2022-23 with longer term funding reforms being introduced in 2023-24 at the earliest.
- 1.9. The impact of these delays to funding reform on the council is by no means clear. However, the MTFs brings together anticipated demands and pressures and sets out how the council will ensure a balanced medium-term position.
- 1.10. Medium term financial planning must make assumptions about the future demand profile and cost pressures on expenditure and on factors that affect income sources. The MTFs represents a summary of these assumptions and their impact on the funding of the council.

- 1.11. The MTFS sets the financial envelope within which the council must fund its activities in order to set a balanced budget in each of the next 4 years. In order to begin the budget setting process for 2022-23 and beyond it is therefore prudent to revise the MTFS at the beginning of the budget setting process. Throughout the summer and autumn services plans and budgets will be produced to deliver a balanced budget for 2022-23. In addition, this process will allow the council to identify where savings may be achieved in future years and begin planning their delivery.
- 1.12. The MTFS provides assurance on the intended use and the overall level of reserves and the extent of underpinning commercial and financial planning risk.

## 2. Council Priorities and Strategic Framework

- 2.1. The MTFS is underpinned by three key strategic priorities for the council to ensure that resources are aligned with their delivery:

- **Inclusive Growth.** All activity related to homes, jobs, place and environment will be organised into a single strategy, focused on intervening in our economy in order to improve economic outcomes for all residents.
- **Prevention, independence and resilience.** All activity relating to people facing public service will be organised into a single strategy, focused on intervening in society in order to improve health and wellbeing outcomes for all residents, at every stage of life.
- **Participation & engagement.** All activity related to community engagement and social infrastructure will be organised into a single strategy focused on giving every resident the power to influence local decisions, and to pursue their version of the good life.

- 2.2. These strategic priorities will sit alongside our continued efforts to build and embed our **new kind of council** and will drive all council activity in the years ahead. Critically, each has an important part to play in managing future demand on council services. The financial position set out in the MTFS is designed to reflect this position.

## 3. COVID-19

- 3.1. The COVID-19 pandemic has continued to have a profound and unprecedented impact on the activity and finances of the council. The pandemic has resulted in three major financial effects on the council's financial position:
- Additional costs
  - Income loss
  - Agreed savings at risk
- 3.2. This pandemic occurred after many years of financial pressures for local authorities. Even without COVID-19 there were underlying overspends or pressures in a number of areas, some of which worsened during the pandemic. There has been significant financial turmoil from many different aspects of their local roles, both from the delivery of services and as a conduit for central government to support local businesses.



- 3.3. The Government has provided significant financial support both directly to Councils, but also to support local business with rates relief and support grants, which have been distributed through Councils. This Council has distributed over 9,000 grants to businesses with a value of over £46m since April 2020.
- 3.4. An impact of this has been the outturn position from 2020-21 reflects the early advancement of support from Government. Our outturn showed an overspend in services of £26.130m whilst additional grant income totalled £28.081m resulting in an underspend of £1.951m after transfers to reserves. The impact of this grant support is that these advance funds are held in reserves to be deployed in 2021-22 to support services.
- 3.5. The current expectation remains that there will no further Government support beyond what has been announced for Q1 2021-22 through direct grants or sales, fees and charges income guarantees. It is expected that the delay to the end of lockdown will increase the demand for services and financial pressure within the borough. In particular, there is a risk of increased unemployment and poverty once the furlough scheme comes to an end with associated mental and physical needs that require support from the Council.

#### 4. Medium Term Financial Strategy Forecasts

- 4.1. The budget report to Cabinet in February 2021 set out the following financial forecasts:

**Table 1: Financial position reported in February 2021**

	2021-22 £m	2022-23 £m	2023-24 £m	2024-25 £m
Budget Gap (incremental)	-	6.525	7.567	7.117
Budget Gap (cumulative)	-	6.525	14.092	21.209
Council Tax Assumption	4.99%	2.99%	2.99%	2.99%

- 4.2. A review of the assumptions within the MTFS has been undertaken to inform this update, rolling forward these to 2025-26 to present the updated MTFS position. As shown in Table 2 the budget gap has increased from £21.209m to £25.060m.

**Table 2: Recommended changes to the MTFS**

	2022-23 £m	2023-24 £m	2024-25 £m	2025-26 £m
Budget Gap (incremental)	6.525	7.567	7.117	-
Updates	(1.415)	(0.800)	(0.035)	6.416
Budget Gap (incremental)	5.110	6.767	6.767	6.416
Budget Gap (cumulative)	5.110	11.877	18.644	25.06

- 4.3. The strategy to address the funding gap is through the following routes:

- Savings proposals: those that have been identified and those that are proposed for approval in this report.
- Delivery of the corporate plan priorities and agreed transformation programmes to deliver sustainability in the longer term.
- Continue to identify new investment opportunities to secure financial sustainability and deliver regeneration for the borough.

4.4. The CFO has assessed the minimum level of general fund balances at £12m and the Council currently holds £17m.

4.5. The Council uses reserves to support medium term financial planning and management. This is particularly important in the current economic climate and uncertainty regarding the impact of COVID-19 and delays to local government funding reforms. The strategy of the Council, launched through Ambition 2020, was one focused on growth and investment in the borough. It is therefore necessary to hold reserves at sustainable levels to dampen the effect of short-term changes in the economy without putting at risk the longer term goal of growth.

## 5. Key Assumptions

5.1. There are a number of assumptions that underpin the updated MTFS including:

5.2. There is an assumption of full achievement of previously approved transformation savings of £10.35m. These savings were planned to be realised by the end of 2020-21 however these savings have been reprofiled into 2021-22 as a result of the COVID-19 pandemic. The progress of the delivery of approved savings is reported in the regular budget monitoring reports to Cabinet. Any savings that are not delivered in full will result in an overspend and an increased drawdown on reserves.

5.3. Settlement funding from Government will continue on the same principles that were applied in 2021-22. The Government is anticipated to bring forward the fair funding review and business rates reset in 2023-24. The impact of the delay to the business rates reset is a reduction in income of c£5m per year across the MTFS period. If these reforms were to be introduced from 2022-23 the savings requirement over the medium term would reduce from £25.1m to £5.1m.

5.4. Indicative council tax increases of 2.99% have been included. This may include a proportion of Adult Social Care Precept although the Government are yet to publish guidelines on council tax referendum limits. Growth in the council tax base of 2.5% in 2022-23 and then 1.5% each year thereafter is included.

5.5. New Homes Bonus funding will continue to be allocated until the Fair Funding review is implemented on a single year basis. Legacy payments from previous years will continue to unwind.

5.6. Growth in budgets has been included where this has previously been agreed by Cabinet. This has also been updated to take into account forecast budget pressures in Care and Support as a result of expected continued increases in demand in Children's and Disability services totalling £33.5m across the MTFS period.

5.7. An inflation budget of £3m has been included in each year, £2m of which will be used to offset salary inflation (though this does not compensate services in full).

Services are otherwise expected to absorb inflationary pressures within existing budgets. £1m per year has been included to allow for risks to the budget, e.g. cost pressures which can't be managed within a service, delays to savings or other unexpected items.

## 6. **Budget Risks**

- 6.1. There are a number of risks that continue to influence the MTFs including the following:
- 6.2. **Recovery from COVID19:** The impact of COVID-19 on the finances of the Council will continue to evolve throughout 2021-22. Costs and income assumptions will need to be monitored with care throughout 2021-22 to ensure that emerging risks are brought to the attention of Members in a timely way.
- 6.3. **Brexit:** The impact on Local Government upon leaving the EU may have significant impacts on funding from Government, especially as the economic, social and financial implications of Brexit and subsequent trade deals become clearer. There will be a continued assessment of the impact to the council as a result of the referendum vote to leave the EU which could include impacts on interest rates, migration, employment and business.
- 6.4. **Capacity to deliver approved savings:** If Agreed savings are not achieved this will result in overspends and budget shortfalls in future years. Regular monitoring and reporting takes place, however, non-achievement of savings will require compensating reductions and management action to find compensating cost reductions where savings are no longer possible.
- 6.5. **Government funding:** The Government intends to change current funding mechanisms to reflect an increased emphasis on need and to reset the current business rates retention system. These proposals are expected to be delayed by at least another year which carries a high degree of uncertainty into the quantum of Government funding in 2022-23 and beyond. In the light of the extreme uncertainty surrounding Government funding the MTFP has included forecast income in 2022-23 based on current assumptions.
  - **Budget and Spending Review:** A Spending Review from the Government is expected in the autumn. It is unclear whether this will be a single year or multi-year Spending Review and therefore whether local government will receive a single year or multi-year Settlement. Our current assumption is that there will be a one-year settlement whilst the Government continues to monitor the economic effect of COVID-19.
  - The **Fair Funding Review** of local government is likely to shift resources away from London. The design of new funding formula is predicated on moving to a more dynamic, realistic method of allocating funding that is able to respond to demographic changes. On this basis and considering the demographic changes within Barking and Dagenham, this approach may prove beneficial to us. We expect the new funding formula to be used to allocate funding from 2023-24 at the earliest.
  - The **Business Rates Retention** scheme is also being redesigned and is expected to be introduced from 2023-24 at the earliest. It is anticipated that the implementation of 100% business rates retention will be accompanied by

additional responsibilities and therefore an increase in the costs borne by Local Government. The details of these responsibilities are to be confirmed.

- The **New Homes Bonus** funding for 2022-23 is expected to be allocated for one year only and will not result in legacy payments in future years. It is expected that the New Homes Bonus funding will be wrapped up within the Fair Funding Review in following years. It is unclear how the Government will incentivise local authorities to deliver additional housing within the new funding regime.

- 6.6. **Achievement of Council Priorities:** The strategic framework requires appropriate oversight and governance to ensure it is delivered through effective programme management. Where performance indicators are not on target, corrective action will be required.
- 6.7. **Commercial Risks** arise from undertaking investments and from action taken by the Council's subsidiaries. These risks can be mitigated through effective due diligence on new commercial investments and continued robust appraisals of subsidiary business plans and forecast returns. The Shareholder Panel monitors the performance of the subsidiaries against their respective business plans and holds the Board of each company to account for the delivery of the strategic and financial objectives. Where planned financial returns are delayed or profitability is reduced there will be a direct cost to the Council to mitigate such losses.
- 6.8. **Demand Pressures** arise from changes within the population and economic activity within the Borough. Assumptions on future demand for services have been included in the MTFS. Exceptional demands, particularly from COVID-19, that emerge will result in spending control within departments or corporate budgets.
- 6.9. **Pension Fund** risks include changing economic conditions and investment returns less than assumptions in the Pension Fund's investment strategy increases the risk of a deterioration in the Pension Fund's funding position and as a consequence there is a risk of an increase in the employer's contribution.
- 6.10. **Legislative changes** or the imposition of new responsibilities upon the council without adequate funding remains a risk.
- 6.11. Impact of variations to forecast **interest rates**, both in terms of investment returns and also on assumptions made on borrowing costs. Interest rate risks are managed through effective treasury management and the use of fixed rate loans where appropriate.

## 7. **Review of Reserves**

- 7.1. Reserves are used to manage risks and are either usable or unusable. Unusable reserves arise from statutory accounting transactions and cannot be used to fund revenue or capital expenditure. This report only considers the Council's usable reserves. The Council's Reserves Policy is included in **Appendix C**.
- 7.2. A review of reserves has been carried out as at 31 March 2021 and balances based on the draft final accounts are summarised in **Appendix D**.

- 7.3. General fund balances are set aside to provide an emergency fund for exceptional circumstances. This fund is reviewed regularly and assessed as a minimum of £12m. Currently, the Council has some £17m in this reserve.
- 7.4. The forward forecast of reserves is maintained by the CFO using assumptions on certain investment decisions and no additional budget pressures emerging during the course of the current financial year. Due to the exceptional nature of the COVID-19 pandemic there have been a number of contributions to earmarked reserves which will be utilised during 2021-22. A further review of reserves will take place later in the year.
- 7.5. The aim of the Medium Term Financial Strategy is to set out an affordable financial plan that provides for sustainable levels of spending, not dependent upon the use of one-off reserves, whilst providing for a prudent level of reserves for contingencies.

## **8. Approach to Budget Setting for 2022-23**

- 8.1. The Medium Term Financial Strategy identifies a savings requirement of £25.1m by 2025-26. Proposals to meet this savings requirement will be presented to Cabinet in December alongside a public consultation for all proposals members are happy to proceed with as part of the Budget consultation process. The proposals, along with consultation results will be presented again to Cabinet in advance of Assembly in February.

## **9. 2021-22 Budget Monitoring Adjustments**

- 9.1. The 2021-22 budget was approved by Assembly on 3 March 2021. Since the budget was approved there have been changes to the structure of the Council's senior management team, approved by JNC Committee, resulting in some changes to budget responsibilities. The budget has been restated in the new structure which will be used as the base for revenue monitoring reports throughout the rest of the year.
- 9.2. In June the Cabinet received a report on the Council's financial outturn position and approved the recommendation to write off £1.693m of savings initiatives previously agreed using a provision that had previously been set aside for this purpose. The budgets have also been adjusted for this.
- 9.3. The Council requires an updated and fit for purpose Geographic Information System (GIS) Software Suite which meets the needs and requirements not only of the Council but also its subsidiaries. Currently, the Council uses an outdated version of the ESRI suite which is no longer supported by the supplier and has a lack of in-house support. ESRI ArcGIS has been used and maintained by the Council's Planning Team for several years. In 2018, the system and its support were moved to the Council's subsidiary Be First, as part of this move the contract was renewed under the support agreement between the Council and Be First. ArcGIS no longer fits with the Be First delivery model and they no longer have the in-house technical expertise available to support the suite of applications. It is therefore proposed that the Council upgrades the ESRI solution to a supported version and hosts it internally on Azure. As part of the upgrade, the Director of My Place and Public Realm are proposing that My Place take ownership of the product from a business value standpoint. A budget adjustment of £350k is required -

£218k for ICT and £132k for My Place. This can be funded from the contracts and prices growth provision approved as part of the MTFS.

- 9.4. Until 2018 the Council ran a Direct Payments scheme for Disabled Adaptations. The scheme was wound up in 2018-19 as it was no longer meeting current needs and expectations and the budget of £400k set aside until a better use could be identified. The Adults service and commissioners have been developing a new specification for Careline and Assistive Technology. It is proposed to use the £400k budget to close the gap between the new service cost and existing funding. Part will go to Community Solutions where the service is delivered and part retained by Commissioning to be a revenue contribution to capital costs.
- 9.5. The new senior management structure alluded to above has a net additional cost of £239k. It is proposed to fund this from Central Expenses.

### **Addition to Capital Programme and Drawdown from Reserves**

- 9.6. There is a need to upgrade the CCTV control room and on street cameras to ensure they are both compliant with data protection and surveillance regulations as well as providing improvements to the quality and flexibility of the system. Firstly, as part of the dispersed working building works on the lower ground floor the CCTV control room will be moving to a different location. It is now understood that the budget for the works to transfer the control room will not be covered as part of the transformation programme and that responsibility will fall to the service. Additional funding is therefore required to pay for a specialist contractor to undertake the transfer. Secondly, parking access a number of community safety cameras in addition to using their own network. These cameras provide important additional coverage and enable the parking team to enforce at these locations. Many of these cameras are in need of replacement and some areas require additional cameras where they are heavily used by both parking and community safety so it is recommended to use the reserves to pay for this work too.
- 9.7. Cabinet is asked to approve the addition of these works to the capital programme. The total cost is estimated to be up to £927k. This will be funded by drawdown from the Parking reserve.
- 9.8. Any surplus made from parking income is governed by Section 55 of the Road Traffic Regulation Act, 1984 and specifies that (amongst other things) the surplus may be used for the purposes of environmental improvement in the local authority's area and anything which facilitates the implementation of the Mayor of London's Transport Strategy. The Mayor of London's Transport Strategy states that:
- People should feel safe and secure moving around London at any time of the day or night. Better street lighting, well designed and well-maintained public spaces and transport infrastructure, and CCTV coverage will help to achieve this. If streets and public transport do not feel safe to use, then people are more likely to take other options, including taking more car trips.
- 9.9. Accessing the parking reserve for this purpose is a legitimate use of the funds. Approval will enable all improvement works to be completed without any ongoing financial impact on the community safety service, e.g. repayment of an invest-to-save scheme. The improvement works will also enable parking to enforce effectively, meaning that additional income is likely. Some further detailed scoping

work is required as well as a tender process before the final budget for the works is known but an agreement to spend up to the current amount of reserves held would be helpful to enable us to proceed with the programme. Cabinet are asked to approve this drawdown.

## IAS

- 9.10. The Council has an ambitious growth and development strategy that is now fully underway with large amounts of activity planned over the next two financial years. This is an exciting but high risk time and so it is proposed to make a small amount of investment in some resource over the next couple of years in order to ensure its success. This will secure the delivery on the IAS returns into the future by allowing the handover of the current units from Be First to the council in good time, support the step change in Reside capability we know is required and allow for effective cross-system accountability on delivery of the programme to happen. In addition, there is a need to provide some resource to support the delivery of our 'regeneration strategies' in the areas where the council owns assets – with a view to supporting the long term growth of those assets value to the Council.

	2021-22	2022-23
New build asset manager role (My Place)	£75,000	£75,000
Short term housing management transformation in relation to new build properties (My Place)	£50,000	£0
Contribution to costs of handover programme management and monitoring in the council (IG team)	£50,000	£50,000
Budget to fund work to develop industrial intensification strategy	£200,000	£0
	£375,000	125,000
Forward funding development of estate renewal strategies and programmes	£250,000	
Forward funding engagement activity required to conduct estate regeneration ballots	£300,000	
<b>TOTAL:</b>	<b>£925,000</b>	<b>£125,000</b>

- 9.11. This can be funded by drawing down from the IAS reserve and Cabinet are asked to approve this.

## 10. Financial Implications

Implications completed by: Philip Gregory, Finance Director (S151 Officer).

- 10.1. The detailed financial implications have been covered throughout the report. Members are asked to note the revised MTFs position as set out in section 4 of this report.

## 11. Legal Implications

Implications completed by: Dr Paul Feild, Senior Governance Solicitor

- 11.1 A local authority is required under the Local Government Finance Act 1992 to produce a 'balanced budget'. The current budget setting takes place in the context of significant and widely known challenges to the funding of local authorities. As the time of the composition of this report the United Kingdom is under the unique pressures on resources cause by the Covid 19 pandemic. This has inevitably brought with it unplanned for expenses, additional costs and a negative impact on income streams and uncertainty with investments. This in turn means that the MTFs is being called to address a period of negative economic uncertainty calling for the MTFs to maintain flexibility to provide resilience. As a result it will be anticipated that priorities may be forced by events to change and consequently resource allocations be revised. Where there are reductions or changes in service provision as a result of changes in the financial position the local authority is free to vary its policy and consequent service provision but at the same time must have regard to public law considerations in making any decision lawfully as any decision eventually taken is also subject to judicial review. Members would also wish in any event to ensure adherence as part of good governance. Specific legal advice may be required on the detailed implementation of any agreed savings options. Relevant legal considerations are identified below.
- 11.2 Whenever there are proposals for the closure or discontinuance of a service or services, there will be a need for appropriate consultation, so for example, if savings proposals will affect staffing then it will require consultation with Unions and staff. In addition to that Members will need to be satisfied that Equality Impact Assessments have been carried out before the proposals are decided by Cabinet. If at any point resort to constricting expenditure is required, it is important that due regard is given to statutory duties and responsibilities. The Council must have regard to:
- any existing contractual obligations covering current service provision. Such contractual obligations where they exist must be fulfilled or varied with agreement of current providers;
  - any legitimate expectations that persons already receiving a service (due to be cut) may have to either continue to receive the service or to be consulted directly before the service is withdrawn;
  - any rights which statute may have conferred on individuals and as a result of which the Council may be bound to continue its provision. This could be where an assessment has been carried out for example for special educational needs statement of special educational needs in the education context);
  - the impact on different groups affected by any changes to service provision as informed by relevant equality impact assessments;
  - to any responses from stakeholders to consultation undertaken.
- 11.3 The report refers to Section 55 Road Traffic Regulation Act 1984 and what any surplus may be used for. The courts have held that it is subject to the requirement



that the service is not deliberately run to generate a surplus that would be ultra vires.

## **12 Corporate Policy and Equality Impact**

- 12.1 The Equality Act 2010 requires a public authority, in the exercise of its functions, to have due regard to the need to eliminate discrimination and to advance equality of opportunity between persons who do and those who do not share a relevant protected characteristic. As well as complying with legislation, assessing the equality implications can help to design services that are customer focussed, in turn leading to improved service delivery and customer satisfaction.
- 12.2 The Council's Equality and Diversity strategy commits the Council to ensuring fair and open service delivery, making best use of data and insight and reflecting the needs of the service users. Equality Impact Assessments allow for a structured, evidence based and consistent approach to considering the equality implications of proposals and should be considered at the early stages of planning.
- 12.3 There are no new savings proposals that put forward and EIAs have also been carried out for all existing saving to ensure the Council properly considers any impact of the proposal. The Council's transformation programme aims to redesign services to make them more person-centred and focussing on improving outcomes for residents. Therefore, in most cases the proposals have either a positive or neutral impact. However, where a negative impact has been identified, the Council will ensure appropriate mitigations are considered and relevant affected groups are consulted.

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

### **List of appendices:**

- Appendix A – Medium Term Financial Strategy 2021-22 to 2025-26
- Appendix B – Budget Growth and Savings
- Appendix C – Reserves Policy 2021-22 to 2025-26
- Appendix D – Reserve Balances as at 31 March 2021

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## APPENDIX A



MEDIUM TERM FINANCIAL STRATEGY  
Summary Model - MTFS July 2021

2020/21 Outturn	2021/22 Forecast Outturn	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
£m	£m	£m	£m	£m	£m

NET COST OF SERVICES	149.352	161.318	176.365	176.909	179.817	184.902
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## Financial Planning

Savings - Existing Plans	-	(2.641)	(0.850)	(1.227)	-	-
Savings - to be identified	-	-	(5.110)	(6.767)	(6.767)	(6.416)
Growth	-	17.428	5.904	10.302	11.252	11.102
Capital	-	0.260	0.600	0.600	0.600	0.600

## Reserves

Contributions to Earmarked Reserves	31.071	7.062	-	-	-	-
Contributions from Earmarked Reserves	(1.471)	(3.407)	(6.756)	(1.600)	-	-
COVID-19 Reserves/carry forward	13.924	-	-	-	-	-
Use of General Reserve	-	2.000	-	-	-	-
Net Expenditure after Reserves	192.876	182.020	170.153	178.217	184.902	190.188

## Funding

NDR/RSG	(81.300)	(80.593)	(77.088)	(79.468)	(81.188)	(82.945)
Other Grants	(9.062)	(10.948)	(8.676)	(8.590)	(8.513)	(8.444)
COVID Grants	(34.220)	(7.694)	-	-	-	-
(Surplus)/Deficit on Collection Fund	(1.745)	2.663	3.100	3.100	-	-
Company Dividends	-	(12.490)	(12.995)	(12.807)	(12.807)	(12.807)
Investment Income	(0.762)	(5.712)	(2.377)	(4.542)	(3.042)	(3.042)
NHB Payments	-	1.543	0.499	-	-	-
Demand on Collection Fund	65.787	68.789	72.616	75.910	79.352	82.950

Council Taxbase	51,204	50,996	52,271	53,055	53,850	54,658
Council Tax at Band D (£)	1,284.80	1,348.91	1,389.24	1,430.78	1,473.56	1,517.62

Council Tax Precept £m	65.787	68.789	72.616	75.910	79.352	82.950
Percentage Increase in Council Tax	4.99%	4.99%	2.99%	2.99%	2.99%	2.99%

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## Appendix B

### Medium Term Financial Strategy - Summary Position 2021-22

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
	Revised	Revised	Revised	Revised	Revised
<b>Prior Year (Surplus) / Deficit</b>					
<b>Budget Increases</b>					
<b>Corporate Growth</b>					
ELWA levy increase	-	-	-	800	800
Pensions remove advance payment element	-	-	-	-	-
<b>Cross Cutting Items</b>					
Staff pay award and capacity building	2,000	2,000	2,000	2,000	2,000
Non staff inflation	1,000	1,000	1,000	1,000	1,000
<b>Service Pressures</b>					
Public Realm	-	530	-	-	-
Childrens TOM	-	-	-	-	-
Disabilities	500	500	500	500	500
LAC/Care	600	600	600	600	600
Adults	1,000	1,000	1,000	1,000	1,000
Adults Fourth Locality	-	-	250	250	250
Care and Support Pressures	9,259	(286)	4,692	4,692	4,692
Community Solutions	260	260	260	260	260
Participation & Engagement	(110)	(50)	-	-	-
Parks	600	-	-	500	-
Census Information Scheme 2021	18	-	-	-	-
GIS	-	350	-	(350)	-
Agreed Growth - Budget 2021	2,121				
<b>Total Additional Costs</b>	<b>17,248</b>	<b>5,904</b>	<b>10,302</b>	<b>11,252</b>	<b>11,102</b>
MRP policy change					
Additional MRP changes	150	150	150	150	150
Investment in the capital programme	450	450	450	450	450
Extra cost of Capital borrowing (6% for MRP & 3% for Interest)	-	-	-	-	-
Capital Financing Costs	(340)	-	-	-	-
<b>Total Capital Costs</b>	<b>260</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>

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### Reserves policy 2021-22 to 2025-26

1. Reserves can be classed as general reserve or earmarked reserves and they represent funds that are not part of the normal recurring budget but are distinct “pots” of finite funds.
2. The level of reserves is a key component of a robust and prudent medium-term financial strategy ensuring that funds are set aside for specific purposes or can be called upon to provide a buffer in the event of any unforeseen financial pressure. They are in effect the “shock absorbers” of the council’s finances and are the last line of defence to ensure resilience.
3. The council has a statutory duty under the Local Government Finance Act 1972 to determine the level of General Fund balances and reserves it maintains before it decides on the level of council tax. The level of balances should be based on the council’s own specific circumstances taking into account the risk exposure of the Council.
4. General reserves are set aside to provide an emergency fund for exceptional circumstances. This fund has been reviewed and assessed as having a minimum requirement of £12m. This money is set aside as a fund of last resort when all other reserves or budgets have been depleted. Currently, the council has some £17m in this reserve.
5. Other earmarked reserves are held for specific purposes. Some reserves such as dedicated schools grant are held for statutory purposes outside the direct control of the Council. Other non-ringfenced reserves are held for strategic purposes or to support operational delivery of services. For us, the key strategic reserve is the budget support reserve, which is intended to even out fluctuations year on year in the council financial performance. The use of this reserve is overseen by the CFO.
6. The day to day running of operational reserves is managed by the relevant budget holder under council delegation arrangements. These cover a wide range of activity – from elections, to replacing IT, to having an insurance fund.
7. Reserves should not be used to pay for continuing expenditure but are available as funding for one off items, invest to save initiatives or to provide time-limited support to manage transition.
8. As part of the Council’s review of risk and recognising the increasing commercial environment the Council is operating within, an additional investment risk reserve has been created.
9. The forward forecast of reserves is maintained by the CFO. There are exceptional budget pressures emerging as a result of the COVID-19 pandemic which may require the Council to utilise reserves to mitigate emerging financial pressures. Where earmarked reserves are utilised to fund this one-off financial shock, they will be replenished in future financial years.

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APPENDIX D - FORECAST RESEVES	Opening Balance 2020-21 (1st April 2020)	Transfer to Reserves	Drawdown from Reserves	Forecast Closing Balance 2020-21 (31st March 2021)
<b>General Fund Balances</b>	<b>(17,030,171)</b>			<b>(17,030,171)</b>

#### Earmarked Reserve Balances

BUTLER COURT (REFURBISHMENT)	(89,323)			(89,323)
SKILLS & LEARNING PROGRAMME RESERVE	(1,093,129)	(955,200)		(2,048,329)
<b>TOTAL DEPARTMENTAL RESERVE</b>	<b>(1,182,452)</b>	<b>(955,200)</b>		<b>(2,137,652)</b>
CAPITAL INVESTMENT RESERVE	(3,575,842)	(203,209)		(3,779,051)
<b>TOTAL CAPITAL INVESTMENT RESERVE</b>	<b>(3,575,842)</b>	<b>(203,209)</b>		<b>(3,779,051)</b>
Entities	(1,106,203)	(674,792)		(1,780,995)
<b>TOTAL ENTITIES RESERVE</b>	<b>(1,106,203)</b>	<b>(674,792)</b>		<b>(1,780,995)</b>
PFI RESERVE	(5,706,277)	(639,687)		(6,345,964)
JO RICHARDSON AND EASTBURY PFI	(7,698,827)			(7,698,827)
<b>TOTAL PFI</b>	<b>(13,405,104)</b>	<b>(639,687)</b>		<b>(14,044,791)</b>
OTHER MISCELLANEOUS	(3,643,637)	(1,595,846)	293,636	(4,945,847)
GRANTS - DEPARTMENT FOR EDUCATION	(38,700)			(38,700)
PARKING RESERVE	(254,181)	(672,900)		(927,081)
TREWERN OUTDOOR CENTRE RESERVE	(94,432)	(388,615)		(483,047)
YOS - HEALTH & JUSTICE (FROM CCG)	(115,766)			(115,766)
LEAVING CARE SERVICE (NEET FUNDING - RE CMF GRANT)	(140,074)			(140,074)
<b>TOTAL OTHER MISCELLANEOUS</b>	<b>(4,286,790)</b>	<b>(2,657,361)</b>	<b>293,636</b>	<b>(6,650,515)</b>
SERVICE GRANT CARRY FORWARDS	(1,351,026)	(3,814,618)	123,746	(5,041,898)
ELHP	(912,033)		912,033	0
INVESTMENT RESERVE	(3,265,410)	(13,232,272)		(16,497,682)
PUBLIC HEALTH RESERVE	(1,094,561)	(1,360,234)		(2,454,795)
CORPORATE RESTRUCTURING - REDUNDANCIES RESERVE	(735,000)			(735,000)
INSURANCE FUND - LIABILITY RESERVE	(1,639,009)	(1,723,509)		(3,362,518)
BUDGET SUPPORT RESERVE	(8,026,163)	(3,407,000)		(11,433,163)
VAT MARKET REPAYMENT	(223,406)			(223,406)
LEGAL TRADING RESERVE (LBBD SHARE)	(440,059)	(20,000)	142,019	(318,040)
COLLECTION FUND EQUALISATION RESERVE	(4,073,767)	(8,236,112)		(12,309,879)
ELECTIONS RESERVE	(296,755)	(75,000)		(371,755)
FILM STUDIOS DEVELOPER CONTRIBUTION	0	(1,000,000)		(1,000,000)
SOCIAL HOUSING DECARBONISATION FUND (BEIS)	0	(100,797)		(100,797)
BD GIVING ENDOWMENT FUND	0	(300,288)		(300,288)
LEP HOUSING RENTAL RESERVES	(43,508)	(2,598,090)		(2,641,598)
EDUCATION, YOUTH & CHILDCARE RESERVE	(2,887,165)	(1,938,800)		(4,825,965)
IT RESERVE	(1,105,000)	(107,000)		(1,212,000)
<b>NET EARMARKED RESERVE BALANCES</b>	<b>(49,649,254)</b>	<b>(37,913,719)</b>	<b>1,177,798</b>	<b>(91,221,788)</b>
	(73,205,645)	(43,043,968)	1,471,434	(119,614,792)

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**CABINET****13 July 2021**

<b>Title:</b> Review of School Places and Capital Investment – Update	
<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 Commissioning Director:</b> Jane Hargreaves, Commissioning Director Education	
<b>Accountable Strategic Director:</b> Elaine Allegretti, Strategic Director, Children and Adults	
<p><b>Summary</b></p> <p>This report provides an update on the latest information regarding forecast demand for education places across the Borough's schools. It also provides an update on some specific projects which are necessary to respond to place demand and new capital grant from the Department for Education (DfE) for the financial years 2021/22 and 2022/23.</p> <p>Additional school places have been made available from September 2021 at the following schools:</p> <ul style="list-style-type: none"> <li>○ Secondary – Robert Clack 60 additional places at Yr7</li> <li>○ Primary – Robert Clack 30 additional places at YrR</li> </ul> <p>New DfE funding has been announced to secure investment in the Borough's schools for 2021/22 to support condition and suitability improvements which includes:</p> <ul style="list-style-type: none"> <li>○ £568,817 Devolved Formula Capital Allocation – maintained LA Schools</li> <li>○ £5,225,469 School Condition Capital Allocation – maintained LA Schools</li> </ul> <p>A further amount of funding to help create additional school places up to September 2023 of £6,614,242 in the financial year 2022/23 has also been awarded. The DfE have also made £2,159,813 available to support the provision of capital grant for SEND places, or improvement to SEND places.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <p>(i) Approve the inclusion in the Capital Programme of the DfE grant allocations for 2021/22 and 2022/23, as detailed in sections 5, 6 and 7 of the report;</p>	

- (ii) Approve the proposed allocation of funding as set out in section 8 and in particular at 8.15 of the report, to support the provision of new school places and improvements, some of which will need to be ready for September 2021;
- (iii) Delegate authority to the Strategic Director, Children and Adults, acting on advice from the Procurement Board, to approve the final procurement strategies for projects noted in the report; and
- (iv) Delegate authority to the Strategic Director, Children and Adults, in consultation with the Cabinet Member for Education Attainment and School Improvement, the Managing Director and the Strategic Director, 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 and support the intention of the Council's Vision and Priorities, including encouraging civic pride, enabling social responsibility, and growing the Borough, and delivering the ambition for excellence in education set out in our Education Strategy.

## **1. Introduction and Background**

- 1.1 It has been the practice since 2010 to report regularly to Cabinet on the issue of the forecast for pupil numbers. These reports have also covered a programme of proposed works necessary to ensure that children in the Borough have the opportunity to attend school and to have a safe suitable environment. The last report presented to Cabinet on this subject was on 22 September 2020, Minute 24 refers.
- 1.2 This report provides an update and sets out the most up to date information on the projected demand for education places for September 2021. Further, the report seeks approval to include capital funding grant in the Council's Capital Programme in order to progress projects to improve school provision.

## **2. Update on Pupil Numbers and Capacity for September 2021**

- 2.1 Cabinet has received regular reports about the continuing demand for school places and the need to develop additional high-quality provision. It is worth noting that providing sufficient school places is a national issue and, in particular, regional to London due to rising population which is now causing pressures in the secondary sector. For Barking and Dagenham, it has been a major priority for investment since 2007. Further to the demand for mainstream school places along with a number of local authorities, Barking and Dagenham is seeing the numbers of pupils requiring additional specialist support rising above the level of growth of the mainstream school population. Consequently additional places to support pupils with identified additional needs are being provided as a priority.
- 2.2 When looking at the forecast in growth of the pupil population several factors are taken into consideration as follows:
  - 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 in particular the impact of population movements into and out of the Borough;

2.3. The position for the reception year classes for September 2021 is that we are anticipating that there will be a surplus of places as with last year above the operating spare capacity we are aiming for. We aim to have 3% - 4% spare capacity for fluctuations across the Borough and for parents to express a preference. There is surplus above the operating spare capacity for September 2021 due to a number of reasons (Covid, Brexit, births). However, these are expected to recover over the short term. For information, the birth data was as follows:

<b>Birth Year</b>	<b>Birth Numbers</b>	<b>Reception Year</b>
2012/13	3,808	2017/18
2013/14	3,834	2018/19
2014/15	3,697	2019/20
2015/16	3,747	2020/21
2016/17	3,980	2021/22

2.4 To manage this dip in place demand, the Admissions Team are in discussion with some schools to temporarily reduce the Pupil Admission Number at a few schools in the Borough and to manage a reduction aiming to minimise financial hardship to the schools affected. This practice has been used in the last 4 years. The figures show that these numbers are recovering, and we are anticipating a further rise in September 2022.

2.5 Things are changing in the borough and the last two of these reports did indicate that the impact of growth in the primary school phase is starting to affect secondary level. It was reported to Cabinet in September 2020 that a new facility at Robert Clack had been developed and the school started to offer 120 additional places in year 7 from September 2020 and is increasing this for year 7 to 180 from September 2021. There is also a new Robert Clack primary phase school building opening its doors from September 2021, with just 30 pupils in YrR, this school will gradually grow each year, the provision of this school is to comply with planning requirements. The next increase at secondary level will be Greatfields Secondary which will be offering an additional 120 places at year 7 from September 2023. There will also be a new Greatfields Primary School located in Barking on the adjoining site to Greatfields Secondary School. We are anticipating that Greatfields Primary will be opening its doors to new pupils, in a modest way, perhaps 30 or 60 pupils from September 2022. This latter project and the timing is subject to a funding agreement and legal documentation being provided by the appropriate authority at the DfE.

2.6 Over the summer/autumn of 2020 a couple of significant projects were undertaken to explore the needs and impacts of the council's proposal to develop a number of sites in the borough over the next 15 years.

- 2.7 The first of these projects was to undertake a forecast of the likely impact of significant housing over the next 15 years. Secondly, to explore the impact or the need to provide new schools to support the likely rise in place demand.
- 2.8 The background to the need to carry out these reviews was the development of the Councils Local Plan which was in consultation at the time of preparing this report. Further, the Housing Trajectory and specific policies identified in the Local Plan to develop 7 areas in the borough and referenced in the local plan as Policy SPP1 to SPP7.
- 2.9 The impact on education demands and place need are explored in the next section of this report.

### **3. Local Plan and Potential Impact on Education Provision**

- 3.1. The Local Plan at the time of compiling this report is being consulted upon and as indicated in Section 2 above will have an impact in the demand for school places across pre-school, primary, secondary, and special needs. Further work to identify need now that we have more up to date information is set out below.
- 3.2 As you would expect such development could significantly change the outlook for the Borough with new employment opportunities, venues for shopping and a significant increase in residential development 35,000 to 40,000 new homes. Such an increase would raise the number of pupils requiring schooling from 44,625 (October 2020 School Census) to an estimated 75,260 by July 2036, this represents a 60% increase.
- 3.3 The second aspect would be that we now need to plan where additional school places can be provided to satisfy need. There is limited scope or opportunity to expand established schools on existing sites as since 2007 we have adopted a process to manage this. Adopting this strategy has supported the provision of new school places across the Borough and delivered value for money in place provision supporting additional school places to accommodate the rising school population from 2007 of 31,421 to 2020 where the population was 46,250. Consequently 76.3% have been expanded, 11.9% have taken 'blip' classes to help with particular bulge in a year group, but not expanded usually because they do not have space or were outside of the areas of local growth need, and 11.9% are new schools over that 13-year period, of the original school stock from 2007 88.2% have increased capacity.
- 3.4 To put the numbers into perspective a growth of 60% for school places would mean the additional provision of 27 (3fe) primary schools and 9 (10fe) secondary schools across the Borough strategically placed to meet local need particularly for primary aged pupils. In addition, it is estimated that 4 further special schools would be needed across the Borough. In cost terms this would be in excess of £600m, at current prices, plus land cost.

### **4 Review of Forecast for Pupils with Identified Additional Needs**

- 4.1 It was reported to Cabinet 21 January 2020 that, within Education Commissioning, some work was being undertaken to explore improved forecasting and hence

planning for increased provision for children and young adults who need to have additional support. Minute 94 refers.

- 4.2 A review has been undertaken to examine the work previously undertaken against the outcomes in terms of numbers of pupils who are currently in our schools or are the financial responsibility of Barking and Dagenham. This has revealed that as an average over a 3 year period the proportion of the school aged population with an Educational Health Care Plan (EHCP) is around 3%. What has become apparent through the review and having more accurate data is that the growth in SEND pupils requiring additional specialist support is rising above the level of growth of the mainstream school population.
- 4.3 In order to project forward utilising the 3% model forecast data has been used based on the GLA population projections which sets out the demographic projections by age range. The numbers used need to cover the age ranges between 4 and 25 years, as for pupils with a need for additional support the Council has a responsibility to provide such support between those ages.
- 4.4 Utilising this information, it is possible to project forward based on the numbers in the 4 to 25 year ages range that 3% will mean over the next 5 years there will be an **additional** 249 pupils with EHCP which identifies the support an individual pupil needs over and above what the school would usually provide.
- 4.5 This breaks down into the following, based on the current make-up of provision, over the next 5 years.

<b>Over the next 5 years: 2021 to 2026</b>		<b>3% (Proportion of Forecast 4-25 year olds)</b>
<b>Additional pupils</b>		<b>249</b>
Special Schools	26%	<b>65</b>
Additional Resource Provision	15%	<b>37</b>
Mainstream Schools	29%	<b>72</b>
Out of Borough Mainstream Placements	12%	<b>30</b>
Specialist Placements	18%	<b>45</b>

- 4.6 The effects of a delay in the provision of promised facilities which the DfE have previously approved, see Section 8.6 and 8.7 later in the report, does mean that because the Council is responsible for planning and providing places for pupils' resident within its borders there are obligations which the Council has difficulty in fulfilling. This is because the Council is currently relying on the DfE to provide the financial resources in some instances, and in other circumstances is dependent on a new school being provided following a DfE competition.
- 4.7 In reality we have an issue which Council officers are steadfastly trying to manage without the resources from Central Government. Some pupils may not be in the best school placement because of availability and we need to do something to address this. Proposals are set out in Section 8 of this report.

## **5. New DfE Grant Allocations 2021**

5.1. New advice has been received from the DfE about funding being made available to support capital projects for improvement or repair in 2021/22.

### **5.2 Devolved Formula Capital 2021/22 (DFC) £568,817**

5.2.1 This is a fund of money from the Government which has been allocated for a number of years (since 2006/7) and is designed to be passed to all maintained schools in the Borough. Academy and free schools receive a separate allocation direct through their own funding allocation by the DfE.

5.2.2 The fund of £568,817 for LA schools which has been advised needs to be passported directly through the School's Finance Team under the direction of the Council Financial Director to the Borough's schools. This sum of £568,817 would need to be shown in the Council's Capital Programme. In respect of Voluntary Aided Bodies, they are advised directly by the DfE of their share of DFC.

### **5.3 School Condition Capital 2021/22 (SCC) £5,225,469**

5.3.1 The DfE have released information about the capital allocations being made to local authorities for the maintenance, or to improve suitability, of existing maintained school buildings. The allocation for LBBB schools for 2021/22 is £5,225,469. A plan to utilise this funding will be assembled derived from technical advice, the content of the School Estate Asset Management Plan Database, and information collated from the DfE school condition survey data. The overall investment programme will be approved by the Commissioning Director Education in the manner traditionally adopted.

## **6 Capital for Basic Need 2022/23**

6.1 The DfE have advised the council on the 25th of February 2021 that for the financial year 2022/23 an allocation of £6,614,243 will be made available to support provision of additional places in the Borough ahead of the intake for September 2023.

6.2 It is to be remembered that the council has benefited from the establishment of a number of academies/free schools in the borough and as such this has affected the funding which the Council receives for this activity. A schedule of proposed new schools, still to be provided, is detailed in section 8.5 of this report. These school will contribute towards the provision of additional places which will be necessary.

## **7. Section 31 Grant Determination for the High Needs Provision Capital Allocations**

7.1 On the 25 February 2021 the DfE advised of the intention to allocate £300 million for new school places for children with special educational needs and disabilities.

7.2 This has now been confirmed by communication from the DfE dated 9 April 2021 that LBBB will receive £2,159,813 as its share of the funding allocated. This grant which is much needed and will support projects which are listed below in section 8.



## 8. Available Capital for meeting Basic Need

8.1 Set out below is the current funding identified by colleagues in Finance which is currently available to support the provision of new school places.

Allocation of funding not set against specific projects (includes Basic Need Funding 2020/21 financial year)	£2,223,558
New Basic Need allocation 2021/22	£ 443,356
Balance held for future provision of school places.	£2,666,914

8.2 At the time of preparing the report for September Cabinet 2020 there was an active review process of the budget availability being conducted by colleagues in the Finance Team. It was felt appropriate to hold the balance of funding to be used for investing in new school places until the review had been concluded as there were competing investment needs which required assessment.

8.3 The review about funding has now been concluded and the projects which need investment have been assessed. The following paragraphs set out a proposal for Cabinet to adopt and recommend to the Council to progress.

8.4 It is now possible to provide cabinet members with a much more accurate set of figures following a recalculation by the Finance Team, in particular taking into account any underspending on projects that have been completed, reimbursement from external sources (insurance) for projects that have been completed and work undertaken by council officers on behalf of DfE to provide academy and free schools. As a consequence, after current commitments are taken into account the revised level of available funding is as follows:

Allocation of Funding not set against specific projects (includes Basic Need funding 2020\21 financial year) (Section 8.1 above refers)	£2,223,558
Funding for School Condition or Basic Need projects identified by finance review - Part 1	£1,786,532
Funding for School Condition or Basic Need Projects identified by Finance review - Part 2	£1,624,735
DfE Basic Need Grant 21\22 Financial Year (Cabinet 22 September 2020 (Minute 24)	£443,356
DfE Basic Need Grant 22\23 Financial Year (section 6 this report)	£6,614,243
DfE High Needs Capital Allocation Financial Year 21\22 (section 7 this report)	£2,159,813
<b>Total Funding Available</b>	<b>£14,852,237</b>

8.5 The following projects have been previously advised to the Council by DfE for new academy and free schools to be provided as follows:

Ford View Primary to be located at Beam Park,  
630 place school plus 39 FTE nursery

*Approved 16/9/2016*

*Likely Delivery September 2023*

Mallard Primary to be located at Barking Riverside 630 place school plus 399 FTE nursery.

*Approved 16/9/2016*

*Likely Delivery September 2025*

Beam High – Secondary to be located at former Ford Stamping Plant, 1800 place secondary school including 300 6<sup>th</sup> form places.

*Approved 16/9/2016*

*Likely Delivery September 2025*

Greatfields Primary - to be located in the Gascoigne regeneration area, next to Greatfields Secondary School

*Approved 16/9/2016*

*Likely Delivery September 2022*

Pathways SEND Provision – 90 place SEMH School

*Approved 20/9/2016*

*Likely Delivery September 2024*

***Note: this provision has been operational since September 2019 in a temporary location which the council is facilitating because of the real need to find placements for children in the borough.***

Beam Bridge special school (now proposed Oxlow Bridge School) 176 place SLD\PMLD school

*Approved 20/9/2016*

The DFA have responsibility for providing the building to their preferred operator.

In reality the DfE and its partner organisation have not been able to identify a site or secure sufficient space in the Borough to commence this project. Officers of the Council managing education property have worked closely with colleagues who manage corporate property to broker a deal for the use of the Pondfield Depot site to construct a 90 place PMLD school

*Likely Delivery September 2024*

This will mean that for this provision about half of the required identified need will be provided and this does raise an issue for the Council in having sufficient in Borough places to support local children and their specific needs.

- 8.6 The impact of slow delivery for some of these new facilities means that for the Council children who have additional needs are not always being placed in the school provision for which they would be best suited, as places are not always

available. Additional revenue costs can be higher, for example if children have to be placed in a private provision, as we are competing for scarce places.

- 8.7 As set out earlier in the report under Section 4 which covers pupils who have additional needs the number of pupils which this impacts on is growing at a greater rate than the mainstream school population. We need to take some action to address this imbalance and the proposals in the next paragraphs will assist in this.
- 8.8 Some projects to increase or improve additional resource provision have been identified and positive work is being done to use existing approved grant funding for special needs places in Additional Resource Provisions in mainstream schools, discussions are continuing and improvement works are being identified to manage increased provision from September 2021.
- 8.9 We need to create additional special needs places at Trinity School again utilising previously approved DfE capital for special needs, some of this work is already underway.
- 8.10 To develop an extension to an existing special needs provision in a dedicated building to provide at least 90 new places, subject to discussion with interested parties and availability of a land resource. We need to carry out further discussions and investigative works including some design and costing and seek to set aside some funding to achieve this. This will be a good investment to keep pupils in the Borough rather than seeking high cost out Borough placements.
- 8.11 Since September 2016 Monteagle Primary has been utilising spare classrooms to expand their ARP and house an additional 24 pupils. This has been a very welcome provision to help manage places, however, as the school population is rising those classrooms need to be brought back into use, we need to continue the provision of the ARP at the school and need to carry out discussions with the school and some feasibility work to identify costs for this work.
- 8.12 We need to continue to develop additional ARP places in mainstream schools and whilst there are no firm appraisal proposals that can be identified at this time if Cabinet Members could agree to designate funding as indicated below this would enable officers to move quickly to secure these new places which may be needed for September 2021.
- 8.13 There have been additional demands put on Maybrook Park School – an alternative provision for pupils who cannot settle at a mainstream school. It is proposed to increase capacity at this School by providing a double classroom unit. This will be an interim measure whilst the long-term proposal can be developed and funding to support it can be secured. A sum of £250k to be set aside.
- 8.14 There are some schools where they have agreed to expand to take additional pupils and we need to support some specific specialist provision or there has been an identified need due to Covid.
- 8.15 For the reasons set out above a programme of works are now provided for Cabinet Members to consider as set out below:

Budget indicated at 8.4 above	<b>£14,852,237</b>
Conduct discussions and design investigations to assess the feasibility of expanding an existing special school. As identified at 8.10 above.	£100,000
Provision of a new ARP building at Monteagle Primary. As identified at 8.11 above.	£1,500,000
Develop ARP provision at a number of mainstream schools. As identified at 8.12 above.	£1,000,000
Cost of Additional Classroom space at Mayesbrook School as identified at 8.13	£300,000
Cost of Continuing to provide improvements to mainstream schools to support the curriculum especially where schools have been previously expanded, or where the implications of Covid have caused particular issues. As identified 8.14 above	£2,000,000
Retained basic need funding held as a contingency	£9,952,237
<b>Total</b>	<b>£14,852,237</b>

## 9 Options Appraisal

- 9.1 The agreed investment strategy (see Future Planning Programme to meet Basic Need [including SEN places] 2019 to 2027 Cabinet 21 January 2020) is firstly 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); secondly 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; then subsequently 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.
- 9.2 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 and timescales to achieve cost efficient / competitive prices often in short timescales.
- 9.3 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, procurement and others mentioned in section 12 of this report.

## **11. Procurement Implications**

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

- 11.1 The spend detailed in the report will be procured in line with legislation at the time of the procurement and in line with the Council's Contract Rules

## **12. Financial Implications**

Implications completed by: Alison Gebbett – Capital Accountant

- 12.1 This report provides an update on projected pupil numbers and planned place provision for the upcoming year but also longer term projections, along with the known resources available to support this provision. There will be increasing numbers of school pupils in the borough over the next 15 years due to housing developments. The report also highlights the demand for special educational needs and sets out the options that are being reviewed.
- 12.2 A review of prior year grant funding has now completed to establish if there are further unallocated resources that can be used to allocate to capital schemes to increase the number of pupil places. The results of this review are set out at 8.4 above. Along with current and future year allocations, the available resources to fund additional Basic Need schemes total £14,852,237, including new DfE grant allocations for Basic Need (£443,356 in 2021/22 and £6,614,242 in 2022/23) and High Needs provision (£2,159,813 in 2021/22). It should be noted that this funding assumes future receipt of funds of £2,176,600 relating to an insurance claim.
- 12.3 Of the £14,852,237 available, schemes have been put forward for approval for £4,900,000 as set out in 8.15 above, leaving £9,952,237 set aside for contingency (assuming the insurance pay-out is received).
- 12.4 This report also sets out capital programme funding allocations for 2021/22 of £556,817 Devolved Formula Capital which will be passported directly to schools and £5,225,469 Schools Condition Capital. Cabinet approval is requested to also add this to the capital programme.
- 12.5 These allocations are fully grant funded and will have no additional financial implications for the Council. Any major risks, issues or overspending that becomes apparent will be monitored, managed, and reported on as part of the Council's normal quarterly capital monitoring process.

### **13. Legal Implications**

Implications completed by: Lindsey Marks Deputy Head of Law and Kayleigh Eaton, Senior Contracts and Procurement Solicitor

- 13.1 The Council as an education authority has a duty to promote high standards of education and fair access to education. Sections 13, 13A and 14 Education Act 1996 requires local authorities to: ensure that efficient primary, secondary and further education is available to meet the needs of their population; ensure that their education functions are exercised with a view to promoting high standards ensuring fair access to opportunity for education and learning, and promote the fulfilment of learning potential; and secure that sufficient schools for providing primary and secondary education are available for their area.
- 13.2 Sections 13 and 14 Education Act 1996 provide that local authorities have a legal duty to identify and assess the special educational needs of children and young people for whom they are responsible. Once a local authority becomes aware that the child/young person in their area has or may have special educational needs, the local authority must ensure that those children/young people receive support to help them in “achieving the best possible educational and other outcomes”.
- 13.3 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.
- 13.4 Each project specified must be the subject of its own procurement strategy report and considered by the Procurement Board once officers are in a position to start the process. Legal services will be on hand to advise and assist in relation to each project as they arise.
- 13.5 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.

### **14. Other Implications**

#### **14.1 Risk Management**

- 14.1.1 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.

- 14.1.2 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.

- 14.1.3 Primary and 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.
- 14.1.4 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.
- 14.1.5 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.
- 14.1.6 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.
- 14.2 **Contractual and Procurement Issues** - It is anticipated that projects will be procured through options related either to the Local Education Partnership or through the Council's Framework of Contractors or other national or local frameworks which are accessible to the Council to secure value for money. It is a requirement of the grant funding to achieve value for money and demonstrate that all procurement options have been evaluated.
- 14.2.1 Legal, procurement and other professional advice will be sought regarding the appropriate procurement routes and contractual agreements to procure and secure the individual projects. All procurement activity will be conducted in compliance with the Council's Contract Rules and EU Legislation. The procurement routes will be approved at Procurement Board which will consider a report from Education Commissioning about a procurement strategy based on a project basis. This will ensure that Value for Money is tested.
- 14.2.2 Projects will be subject to the Capital Appraisal Process and the agreement of the Procurement Board to progress schemes.
- 14.3 **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.
- 14.4 **Corporate Policy and Equality 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.

- 14.5 **Safeguarding Adults and 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.
- 14.6 **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. Healthy Schools funding is to be welcomed.
- 14.7 **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.
- 14.8 **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:** None



**CABINET****13 July 2021**

<b>Title:</b> Corporate Plan 2020/2022 - Q3 and Q4 2020/21 Performance Monitoring	
<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
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<b>Accountable Strategic Leadership Director:</b> Claire Symonds, Managing Director	
<p><b>Summary</b></p> <p>Assembly agreed the current Corporate Plan in May 2020 which was further updated and agreed in November 2020. The purpose of this report is to provide an overview of performance and delivery of that plan.</p> <p>This is the second report under the current performance regime. It summarises performance in quarters three and four of the 2020/2021 financial year and gives updates on the delivery of projects and programmes of strategic importance. Though the scope of the report is Q3 and Q4 of 2020/21, the information in this report reflects the position at the time of writing to give Cabinet a contemporary picture of performance and delivery.</p> <p>The performance framework which underpins the Corporate Plan is all encompassing, comprising 300+ metrics and 150+ deliverables to give an effective overview of all this information the document at Appendix 1 takes a thematic and narrative-led approach to reporting. For each sub-theme of the Corporate Plan a position statement has been produced to summarise performance and delivery. This is to give a holistic view of progress to outcomes at a strategic level and to highlight key performance improvements and challenges over that period.</p> <p>Cabinet receives reports of this kind at six-monthly intervals. The next report will be scheduled in January 2022 and will cover performance and delivery progress in quarters 1 and 2 of 2021/22.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> <li>(i) Note the performance highlights and areas of improvement during quarters 3 and 4 of the 2020/21 financial year, as set out in Appendix 1 to the report,</li> <li>(ii) Agree any actions to address areas of concern; and</li> <li>(iii) Agree revisions to the Single Performance Framework as set out in Appendix 2 to the report.</li> </ul>	

## Reason(s)

Regular monitoring of performance is a responsibility of Cabinet as set out in Part 2, Chapter 6 of the Council Constitution. This report demonstrates the Council's commitment to good governance and rigorous performance management and shows how we strive for best value and continuous improvement.

## 1. Introduction

- 1.1. The Corporate Plan sets the agenda for the Council for the remainder of this political administration up to Spring 2022 when the next local elections take place. The Corporate Plan is developed to bring urgency, focus and direction to all activities of the Council in pursuit of the long-term ambitions of the Borough Manifesto. The Corporate Plan is organised into four strategic themes reflecting the priorities of the Council, these are: Inclusive Growth; Participation and Engagement; Prevention, Independence and Resilience; and Well Run Organisation.
- 1.2. A comprehensive performance framework underpins the Corporate Plan. The framework is a tool to drive continuous improvement and appraise progress to outcomes. There are two key elements to the performance framework which are brought together to give a holistic and strategic overview of performance and delivery.
  - **Deliverables** are the projects, programmes, and initiatives that will develop and transform local public services and Barking and Dagenham as a place and community of people, enabling the Council, in collaboration with its partners, to achieve the outcomes/priorities of the Corporate Plan.
  - **Metrics** are a mix of contextual data, business intelligence, operational performance indicators and outcome measures that give an empirical, quantitative view of performance. This data is key to identifying where performance is behind targets and expectations and gives an objective view as to whether improvement activity and transformation is making a tangible impact. More practically, this data shows that LBBD services are meeting the needs of residents in the 'here and now' and directs attention to where improvement plans are needed for services or to tackle broader issues.
- 1.3. This approach to performance reporting, which more closely views performance management information alongside the status of programme delivery, paints a rich picture of the Council's operating context, achievements, and areas of risk/improvement.
- 1.4. Appendix 1 is a collection of position statements which give an overview of performance and delivery, summarising data from metrics and project/programme delivery progress to give a well-rounded view on overall progress to outcomes. The position statements for each sub-theme highlight:
  - areas of good performance and achievement
  - areas where improvement is needed or where performance and delivery is behind expectations and targets
  - areas of focus for the next six months signalling where priorities lie based on the current performance and delivery position, and reflecting the delivery milestones and commitments set out in the Corporate Plan.

- key risks

- 1.5. Although the Corporate Plan performance framework is very comprehensive it does not cover all performance. Several other important performance frameworks exist to review performance in specific areas and across partnership agendas. For example, health and wellbeing outcomes are monitored through the Health and Wellbeing Board, crime and disorder through the Community Safety Partnership, and safeguarding through the Safeguarding Boards for Adults and Children. There are also service specific performance frameworks which are used for performance management at an operational level between commissioners and operational leads, or in some cases external contractors. Importantly the Corporate Plan gives a summary of performance and delivery across all areas and is therefore the primary performance framework the organisation uses for performance management purposes.
- 1.6. A rigorous performance management process underpins the performance framework and ensures good governance and accountability. Performance information is scrutinised at all levels of the organisation with clear escalation paths to ensure performance and delivery issues are responded to effectively and efficiently. Target-setting and benchmarking is used (where appropriate) to set clear expectations about levels of performance. Monthly exception reporting to the Senior Leadership Team is in place to investigate and intervene in areas that are behind target/expectations. Similarly, programme delivery milestones are monitored closely with the same monthly exception reporting process. Performance and delivery reports are routinely reported to Cabinet portfolio holders in support of them discharging their executive remits. These reporting processes and governance structures ensure that the organisation is focussed on the right things at the right time, has an overview of all areas of performance and delivery, is driving continuous improvement, and is managing risks and issues effectively.
- 1.7. Cabinet receives this report twice a year. The next report will be scheduled for January 2022 and will cover Q1 and Q2 of the 2021/22 financial year.

## **2. Key performance and delivery highlights**

### **2.1. Inclusive Growth**

- 2.1.1. Considerable steps have been taken since September 2020 to achieve our priorities around economic development, home building, and place shaping. The City of London markets have planning permission to move to Dagenham Dock and the Council was successful in its bid for a Thames Estuary Freeport. These major announcements follow the important developments in bringing a film studio to Dagenham East, as reported in the Q1 and Q2 report. Progressing transport infrastructure plans at Castle Green, Barking Station, and the tunnelling of the A13 are priority projects in the next months.
- 2.1.2. These big regeneration projects bring jobs and growth as well as a new identity and direction for the local economy which is evolving to build the creative, green and food sectors. There is a vibrant Business Forum and strengthened relationship with the Barking Enterprise Centre which has helped to support SMEs through the pandemic and position them for future growth opportunities. Focus has been on recovery plans

for Dagenham Heathway and Barking Town Centre, the commercial and retail hubs of the borough.

- 2.1.3. There is a healthy pipeline of housing developments which bring vital affordable homes to the borough. Between 2018 and 2022, 2,700 homes will have been built. 34% of new homes with planning permission are three bed or larger meeting the demand for family homes – this is the largest proportion of any London borough. Specialist housing provision is being delivered too, with 187 wheelchair accessible homes in the pipeline and new supported housing options for vulnerable people are being provided through Reside.
- 2.1.4. As during Q1 and Q2, economic and employment support for residents who have been impacted by the pandemic has been a priority for services with Community Solutions. In 2020/21, 850 people were supported into employment, mostly through the Job Shop, and LBBD has secured funding from the Kickstart scheme which will create opportunities for young adults (16-24 years old). Delivering apprenticeships during the pandemic was difficult despite much effort to promote the offer in key sectors. In the next period we will seek to improve uptake and create more apprenticeship opportunities directly as a local employer.
- 2.1.5. More than 3,000 residents were supported through the Homes and Money Hub in 2020/21, facilitating income maximisation of £1.04m. 1,500 people benefitted from the Financial Hardship and Covid-19 Support Schemes which awarded £900k in support. Community Food Clubs, which had more than 6,000 visits in the last financial year, helped residents to save more than £120k on food. These critical sources of help and support have been key to the Council's pandemic response. Because of the financial impact of the pandemic on residents unsurprisingly debt and arrears have grown as seen through declines in rent and Council Tax collection.
- 2.1.6. Barking and Dagenham has had the largest decrease in numbers in temporary accommodation in London since April 2018 (when the Homelessness Reduction Act came into effect). As of the end of May 2021, there were 1,439 households in temporary accommodation, compared to c.2,000 in Q3 of 2017/18. Maintaining this level of performance after the evictions ban is lifted will be difficult as we expect homeless approaches to notably increase but Community Solutions has well-developed preventative approaches to support people with housing needs.
- 2.1.7. The launch of the new ethical enforcement service in April 2021, following the transfer of Revenue and Benefits services back into the Council earlier in the year, will better support residents to achieve financial stability and resilience – as well as improve collection rates. Data and insight are being used innovatively to inform targeted debt recovery and identify residents who are at risk of financial problems so early intervention can be made before crisis point. In addition, exciting plans are in progress to launch a community banking initiative which will bring affordable credit to residents who would otherwise been at the mercy of unscrupulous credit providers.
- 2.1.8. Enforcement activity across all areas has decreased due to restrictions which impede investigations, visits and follow up work to achieve prosecutions. However, there has been an increase in housing related enforcement which has seen £170k of fines issued to landlords during 2020/21. New pandemic-related anti-social behaviour offences have occupied the Community Safety Enforcement Team. This service will

expand to operate 24/7 and focus on priority issues of street begging and street drinking.

- 2.1.9. The continued focus within Public Realm over the duration of 2020/21 remained on service continuity throughout the Covid-19 pandemic. The workload around ensuring a Covid safe workplace and monitoring staff compliance presents an ongoing challenge. Despite these challenges, domestic, recycling, and green garden waste collections made on the scheduled day have consistently exceeded the target of 99%. A review is being conducted to embed the area-based street cleansing model that was implemented during the summer of 2020, and to continue delivering improved standards in comparison to previous years.
- 2.1.10. The Council remains fully committed to green initiatives to avert climate crisis and improve the local ecology. Tree planting, electric vehicle, and retro-fitting of homes are all programmes which have moved forward in the past six months. Securing adequate investment to protect the borough's 28 Sites of Interest for Nature Conservation and improving air quality are high on the agenda for the next period.
- 2.1.11. Ensuring the local economy bounces back from the pandemic is the absolute priority for the next period as this has dependencies across nearly all the Inclusive Growth agenda because it affects the pace of regeneration and economic development. As the pandemic eases (and government support schemes wind down) we will begin to understand in full the affects lockdown has had on individuals' economic circumstances. Demand for employment, housing, and financial support is expected to increase dramatically. Being prepared to help residents through this difficult period is imperative.

## **2.2. Prevention, Independence and Resilience**

- 2.2.1. The second half of 2020/21 was much like the first, in that it was dominated by the impacts of the pandemic on service delivery and which added complexity and challenges to service development and improvement programmes. However, despite those circumstances, there is much good news to report about ways in which the Prevention, Independence and Resilience agenda has been taken forward.
- 2.2.2. Most importantly, the vaccination programme is progressing well reducing the Covid-19 case levels and mortality enabling a return to more usual service delivery and the ability to focus on recovery from the pandemic and legacy issues. Front and centre of such work is a comprehensive review of the impacts of the virus on inequalities (health and socio-economic), which have sadly widened.
- 2.2.3. The response to the second wave of the pandemic proved again that Care and Support Services are resilient and adaptable. In Adults Care and Support, infection control in provider settings was successfully managed ensuring the safety of older vulnerable residents. The recently established social prescribing service, which will soon be expanded, proved invaluable in supporting health and wellbeing outcomes throughout the pandemic. In Children's Care and Support, stability and permanence were maintained for Children in Care, of whom 70% were in stable long-term placements. For Care Leavers, 92% were in suitable accommodation, and we have further developed the Local Offer. Governance and accountability for safeguarding vulnerable children is more robust following the appointment of an independent scrutineer and strengthened partnership arrangements through the Safeguarding

Children Partnership. In the Disability Service, the Heathway Resource Centre has moved to Becontree Children's Centre, improving the early help offer. It is hoped the service will be open sometime in Q2 2020/21. Mental Health Services have seen a marked increase in referrals (32%) with a notable rise in young people needing mental health support. The service was absorbed this demand well and will be under significant pressure in the coming months and years.

- 2.2.4. Local schools and partners deserve special mention for how they maintained education and are now focusing on reintegrating children into school and helping pupils to catch up on lost learning and development. As do Further Education institutions and partners for ensuring a good proportion of 16-18 year olds have employment, education and training destinations at a time of disruption and limited opportunity for employment, apprenticeships and work-related learning.
- 2.2.5. One area of concern over the past six months has been the independent review of the Early Help Service which identified serious weaknesses about protecting and supporting vulnerable children. Developing and beginning to implement the Early Help Improvement Programme is therefore the critical priority for the next period.
- 2.2.6. Other priorities for Q1 and Q2 of 2021/22 include taking forward the recommendations of the Domestic Abuse Commission, re-designing the hospital discharge service, and increasing capacity in the Disability Service to manage high caseloads and pressure.
- 2.2.7. Big transformation programmes for Adults' Care and Support, the Disability Service, and Mental Health were mobilised in the early part of 2021. These programmes will need to adapt and respond to operational priorities arising from Covid-19 recovery and legacy work which present challenges. Uncertainty around demand into care and support services and major financial pressures will provide a difficult context against which to deliver service improvements at pace. However, the previous financial year has shown that the services can drive forward transformation whilst maintaining performance standards and quality.

### **2.3. Participation and Engagement**

- 2.3.1. There has been a clear sense of achievement and progress in the Participation and Engagement agenda for the 2020/21 financial year. Relationships have been built, systems have been developed and the principles of collaboration and partnership working have spread. Important milestones have been reached which demonstrate this and show the benefits of a collaborative and connected approach across the Borough involving all stakeholders.
- 2.3.2. An endowment for the Social Sector was agreed, creating an initial £905k pot for BD Giving to establish and grow an endowment that will then be distributed to community groups. This gives the sector sustainability and security to take forward initiatives which can improve outcomes for residents and build the capacity of the sector. In addition, NCIL funding is continuing to be awarded through a participative funding process that has residents at its heart. £100k was awarded to 12 projects in the fifth funding round.
- 2.3.3. The BD\_Collective's 'Network of Networks' has grown, and progress has been made on the social infrastructure contract held by the Collective. Exciting, shared projects

between the Council and the sector, on neighbourhoods and social isolation, will kick-off in the next season. Volunteering take-up through the Better Impact platform was a challenge during the pandemic with limited capacity of community groups, but gradual improvement is starting to be seen and there will be a further push for new groups to begin using the platform in the coming months.

- 2.3.4. Engagement has taken place with the aim of developing a Community Assets policy that will ensure community spaces are run by organisations that develop open and inclusive spaces for residents and community groups to use. This will align with and help to deliver the goals of the Borough Manifesto such as making Barking and Dagenham a more friendly and welcoming Borough with a strong community spirit by increasing the opportunities for people of different backgrounds to meet and interact. A Community Assets policy will actively enable the use and management of Council owned spaces and places by communities for socially beneficial collective activities. It will be created in collaboration with our social sector partners to ensure that the policy works in their interests. It is hoped this policy will be agreed at December Cabinet 2021.
- 2.3.5. Every One Every Day is approaching the end of its initial five year research programme period and work is underway to plan for the future of in-person participation in the Borough. During the pandemic Every One Every Day's 'Mighty Networks' platform and 'Tomorrow Today Streets' programme provided sources of virtual participation in an otherwise restricted environment for participatory activities. They are gradually re-opening their physical spaces as social distancing restrictions are lifted and the business development programme has continued.
- 2.3.6. Community events, cultural and heritage projects are key sources of resident engagement and participation. The Becontree Forever centenary celebrations kicked-off in March 2021 as did another successful Women's Empowerment Month. After hiatus last year, the Summer of Festivals will be back in 2021 with a vibrant programme of events.
- 2.3.7. The Citizen's Alliance Network is continuing to host important conversations, allowing residents, community groups and Council staff to discuss the Borough, their community and issues that matter to them. A recent project on Women's Safety saw huge engagement numbers and coverage in national media publications. One Borough Voice is delivering a step change in levels of engagement and dialogue with the community on important local issues. Visitor numbers and interaction through the online platform are exceeding initial targets for 2020/21. More council services have exploited the platform to obtain vital customer feedback and service user experiences. Creating more opportunities for engagement through One Borough Voice is an important element of developing a relational approach and amplifying the voice of residents in policy and decision-making. The recent engagement on women's safety in the borough is an example of the power of these platforms and approaches.

## 2.4. **Well Run Organisation**

- 2.4.1. The achievement of Investors in People Gold in February 2021 provides external validation that LBBD is achieving its goals, is focused on continuous improvement, has strong leadership, and shows good practice in people management. Having met the Gold standard, the ambition is to achieve Platinum.

- 2.4.2. In the past six months two important developments in HR will make us an even better employer. Recruitment and selection practice has been improved by the introduction of the Talentlink system which delivers many user experience benefits for recruiting managers. One key feature is anonymised applications for shortlisting, minimising discrimination and unconscious bias. Progressive initiatives such as this are another step to becoming a more diverse and representative workforce in the community. Another new system, Enboarder, introduced in February 2021, improves the candidate experience ensuring a smooth and effective onboarding and induction process for new employees.
- 2.4.3. Developing a dispersed working and Community Hubs model has been a priority and will remain so throughout 2021/22. Flexible and remote working, and a new approach to how and where staff and services are deployed across the borough, will put staff into community settings, closer to the residents we serve and support. In part this programme has been borne out of operational necessity to maintain public services during the pandemic but there has been important learning and opportunities which have accelerated a more general move in this direction.
- 2.4.4. The Council's financial position remains challenging so delivering savings substantial programmes is imperative. Next year alone we must save £10.3m and a further £7m each following year to deliver the Medium Term Financial Strategy. Financial management is robust but one area of weakness is compliance with some aspects of procurement rules. Over the next six months, leadership attention will be focused on driving up compliance to address this and ensure good practice is delivered through procurement.
- 2.4.5. The implementation of the Oracle replacement later in 2021 will bring major improvements to financial management and HR record keeping. Technology solutions have been upgraded and modernised in other areas too, such as migrating to the Microsoft Azure Cloud, and moving to Microsoft Windows Virtual Desktop. Following recent cyber attacks on other local authorities, LBBD is strengthening its security through procurement of a specialist product which counters ransomware.
- 2.4.6. A focus of technological advancement is to deliver the best customer experience to residents. A chat bot feature has been introduced to the Council's website giving another option for digital self-service, and a new booking system was introduced at the end of March 2021 which enables residents to directly book appointments for pest control, bulky waste, and registrar services. The new technology will be supported by a digital inclusion programme to close gaps on digital skills and accessibility.
- 2.4.7. Successful public campaign activity has helped to engage residents on the cleanliness of the borough and promote the new extended recycling scheme. To tackle youth violence and anti-social behaviour, the 'Lost Hours' campaign has worked with local secondary schools to deliver outreach. A domestic abuse behaviour change campaign will launch in 2021/22 following the Domestic Abuse Commission which concluded earlier this year. These important campaigns are helping to involve and engage residents in the journey to achieving the Council's strategic objectives, making them stakeholders in the solutions to some of the borough's biggest problems.



### **3. Consultation**

- 3.1. Delivery of the Corporate Plan is closely monitored by Cabinet Members as part of the discharge of their executive functions, roles and responsibilities. Peer challenge and oversight is provided by the Cabinet Member for Finance, Performance and Core Services for added rigour and accountability.
- 3.2. The Cabinet collectively, and as individual portfolio holders, receive regular performance information in support of their executive remits; the purpose of this report is to bring transparency to the Council's performance and highlight areas where performance needs to improve based on latest data and the status of important projects and programmes. The report is therefore of interest to the local community for whom we must provide effective and efficient local services, and to the Council's Overview and Scrutiny Committee, which has a remit to scrutinise performance, as delegated by the Assembly.
- 3.3. In accordance with the Officer Scheme of Delegation<sup>1</sup>, the Chief Executive has responsibility for the overall management of the authority, including performance monitoring. As part of the performance management framework and the robust governance which surrounds it, this report and the performance narratives therein have been consulted on with relevant officers in the Council with day-to-day operational and commissioning responsibilities to deliver the outcomes within the Corporate Plan.

### **4. Financial Implications**

Implications completed by: Katherine Heffernan, Head of Service Finance

- 4.1. There are no direct financial implications of implementing the recommendations of this report. However, many of the deliverables within the Corporate Plan have dependencies with delivery of the Council's Medium Term Financial Strategy, contributing to income, savings and efficiencies from transformation programmes, commercial initiatives, demand management strategies, and early intervention and prevention approaches. Therefore, delivery of Corporate Plan is critical to maintaining the Council's financial health and long-term sustainability.
- 4.2. The Corporate Plan is to be delivered through approved budgets and against a challenging financial context made increasingly difficult and precarious by the impacts of the pandemic on the Council's income and expenditure. The Corporate Plan and the Medium Term Financial Strategy for 2021/22 onwards was approved by Cabinet and Assembly in February 2021. It will be subject to further review and updates will be presented to Cabinet in Summer and Autumn.
- 4.3. Regular budget monitoring reports to Cabinet detail the financial risks, spending performance and budgetary position. The outturn position for 20/21 was an overall underspend of £1.951m made up of a significant overspend of £26m offset by additional income from Government of £28m.
- 4.4. A specific theme of the Corporate Plan is concerned with ensuring value for money and good financial management and controls (see page 67 of Appendix 1).

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<sup>1</sup> [Council Constitution](#), Part 3, Chapter 1

## 5. Legal Implications

Implications completed by: Dr Paul Feild, Senior Governance & Standards Lawyer

- 5.1. As a report on performance updating the Cabinet on the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2020/21 there are no specific legal implications although the Covid 19 pandemic and changes in the way of life could not be predicted nor what its final effect will be going forward to 2021/22 on performance planning and delivery. 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. This report reflects good practice in terms of corporate governance as it articulates progress to outcomes and assist in highlighting areas where improvements are needed. A corporate plan, its objectives and in time how the delivery measures up in terms of outcomes, are therefore one of the signifiers of a well-run local authority.
- 5.2. Furthermore, the Accounts and Audit (England) Regulations 2015 Regulations oblige the Council to produce an Annual Governance Statement for each accounting year evidencing how the Council has performed. This is to be done in accordance with proper public sector accounting practices. The CIPFA / Solace Delivering Good Governance in Local Government Framework 2016 guidance sets out the required practice and that includes a clear statement of the Councils purpose and intended outcomes. The Corporate Plan monitoring process thus plays a vital role in the legal duty to ensure sound governance of the Council.

## 6. Other Implications

- 6.1. **Risk Management** - The Council maintains a Corporate Risk Register that highlights the key strategic risks that may prevent the Council from achieving its stated objectives. These risks and mitigating actions are reviewed periodically by the Audit & Standards Committee. Risks relating to the delivery of projects and programmes within the Corporate Plan are monitored and managed through internal governance arrangements using recognised project/programme management practices and methodologies. There is proportionate reporting and escalation of issues and risks to the Senior Management Team, and to relevant Cabinet Members where appropriate. Project/programme governance and reporting is designed to identify risk at the earliest opportunity and to put in place effective risk management strategies.

Regular monitoring and analysis of performance data in the Single Performance Framework is in place to detect emerging performance issues and then put in place improvement plans. Metrics in the framework have targets which set benchmarks and standards for performance. Metrics which are behind target are reported by exception to relevant stakeholders ensuring rigour and focus on continuous improvement.

- 6.2. **Staffing issues** - The Corporate Plan is the keystone of the Council's strategic framework. As such it guides all of what we do and sets the direction and goals for all services and staff. It is a key resource which drives strategic and business planning at all levels of the organisation. The objectives and priorities of the Corporate Plan inform individual employee appraisals ensuring day-to-day operations are working towards the long-term vision and goals for the borough. We call this the 'golden

thread' as it brings alignment and connects strategic planning with operational delivery. Having a robust 'golden thread' is an important requirement as an accredited Investor in People organisation. More specifically, page 69 of Appendix 1 sets out progress and performance against goals to achieve excellence in people management, to ensure good workforce wellbeing, compliance with policy and procedure, and organisation development goals are being delivered.

- 6.3. **Corporate Policy and Equality Impact** – The Corporate Plan is the Council's medium-term plan to realise the vision of the Borough Manifesto. It sits at the heart of the organisation's strategic framework. This report seeks to give Cabinet an appraisal of delivery of that plan by bringing together recent performance information (up to end of quarter 4, 2020/21) from the metrics in the Single Performance Framework and latest positions on delivering key projects and programmes relevant to the sub-themes of the Corporate Plan.

An Equalities Impact Assessment (EIA) was completed as part of the development of the new Corporate Plan. That EIA was submitted as part of the documentation when it was agreed by Assembly in May 2020 and updated and agreed in November 2020. The EIA identifies examples of priorities and objectives within the Corporate Plan which improve outcomes for residents with protected characteristics and ways in which the Council aims to tackle structural inequalities.

The Corporate Plan Performance Framework does not directly provide performance information in relation to equalities, but other strategic resources such as the Joint Strategic Needs Assessment, Social Progress Index, and Borough Data Explorer contain important and up-to-date data sets relating to the profile and characteristics of the local population.

- 6.4. **Safeguarding Adults and Children** – A sub-theme of the Corporate Plan focuses on safeguarding residents. The Safeguarding Adults Board receives in-depth performance reporting, including data held by safeguarding partners, each quarter. The most recent Safeguarding Adults Board Annual Report 2019/20 (Assembly, November 2020) has key performance headlines showing LBB's safeguarding procedures and risk management are robust. A similar performance framework is in place for the Safeguarding Children Partnership which receives quarterly performance reports to its Performance and Intelligence Sub-group. The most recent Safeguarding Children Partnership Annual report was presented to Assembly in February 2021.
- 6.5. **Health Issues** – The new Corporate Plan is aligned to the Joint Health and Wellbeing Strategy 2019/2023. Several sub-themes across Prevention, Resilience and Independence appraise progress to improving health and wellbeing outcomes and addressing health inequalities. Focus is on several priorities which include looking at our services from an equality lens, focussing on early years development, achieving and maintaining healthy weight, mental health, prevention programmes including NHS Health Checks, Healthy Lifestyle services, cancer screening, and supporting residents to live well in older age. This year's Annual Public Health Report is a collaborative piece of work with partners focussed on inequalities.

Responsibility and accountability for improving the health of the population is shared across several partners at a local and sub-regional level. Performance and progress on outcomes is therefore monitored through the Health and Wellbeing Board (HWBB)

and implemented via the Barking and Dagenham Partnership Delivery board. The HWBB board is in the process of revisiting its performance monitoring framework with the intention of delivering an outcomes-based one.

- 6.6. **Crime and Disorder Issues** – Crime, perceptions of crime, and community safety are key concerns for residents, and these are reflected in the priorities of the Corporate Plan which aims to stop domestic abuse, challenge hate crime, enforce against and deter enviro-crimes, and to keep young people safe from knife crime and serious youth violence.

Strategic planning and performance monitoring of crime and community safety is managed through a multi-agency partnership, in this case the Community Safety Partnership. The Community Safety Partnership Plan 2019/2022, underpinned by the most recent Crime and Disorder Strategic Assessment, provides a framework through which intelligence and performance data and information is monitored. The most recent performance report was presented to the Community Safety Partnership in March 2021.

- 6.7. **Property / Asset Issues** – There are no direct impacts or issues in relation to the Council's properties and assets. A sub-theme within the Corporate Plan is concerned with good management of LBBD assets and the services/functions/responsibilities provided by My Place, with particular focus on the quality and stewardship of LBBD housing stock. Cabinet will find an overview of performance relating to that sub-theme on page 7 of Appendix 1.

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

- [Corporate Plan 2020-22 \(Assembly, May 2020\)](#)
- [Reviewed Corporate Plan 2020-22 \(Cabinet, November 2020\)](#)
- [Corporate Plan 2020-22 - Quarter 1 and 2 2020/21 Performance Reporting \(Cabinet, January 2021\)](#)

**List of appendices:**

- Appendix 1: Corporate Plan 2020/2022 Performance and Delivery Update
- Appendix 2: Schedule of Amendments to the Single Performance Framework

# Barking & Dagenham

## Corporate Plan 2020/2022 Performance and Delivery Update

01 October 2020 to 31 March 2021<sup>1</sup>

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This report covers financial quarters 3 and 4 of 2020/21 (October to March) but it has been written to give the most contemporary position as at the time of writing; it therefore reflects performance and delivery up to the end of May 2021

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# Inclusive Growth

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## Building new homes

### Key performance and delivery messages:

- Just under 1,200 new affordable homes have been completed between May 2018 and April 2021.
- 179 new homes completed by Be First in 2020/21.
- 640 new affordable homes started by Be First in 2020/21.

### Priorities for next six months:

- Handover of new homes on a number of Be First schemes, including Sebastian Court.
- 241 new homes on Be First schemes due to complete in 2021/22.

### Key risk in the next six months:

- Construction delays owing to material and labour shortages, or difficulties in procuring from the supply chain.
- Risks relating to the sale of shared ownership homes in the current housing market.

We are on track to exceed the target of 2,000 new affordable homes by 2023. As of April 2021, just under 1,200 new affordable homes had been completed in the borough since May 2018. We expect just over 2,200 new affordable homes to have been built by May 2022 and over 2,700 by the end of 2022.

Most new affordable homes in the borough are being built by the Council itself, through Be First. There are 734 new homes currently on site, across 11 projects around the borough.

241 new homes being built by Be First are due to complete in 2021/22, the vast majority of which will be taken into management by Reside. This will mark a significant expansion in the size of Reside, which will continue to increase significantly in the coming years as it takes new homes under management.

This includes 95 new homes at Sebastian Court due to hand over in July. House for Artists is also due to complete in September 2021, an innovate scheme that will support the Council's wider aspirations for Barking town centre.

The Council continues to actively intervene in the wider housing and land market to speed up the delivery of homes. In May 2021, Cabinet approved a proposal to enable the delivery of new homes at Transport House in Dagenham which will include 75 new affordable homes.

The latest GLA report on London-wide permissions shows that LBBB has the highest proportion of larger homes in its pipeline of all London boroughs. 34% of the homes with permission are three bed or larger.



## Improving the quality and management of homes

### Key performance and delivery messages:

- Annual tenant satisfaction survey showed 68% satisfaction.
- The number of residents satisfied with their repair remains very low at 54% against a target of 87%.
- The average void turnaround time for General Needs properties in 2020/21 (Full Year) was 83.3 days, an increase of 38.2 days against the 2019/20 full year average of 45.1 days.
- Work to recover the rent collection position in response to the pandemic delivered a significant in-year improvement.

### Priorities for next six months:

- Carrying out catch up repairs that have been delayed due to Covid-19.
- Deliver improvements to turnaround times for voids and in the repairs and maintenance service.
- Ensure stock investment programme delivery is optimised following the Covid-19 related delays.
- Support residents in rent arrears due to the impact of Covid-19.
- My Place will continue to work closely with BDTP to support service delivery improvements.
- Housing enforcement team to conduct 2,700 outstanding licensing visits.

### Key risk in the next six months:

- Decent homes target for end of 2021/22 not met due to impact of delays to the stock investment programme in 2020.
- Risk to rent collection due to ongoing impact of Covid-19.

In terms of housing services for existing homes, the focus has been on maintaining service delivery throughout Covid-19. Frontline staff continue to provide a full service across the borough. There has been no reduction in service level provision across key front-line services.

During the formal lockdowns, the repairs service was moved to emergency repairs only for specified periods. Since February, work has been underway to catch up on repairs, with staff from BDMS redeployed where required to speed up these jobs.

The delivery of the stock investment programme in 2020/21 was significantly impacted by Covid-19. This meant that just under half the budget was spent (£18.8m). Funding for works not carried out in 2020/21 have been rolled over to 2021/22, as set out in the Housing Revenue Account Business Plan approved by Cabinet in February 2021. Once the current stock investment programmes are complete, it is forecast that the Decent Homes figure will rise to 97%.

Covid-19 also had a significant impact on rental income collection, particularly in the first quarter of 2020. This affected HRA properties and Reside. The Income Team has been working to

support residents and put in place plans to help them to pay their rent. This meant that despite the challenging context, HRA rental income for 2020/21 came in only slightly below budget. We continue to make a prudent allowance for bad debt in the HRA to minimise the impact of any unrecoverable debt on the longer-term HRA finances.

Within Reside, there was a sharp increase in rent arrears in early 2020. This improved significantly by the end of 2020/21, with collection returning to 95% in March 2021 (from 71% in April 2020). There remains a risk around rent collection in 2021/22 due to the ongoing impacts of the pandemic, in particular around some specific cases of high arrears. Reside and the Income Team continue to work with residents to assist them with arriving at a payment plan as early as possible.

The annual survey of tenant satisfaction showed that 68% of general needs council tenants were satisfied with housing services. In 2020 the figure was 69%, but the reduction is not statistically significant. The number of sheltered tenants who were satisfied was 82%, up from 80% the previous year (but again not statistically significant). Leaseholder satisfaction was 40%, down from 41%.

The main drivers of tenant satisfaction continue to be repairs, and the overall quality of the home. Therefore, improvements to the repairs service along with the remobilisation of the stock investment programme are crucial to driving improvements to tenant satisfaction. The service is awaiting a more detailed analysis of the satisfaction survey, which will be used to shape improvements over the coming year.

Throughout Q3 and Q4, the My Place Improvement Programme has had to focus on managing front line services throughout the pandemic. However, it has also sought to improve challenging performance around longstanding housing issues such as void turnaround times and repairs. Issues experienced throughout 2019/20 were further exacerbated by the continued Covid-19 pandemic. The average void turnaround time for General Needs properties in 2020/21 (full Year) was 83.3 days, an increase of 38.2 days against the 2019/20 full year average of 45.1 days. The number of residents satisfied with their repair remains very low at 54% against a target of 87%.

During March 2021, there were changes at the executive level within BDTP, with the departure of the CEO and the arrival of an Operations Director to oversee a comprehensive improvement programme. This provides an opportunity to further improve the working relationship between LBBD and BDTP and inject impetus into the improvement journey.

My Place are working closely with BDTP to ensure that their deliverables and outputs are focused very clearly on practical solutions to current service performance challenges. A launch meeting was held with BDMS and My Place management teams in early March 2021. BDMS have formulated a more detailed delivery plan to sit behind their high-level service improvement plan, My Place are providing support to ensure the correct issues are focused on by BDTP. Priority work areas have been identified for the short term while work is ongoing on the overall BDMS Service Improvement Programme, focusing on areas such as disrepair, complaints reduction, clearing repairs backlogs and reducing the length of voids.

Within Regulatory Services, the Private Rented Property Licensing Scheme has been operational since September 2019. 14,800 Licence applications have been received since the launch with an income from licensing of £10.5m. The focus has been tackling the rogue landlords which includes ensuring unlicensed properties get licensed and where appropriate, enforcement action is taken against the landlord by way of Civil Penalty Notice. It also includes ensuring properties are safe to occupy. This is achieved through conducting Housing Health and Safety Compliance inspections. Due to the Covid-19 pandemic, the number of compliance visits

had reduced, but the team are now conducting the 2,700 outstanding visits and will have completed these by September 2021. Enforcement activities against rogue landlords have continued and the service have utilised powers to issue Civil Penalty Notices to non-compliant landlords. A total of £143,700 in fines has been issued for housing related offences that could be dealt with by way of fine.

Proposals to review the scheme for MHCLG have commenced alongside the proposals for improving the Private Rented Sector 2022-26. The purpose of the review is to assess what impact the scheme has had in terms of migration and deprivation which were the two factors the Secretary of State granted approval through. This fits hand in hand with the review being conducted, assessing the housing needs and actively looking at the interventions required to improve standards for residents.

## Tackling Homelessness

### Key performance and delivery messages:

- 6 residents remain in accommodation following 'Everyone In' with 72 accommodated throughout the Covid-19 period, with the majority moved into long term settled accommodation.
- Total number of households in Temporary Accommodation is 1,439 (as at the end of May 21), continuing to decrease after reducing total household number below 1,500 by end of March 2021.

### Priorities for next six months:

- Establishment of a rough sleeping team, following successfully bidding for funding from the government's Rough Sleeping Initiative.
- Continuing to support those likely to be impacted on by the lifting of the suspension of evictions through engaging with landlords and improving financial stability.
- Reduction of Private Sector Leased Accommodation as temporary accommodation, accommodating more residents in Council owned temporary accommodation.

### Key risk in the next six months:

- Increase in homeless approaches once evictions recommence.
- Increase in single adults rough sleeping due to Brexit and possible increase in those with No Recourse to Public Funds (NRPF) status after 30 June 21.

Focus remains on managing the impact of the pandemic as lockdown eases. There continues to be a strong underlying performance in this area with numbers of households in temporary accommodation and numbers rough sleeping on a downward trend.

On rough sleeping, the borough continues to have low numbers supported by a preventative approach. Under 'Everyone In', 72 residents were accommodated with only 6 still in accommodation and the majority moved into sustainable longer-term housing.

On temporary accommodation, numbers have continued to decrease. From a peak of just under 2,000 in Q3 of 2017/18, the total number of households in temporary accommodation has reduced markedly. Barking & Dagenham has had the largest decrease in numbers in temporary accommodation in London since April 2018 (when the Homelessness Reduction Act came into effect). As of the end of May 2021, there were 1,439 households in temporary accommodation.

Homeless approaches reduced significantly at the start of Covid-19 but are now at pre-lockdown levels. As noted below, homeless approaches are expected to increase in the coming months as Covid-19 economic support measures are unwound.

The next six months will be focused on continuing the response to rough sleeping, with the establishment of a dedicated Rough Sleeping Team funded through the Government's Rough Sleeping Initiative funding. Since March 2020, the Government has put in place various measures which have meant that evictions are effectively suspended. This position was unwound from 31 May 2021, and it is expected that homeless approaches will as a result.

Community Solutions is taking proactive steps to anticipate this increased demand. There will also be a focus on reducing the number of households in Private Sector Leased temporary accommodation as more of our residents in temporary accommodation are housed within Council owned stock. This will provide more stable accommodation for these residents as well as being more cost effective accommodation for the Council.

## Providing homes for vulnerable residents

### Key performance and delivery messages:

- Panels set up to consider housing options for specific cases continue to identify improved housing solutions for vulnerable residents.
- 187 wheelchair accessible homes being built by Be First.
- Concepts for specialist housing co-designed with service users.

### Priorities for next six months:

- Letting of new wheelchair accessible homes on schemes being handed over in 2021.
- Bringing forward detailed proposals for specialist homes on small sites for approval.
- Carrying out works to extend and adapt existing council homes.
- Taking forward the development supported living for people with Autistic Spectrum Disorders at the Brocklebank site.

### Key risk in the next six months:

- Delays to building projects that will deliver new specialist homes.

Vulnerable People Housing Panels are now fully established and embedded in our way of working. These panels bring together staff from key professionals to identify sustainable housing solutions for the more complex cases.

Since they were formally established in October 2019, 212 cases have been through the panels. As well as identifying the most suitable housing options – considering wider circumstances of each individual/family – better placements are reducing and avoiding costs.

There are 187 wheelchair accessible homes being built by Be First as part of their current programme, which will ultimately be managed by Reside. Close working is ongoing with Reside and Care and Support to plan the allocation of these units and complete any enabling adaptations required for specific households. In addition, the approach of pre-allocating adapted new build homes is being looked at much earlier in the process.

Households on the waiting list who have an adapted housing need are currently being contacted, to make certain that information on their exact needs is up-to-date. A relational way of working with households is being ensured, understanding their wider circumstances and preferences to help identify the best housing options.

The first projects to extend existing HRA homes are underway which will extend three homes to two 5 beds and one 4 bed. The intention is to make this a core part of the HRA capital programme.

Reside has a key role to play in supporting housing options for vulnerable groups. Key areas include supporting care leavers into Reside properties, residents with hidden disabilities (such as mental health conditions) and letting of adapted properties. Work is ongoing with Reside to

ensure that the needs of vulnerable residents are taken into account as the new homes Reside takes into management are let.

Several small sites (mainly former/current garage sites) are being brought forward for redevelopment, with a garage demolition programme commencing soon. The proposals for these include new bungalows, larger homes of four and five bedrooms and purpose-built cohousing/shared housing. A concept has been developed for shared housing, and LBBB care leavers have been involved in the initial design process.

New homes for people with Autistic Spectrum Disorder were approved by Cabinet in November 2020 for Brocklebank, which are believed will be the first of their kind in the country. The architects are now progressing the designs, and service users and their families will be involved in the more detailed design process.

## Improving the quantity and quality of jobs in Barking and Dagenham

### Key performance and delivery messages:

- Business Forum expanded to over 2,500 members and over £58m in business grants distributed since April.
- £1m endowment received and a further £165,000 secured for new post, from film studio operators to deliver employment and skills plan to maximise local benefits from film studios.
- Significant S106 commitments secured in principle through City of London Corporation Wholesale Markets relocation, including £2m towards employment / skills and development of wider food sector, up to a further £2m (pending agreed business case) in capital contributions for new commercial and training facilities for food sector.
- New pilot business support programme launched for Retail, Hospitality and Leisure sector recovery targeting SMEs, delivered through the BEC with capacity to support up to 200 local businesses by December 2021.
- Social Value procurement policy fully embedded across commissioning teams including establishing of new cross sector Social Value Advisory Panel, and development of a monitoring and evaluation baseline.

### Priorities for next six months:

- Launch of Health and Social Care sector action plan to support improvement in quality of jobs within sector.
- Set up and launch of first full year of film and creative sector programmes.
- Support high street recovery emerging from pandemic.
- Develop in depth Green Industries development strategy.

### Key risk in the next six months:

- Continued impact of pandemic restrictions on economy particularly high street
- Challenges engaging with care sector providers still very occupied with day-to-day workload related to long term impacts created by pandemic restrictions this year.

Work started in Q1 and Q2 has been consolidated in Q3 and Q4 to bring together longer term generative work on growth sectors (film, food, and green) and foundational sectors (care, retail and construction) with shorter term work to support the economy cope with the direct impacts of the pandemic.

The Business Forum has further expanded, now numbering over 2,500 members, and the Inclusive Growth and Business Rate teams working together have distributed more than £58m in grant support to local businesses in an operation of this kind unprecedented in scale and speed for our teams. A strengthened relationship with the Barking Enterprise Centre has now enabled the launch of a new business support programme targeting Retail, Hospitality and Leisure SMEs providing up to 200 of these local businesses with 15 hours of one-to-one business coaching, regular peer support sessions and access to direct grants, to pivot their



business models to survive the phase during which restrictions lift but the economy takes time to bounce back, and also gear up for future growth and change coming to the borough. In the next 12 months this huge increase in our direct engagement with the local business base will be built on to consolidate and develop our business engagement function within Inclusive Growth, acting as a 'front door' to businesses and coordinating across the many different parts of the Council who have business interface within their remit in some way to join up our approach.

Significant steps forward have been made in realising the plans for the film and food sectors. In the past six months the endowment funds have been received, funding secured for a new post-holder and the section 106 negotiation details finalised, which were confirmed with planning permission being granted in the past 6 months for the markets relocation. Alongside this, the Social Value policy has been firmly embedded across commissioning teams. A new Social Value Advisory panel has been developed that now meets regularly drawing together Voluntary and Community Sector partners, council front line staff to advise commissioners and in some cases contractors directly on the most effective design and implementation of social value commitments. In October 2020, the Social Value Policy was launched, stating that all procurement over £100,000 would require a 10% weighting in its tender evaluation that relates solely to Social Value. 29 qualifying procurements since October 2020 have all included this weighting for Social Value in the tender evaluation (excluding any waivers or externally run frameworks), demonstrating 100% compliance with contracts over £100,000 including social value. A baseline has also been drawn up against which impact and implementation can be measured going forward.

Research which was commissioned into career progression and pay within the Care sector was completed in the past quarter and has informed the development of a holistic approach to the Care sector across the borough. Work will be done to set out and implement this over the coming 6 months to introduce a range of interventions to help improve the progression, pay and conditions across the sector using all available levers and powers the Council has – including but not limited to commissioning itself.

## Supporting residents to access new opportunities in the borough

### Key performance and delivery messages:

- Over 700 people supported into work through the Job Brokerage Service, exceeding internal targets despite the impact of the pandemic.
- Kickstart scheme established, creating over 170 new paid 6-month entry level jobs for young people so far, and anticipating at least 200 by the end of the scheme in Dec 21, across over 40 local employers including the Council.

### Priorities for next six months:

- Secure the Job Brokerage's role within delivery of the government's Restart programme which has been contracted to Maximus, an employment support organisation.
- Drive up registration and employment outcomes again for residents as pandemic restrictions ease.
- Achieve successful onward pathways for Kickstart employed young people beyond end of their placements, into work or training.
- Establish strong cross-sector working relationships with partners supporting long term unemployed and harder to reach individuals to find work and skills pathways, in face of increased barriers in contact of overall job losses and higher competition for available jobs over coming months.

### Key risk in the next six months:

- Significant increase in jobseekers when furlough ends which may put a lot of additional pressure on services.
- Ability to work closely together with the newly appointed Restart programme provider Maximus, as they are not including LBBDD directly in their supply chain: this will require some good quality engagement with Maximus to establish a good working relationship.
- Ability to continue to support long term unemployed clients, and those with multiple barriers to employment, in a context of increased competition for available jobs.
- Ability to support Kickstart postholders in the borough to achieve subsequent longer term employment.

The Employment and Skills team has continued to deliver above anticipated targets, against the odds of the challenges presented by the pandemic. As at March 2021, the Adult College had 641 unemployment learners accessing learning (target 600), with 191 starts in employability programmes (target 120). 850 people were supported into employment (765 – Job Shop, 80 – Vocational Support, 5 – Homes and Money Hub). The 765 Job Shop outcomes include 147 long term unemployed (unemployed for 6 months, as well as at time of appointment).

Over and above the planned activity in the past six months, a major new programme based around the governments' Kickstart funding scheme has been launched. Acting as a Gateway

employer, LBBD has created over 20 new Kickstart funded positions for 16-24 year olds within the Council, with more due to be added in coming months; and proactively generated over 150 further positions within employers across the borough, working to promote the scheme locally, register interested employers, secure funding, and coordinate recruitment working closely with Job Centre Plus, as well as deliver coordinated training and wraparound support through the Employment and Skills team. The scheme continues to grow and it is anticipated that there will be more than 200 jobs created by the end of Dec 2021 when the scheme is due to finish (pending news on whether it will be further extended by central government). This has included both supporting all SMEs locally to apply for the range of vacancies they felt they needed, as well as working with some employers on joint 'cohorts' of posts including within local primary schools, and local care homes and NHS employers.

Whilst the apprenticeship transfer scheme was launched as planned in Autumn 2020, uptake of the transfer opportunity has been very limited and despite some efforts to promote the offer specifically within early years and within health and social care sector employers, it has been concluded that the ongoing pandemic disruption and restrictions have had an impact on employers' interest and ability to seek additional levy funding for apprenticeships. The opportunity will continue to be promoted but will also continue to focus efforts on increasing our own provision of apprenticeship opportunities which has also increased in recent months across the Council.

## Safe and liveable neighbourhoods

### Key performance and delivery messages:

- Activity within certain enforcement areas has been affected by Covid-19 with inspections, notices, fines and prosecutions all reduced.
- Covid-19 specific enforcement activity has seen a huge demand with 4,000 compliance visits delivered a week.
- Joint work between Public Realm and Enforcement increased including delivery of Smart Street pilot in Abbey ward. Longer term plan in development.
- CPZ programme started again and now scheduled to complete late 2022.
- New Community Safety Enforcement Team rolled out to enforce Public Space Protection Orders (PSPOs) and deal with begging, street drinking and other ASB.
- The focus for all Public Realm frontline service remained on service continuity. Q3 and 4 presented continued challenges to the service, with the partial shutdown in November 2020, the move into Tier 4 during December 2020 and by the full national lockdown in January 2021.
- Domestic, recycling, and green garden waste collections made on the scheduled day have consistently exceeded the target of 99%.
- The gross income from pest control, trade & green garden waste for 2020/21 was £3.15m, with a net surplus of £431k. Business conditions are still challenging but 127 new customers were signed up for additional services during 2020/21.
- The number of reported fly-tipped cases in Q3 & Q4 decreased to 1,339 cases when compared to Q1 & Q2 of 2,285 cases. This trend may have been as a result of the Covid-19 measures and will be monitored as we move through 2021/22.

### Priorities for next six months:

- Start moving away from Covid-19 specific work and catch up on inspections and other enforcement activity.
- Complete review of anti-social behaviour delivery across the Council, rollout pilot ASB enforcement team and extend the delivery of late night enforcement activity.
- Undertake review of PRPL scheme to agree future priorities and start pilot in one ward to understand how we can better identify unlicensed properties.
- Recruiting agency waste collection staff has been very challenging during Q4. The priority for waste services is to recruit approximately 30 FTEs to permanent positions over the next six months.
- Continuation of the Service digitalisation project to procure a back-office system and mobile “in-cab” technology for waste operations and a CRM/sales solution for trade waste business. The project is currently in the process of market testing.
- Review of street cleansing service to area-based model with a view to delivering sustainable improvements.
- Roll out of mobile technology to Street Cleansing and Parks

Over the past six months, the Enforcement team have been embedding the new operating model, with extended hours of operation for parking and environmental enforcement. The Environmental Enforcement team have been working closely with Public Realm to improve information sharing and joint work to tackle fly tipping and other environmental issues. The Smart Street pilot has been delivered and work is now underway to scale this up as a borough wide approach.

The pandemic has continued to have an impact on the team with certain environmental health functions, such as food safety inspections and housing visits restricted. This has impacted certain indicators such as the number of inspections, Fixed Penalty Notices and enforcement notices issued. However, there has been an increase in housing related enforcement with £170k of fines issued to landlords during 2020/21. Courts have largely been closed for enforcement cases so there has been a sharp reduction in the number of prosecutions and thus a reduction in income although the team are now getting a steady stream of prosecutions.

There has been a large increase in anti-social behaviour (ASB) reports, which are specifically related to the pandemic. This includes reports of people not socially distancing or wearing masks, which are being recorded as ASB. A new community safety enforcement team has been rolled out that is focussed on dealing with ASB such as begging and street drinking. Further restructuring is underway that will see this team expanded to cover duties 24 hours a day.

The Controlled Parking Zone programme has been delayed due to Covid-19 but resumed in Q3 and will now be completed in late 2022. The third phase (of five) is well underway with seven schemes planned. Consultation was undertaken with residents in the last period. Two zones were fully completed in May 2021, two rolled out in June and one is scheduled for July. The remaining two still have issues to resolve and are likely to roll out later in the summer.

The continued focus of all frontline services within Public Realm since March 2020 remained on service continuity throughout the Covid-19 pandemic. Q3 and Q4 presented continued challenges to service continuity, with the partial shutdown in November 2020, the move into Tier 4 during December 2020 and by the full national lockdown in January 2021.

Covid-19 continues to present a very demanding environment for frontline services across Public Realm. The workload around ensuring a Covid safe workplace and monitoring staff compliance presents an ongoing challenge. Despite these challenges, domestic, recycling, and green garden waste collections made on the scheduled day have consistently exceeded the target of 99%.

Regarding street cleansing, the area-based model was successfully implemented during the summer of 2020 and delivered improved standards in comparison to February 2020. This was achieved with additional staff to address some systemic issues which had caused a significant deterioration in the cleanliness of the streets when compared to 2016. Long term sickness and Covid-19 related issues hindered this progress and as such, sustaining this improved performance over the final two quarters of 2020/21 has been difficult. A further review is being conducted to embed the area-based model. This is focused on joined up working across caretaking and waste and the introduction of mobile technology to increase efficiencies.

## Investing in physical and social infrastructure

### Key performance and delivery messages:

- Work has been progressing to deliver schemes around schools, in Becontree and the station and on developing longer term transformational infrastructure interventions like the A13 tunnel.
- Improvement works have commenced on Barking Station as part of the first phase of a wider planned transformation of the station as a gateway to the borough.

### Priorities for next six months:

- Submitting the first round bid to the Levelling Up Fund – focusing on Dagenham.
- Agreeing wayleaves with internet service providers to increase residents and businesses access to superfast broadband connections.
- Agreeing the process for the next round of SCIL allocation.

### Key risk in the next six months:

- Failure to secure funding from Homes England/MHCLG to develop a detailed business case for tunnelling the A13.
- Not being successful with the first round bid to the Levelling Up Fund.

Barking and Dagenham was one of only two London boroughs which was placed in the highest priority category for investment from the Central Government's Levelling Up Fund. This funding provides the Council with an important opportunity to unlock some potentially transformative infrastructure projects in the borough.

Since the funding was announced, work has been underway at pace to develop two potential first round bids focused on Dagenham. The first involves delivering improved accessibility, including investment which would enable C2C trains to stop at Dagenham East station, supporting the employment growth in the area that the film studios will bring. The second bid is to support the redevelopment of Dagenham Heathway to deliver improvements to the public realm and retail offer in this important location. Bids for this first funding round were submitted in June. A small amount of funding has also been allocated to develop the second round bid, which will be focused on delivering public transport improvements in Barking. This bid could include a new station on the London Overground extension at Castle Green among other capacity improvements at Barking Station.

Work has also progressed on introducing more 'school streets' across the borough. Five schemes have been operational for a number of months now and feedback from schools and local residents has been positive. Work is ongoing on plans to implement similar schemes at other schools. In Barking Town Centre, a temporary scheme has been introduced to reduce traffic outside the station to make it safer for pedestrians. Alongside this, work is now moving forward on the first phase of improvements to the Station itself, with retail units at the entrance to the station being removed and a deep clean of the station façade underway.

SCIL projects have progressed. Company Drinks have worked with the Council to bring the pavilion up to standard and it will open later in the Summer. Work has also been underway with

Box Up Crime to secure delivery of improvements to their building to make it fit for purpose. As reported previously SCIL receipts were down on forecast in the financial year, so options are being developed to ensure the most effective use of the money.

## Shaping aspirational places

### Key performance and delivery messages:

- Planning permission has been granted (subject to s106 and GLA call-in) for the relocation of the three City of London markets to Dagenham Dock.
- The Council was part of a successful bid for the Thames Estuary Freeport, which should support economic growth in Dagenham Dock.

### Priorities for next six months:

- Agree a delivery route to take forward the development of council owned sites on Thames Road to deliver new homes and modern industrial spaces.
- Finalise Master Plan for Chadwell Heath to shape the development of a mixed use area close to a future Crossrail station.

### Key risk in the next six months:

- Ensuring that Barking Town Centre reopens safely as lockdown restrictions ease.

Progress has been made in delivery of the vision for the future of Dagenham Dock. The Council was granted planning permission for the relocation of the three City of London markets to the borough. This is a major milestone in the project and a number of benefits for local residents have been secured through the section 106 agreement. This will include funding to deliver improvements to road network and to create training opportunities for residents. The Council was part of a successful bid for a Freeport across the Thames Estuary. This is likely to secure Ford's longer term future in the borough. Close working with partners will now occur to ensure the benefits of the freeport are maximised for Barking and Dagenham residents.

To compliment the purchase of the film studio site at London East, which was announced last year, a deal has been agreed with Hackman Capital/MBS to lease Welbeck Wharf to them. This will mean that film production can start in the borough in advance of the delivery of the main site at Dagenham East, while also spreading the regeneration benefits of the film industry.

Delivery of the Barking Town Centre strategy is continuing. Some notable achievements in the past six months include: the Council agreeing a deal to unlock the redevelopment of Trocall House; work with market traders to expand the market to support the Town Centre's recovery from the pandemic; and a local artist was commissioned to produce a mural celebrating the borough's history.

Progress on the delivery of the Local Plan continues to be slower than anticipated. This is largely to allow time for additional evidence base to be developed to lend support to critical elements of the Plan. Such evidence will strengthen the plan overall and is therefore a sensible strategy to adopt. Work will also be progress over this period to finalise the masterplan for Chadwell Heath.



## A decarbonised, local energy system

### Key performance and delivery messages:

- LBBD was successful in bidding for an additional £4m of grant to expand the Barking Town Centre Strategic Heat Network.
- An additional £1.7m was successfully bid for from the Green Homes Grant (GHG) Phase 1B, plus an allocation of £644,000 has been set aside from Green Homes Grant 2.
- 900 homes and buildings are now benefitting from an element of solar power.

### Priorities for next six months:

- Delivery of 450 Green Homes Grant installs following setbacks.
- Continued roll-out of Barking Town Centre strategic heat network infrastructure.
- Converting Building Research Establishment (BRE) recommendations on solar opportunities into tangible schemes.

### Key risks over the next six months:

- Government claw-back of grant if GHG installs and connection of heat network to public buildings are not completed by the Autumn and end of year respectively.

The previous quarter was challenging with projects such as the Barking Town Centre strategic heat network at risk from cost inflation and the Green Homes Grant programme afflicted by shortage of materials and components, creating uncertainty about the delivery of either to agreed timescales. Equally, difficulties in obtaining internal data in the run-up to the end of the financial year led to a significant stall in the progression of commissioned pieces of work around solar, wind and ground source heat pump opportunities. However, the prospects for the next six months are brighter.

Careful negotiation with the grant-funders at the Heat Network Investment Programme successfully led to an additional £2m uplift in grant to offset unexpected cost inflation in the project and the protection of £1.9m of Public Sector Decarbonisation Scheme funding to facilitate the connection of the Town Hall and Abbey Leisure Centre. Pipework has commenced across the Town Centre and pre-application discussions about the design and location of the energy centre have started. The first stages of identifying potential new heat sources and demands across the Dagenham Docks and Dagenham East areas was completed in February 2021 which demonstrated major barriers in trying to decarbonise the network. This has now been taken to the next stage and discussions are underway with key players and industries in the vicinity.

The deployment of renewables on housing stock has been more difficult. While 900 council homes or building now have access to solar energy, mainly through the new-build process, take up of Green Homes Grant (GHG) opportunities for more solar and air source heat pumps installs has been problematic. The Government withdrew its voucher scheme in March and have been forced to extend the Local Authority Delivery scheme by another five months. Locally, it has been a struggle to either attract public interest in air source heat pumps or source

the components due to a shortage caused by post-Brexit regulations and increased demand. However, public interest in solar panels picked up in March, with installs booked in for May. While the GHG scheme has picked up there remains the risk that delivering installs to 450 properties by August will be exacting.

The Building Research Establishment were due to report back in January 2021 regarding the viability of solar and wind commercialisation opportunities, but this is not now expected until April/May. Equally, the Council has identified trial sites on existing high-rise estates which would be ideal candidates for piloting ground-source heat pump communal arrays which take the free heat out of the ground and turn it into cheaper energy throughout flatted blocks. Feasibility studies have been pushed back following further detailed stock analysis.

## Energy efficient homes and buildings

### Key performance and delivery messages:

- The Cosy Homes programme has delivered 738 free cavity, party wall and loft insulation measures for more than 650 households.
- 287 properties have been lifted from E, F and G-ratings to D or above.
- This scheme has leveraged in £773,000 of free funding and is projected to save almost 9,000 tonnes of carbon over the next 25 years.
- This scheme is also projected to provide more than £3m of energy bills savings over the same period.
- Successful pan-London consortium bid for SHDF funding for deep retrofit.

### Priorities for next six months:

- Continuing promotion of take-up of free measures to install green products.
- Ensuring more homes receive energy conservation measures and benefit from warmer properties.
- Delivery of up to 36 deep retrofit Energiesprong properties by December 2021.
- Proposal to Cabinet to formally appoint preferred provider from the Mayor of London's Retrofit Accelerator framework (RE:FIT) to assist the delivery of energy and carbon saving installs across 25 of The Council's highest consuming public buildings.
- Develop the concept of Community Municipal Investments – resident lending towards green projects.

### Key risk in the next six months:

- Public reluctance or hesitance means the take up solar PV, external wall insulation and heat pumps funded by Green Homes Grant renders the scheme unsuccessful.
- Replacement funding regimes for corporate retrofit are not in place by time Cabinet approval is sought.

The Council's Cosy Homes programme in partnership with E.ON has gone from strength to strength despite lock-down restrictions over the course of the last few quarters. 650 households received free cavity, party wall and loft insulation through a national scheme called ECO3, which obliges large energy suppliers to provide funded energy conservation measures to qualifying households. This is also being supplemented with Green Homes Grant renewable installs to qualifying households. The expectation is for 2,000 installs by May 2022.

The challenge for retrofit remains ensuring it is scalable and fundable. To meet council and borough-wide targets to be carbon neutral by 2030 and 2050 requires a huge step change in how homes and workplaces are heated and requires both money and cultural and behavioural change. The testing of installs through ECO3 and Green Homes Grant will provide only limited impact in reaching those targets and other schemes being trialled, such as the Energiesprong

deep retrofit pilot, will offer significant technical solutions but at the moment not at a scalable cost.

We continue to road-test deep retrofitting, using the Energiesprong performance specification which seeks to create A-rated energy efficient homes, while cutting fuel bills and providing affordable warmth and comfort using air-tight insulation facades, solar arrays, heat pumps and battery storage as a whole-house package. Having successfully bid for match funding on behalf of six London local authorities, LBBB received £1.08m of external grant from the Social Housing Decarbonisation Fund to support the delivery of 36 properties in the borough by December 2021. Subject to final contract clarifications following a GLA-led procurement, LBBB should appoint its preferred provider very soon, with the design process beginning in July and the beginning of on-site installs in September.

Following a tender exercise in January for a corporate buildings retrofit partner using the Mayor of London's Retrofit Accelerator (RE:FIT) framework, the Council has a preferred provider which has visited 19 of the borough's buildings to draw up investment grade proposals to get those buildings to zero carbon. Official adoption of that partner, proposals and funding considerations due to be put to Cabinet in September. Until April the likely recommendation for funding the project would have been to borrow from either the Salix or Mayor of London Energy Efficiency funds (MEEF) at 0% interest and the expected savings in fuel bills would cover the payback. However, the Government announced the closure of Salix recently, with indications that a new grant scheme would replace it imminently. To complement funding, the Council is also looking to develop Community Municipal Investments which provide a novel and attractive means for local authorities to raise capital efficiently and cost-effectively, whilst increasing engagement and connecting local residents directly to the activities of the issuing authority. This will be facilitated via a crowdfunding platform, administered by an investment partner, and open to national and local retail investors, community groups and residents. It is believed that this will begin to encourage low-risk investment into council greening projects from residents and parents wanting to 'do their bit' to become carbon neutral, while making a small return on their lending.

## A green local environment

### Key performance and delivery messages:

- 250 trees have been planted in smaller schemes across the borough.
- Project Centre commissioned to undertake electric vehicle demand forecasting and identify 150 sites for potential charge-point deployment.
- Urban Movement completing new proposals for cycle networks and refreshed walking routes.
- Electric vehicle survey attracting 200 local responses concluded.

### Priorities for next six months:

- Ensuring that Borough's 28 Sites of Interest for Nature Conservation (SINCs) are provided with adequate investment and protection.
- Suitable route to market and procurement strategy to tackle the lack of publicly accessible charge-points in the borough is presented to Cabinet.
- New developer obligations towards air quality and green infrastructure are agreed.

### Key risk in the next six months:

- Delays in agreeing the right specification and procurement route to select a charge point operator frustrates progress to gradual roll-out of new charge points into 2022.

The Council made significant progress with tree planting in the previous quarter and continues to seek and exploit fresh funding opportunities in this quarter for the next planting season. Funding bids have been submitted to Local Authority Treescape Fund for tree planting in non-woodland settings and plans to bid to the GLA Urban Challenge in summer for replacing tree sockets in Chadwell Heath/Wood Lane. A refresh of the Parks & Open Spaces Strategy Action Plan is also underway.

The Council has recently turned its attention to the multitude of degraded green spaces across the borough, particularly on the Becontree estate, and is exploring the opportunity to develop an Urban Nature Recovery Network in tandem with additional repurposing of neglected corner greens. Across this neighbourhood we aim to maximise the use of all green sites and create opportunities for nature conservation, foster wildlife corridors between new and existing developments and support wildlife populations to grow and move and have put in a £400,000 bid to the Future Neighbourhoods Fund to finance the development of this work.

This will tackle the ecological drought which exists across the many 'white' spaces of this sprawling estate and may even lead to the identification of new Sites of Interest for Nature Conservation, enhancing biodiversity gain. This would represent the country's first attempt at developing an urban Nature Recovery Network before the legislation and support new Local Plan commitments to a 10% increase in biodiversity through habitat enhancement.

Promoting and facilitating the take up of Electric Vehicles (EV) is critical to the success of this theme. Between December 2020 and January 2021, an online survey was run to gauge the appetite for EV, attracting more than 200 responses. The results of this survey suggested that

the Council had a primary role in being the enabler of infrastructure on its public realm. The results also suggested that this would give residents the confidence to invest in EV. 64% of respondents were more likely to buy EV if LBBD had broader coverage of EV charge-points by end of 2022 and 67% were more likely to invest in EV if there was a Council-endorsed home install package with information about grants.

However, LBBD still lacks the technical expertise and single dedicated resource to fully develop the strategic approach to electric vehicles although the Low Emissions Vehicle Working Group has continued to identify issues and problems previous ad hoc arrangements both to charge-points on the public realm and across the corporate estate. Project Centre has been commissioned to model and forecast future EV demand and identify 150 suitable sites for standard, fast and rapid charge-point installs. Once this review is completed, there will be a tender process for a single preferred charge-point operator who will roll-out, install and manage EV charge-points across the corporate estate. A procurement decision is due to be presented to Cabinet in September 2021. This will be complemented by a similar proposal to 'white-label'<sup>2</sup> an offer with a preferred installer for home-charging kits, where about 85% of EV charging occurs.

Resourcing and funding improvements to green infrastructure and rewilding continues to be a longstanding problem in Barking & Dagenham and requires continued exploitation of external funding streams. Work continues on drafting the latest Supplementary Planning Document to maximise developer contributions towards green infrastructure, including the creation of an Air Quality Fund and specific scheme contributions to protect the SINC's and ensure a 10% gain in biodiversity.

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<sup>2</sup> When a product or service's company branding is replaced with the purchaser's for the end product

## Money and Debt

### Key performance and delivery messages:

- Set out our ambitions, vision and programme of work to establish a new Support and Collections Service.
- Continuing to develop and lay the foundation for the Community Banking service with a focus on procurement of a partner provider that can meet our aspirations for fair, affordable and appropriate financial products and services, available to every household.
- Built our in-house ethical enforcement service, Becontree Collection Service (BCS), which launched on 12 April 2021.
- Further development of OneView and the Single View of Debt, which went live on 26 March 2021, with the aim of improving understanding of debt, facilitating targeted debt recovery, and informing service delivery.
- Building on the Citizens Online digital exclusion review, 14 Digital Champions have been trained across the service and 1 champion with a key delivery partner – The Source (homeless charity)
- Home and Money has supported over 3,000 residents over the course of Covid-19
- £900k+ support to over 1500 residents through Financial Hardship & Covid-19 support schemes

### Priorities for next six months:

- Continue to ensure residents facing financial hardship are able to access a range of support and interventions that address immediate risks, build financial resilience and ongoing independence
- Implement the Support & Collections programme and establish the new service.
- Develop digital inclusion Zones at BLC and Dagenham Library as part of our wider Community Hubs plan
- Continue to establish more community debt champions / mentors. This is underway.
- Continue work to develop the Community Banking Service, aiming to appoint a partner provider
- Undertake an options appraisal to inform the establishment of an online money advice credit brokerage portal – in line with wider work to tackle debt

### Key risk in the next six months:

- Increased demand as a consequence of Covid-19 and balance of debt prevention with increasing debt. Issues include the end of the Self-Employed Income Support scheme, the end of the eviction ban, as well as the end of furlough for 16,800 jobs

Against the challenging backdrop of Covid-19 significant steps have been taken to establish an ethical and whole system approach to the collection, management and prevention of debt,

building and strengthening our approach to working with residents and households early, and ultimately to build financial resilience.

The ambitions, vision and programme of work to establish a new Support and Collections Service have been set out. This aims to strengthen and integrate our response to money, debt, housing, welfare, poverty reduction, collection, and enforcement. The blueprint for this service will be delivered through a wide-ranging programme of work – the proposals for which have been approved.

Work is continuing to develop and lay the foundation for the borough's Community Banking Service, with the focus in this period on the procurement of a partner provider that can meet our aspirations for a fair, affordable and appropriate financial products and services are available to every household.

Alongside the procurement process, steps are being taken to bring forward a business proposal for a multi-provider web platform of financial support. This entails drafting a proposal for a new standalone holistic financial guidance/money advice website that incorporates an interactive credit brokerage facility. This will enable those looking for credit and other financial products to be directed towards various affordable finance providers –the newly selected Credit Union (when identified) and other (national) affordable finance providers such as Fair Finance and Fair For You. The proposal will be developed through our partners at the Financial Inclusion Centre.

The Council's new in-house ethical enforcement service, Becontree Collection Service (BCS), has been built. This launched on 12 April 2021. Becontree Collection Service will fully support residents who are struggling to reach a financially sustainable future. It will also address the wider priority of delivering prevention, independence and resilience, while using all the powers The Council has to collect money owed from debtors who are in a position to pay but have chosen not to. As part of the Support and Collections service development, we will continue to embed the service within the wider support offer in Community Solutions.

Good progress has been made with the development of OneView and the Single View of Debt, which went live on 26 March 2021 and was rolled out across Revenues, Enforcement and the Revenues & Benefits Call Centre from the end of April. This will better enable us to understand debt, facilitate targeted debt recovery and inform service delivery including identify cohorts of residents at high risk, which can then be targeted with preventative actions to help resolve issues early.

Building on the Citizens Online digital exclusion review, 14 Digital Champions have been trained across the service and 1 champion with a key delivery partner – The Source (homeless charity). These champions will focus on debt and ensuring accessibility and support to access support online.

The Homes and Money Hub remained open throughout Covid-19 and has supported over 3,000 residents, facilitating income maximisation of £1.04m. The service has continued to evolve building on our pandemic response, with the introduction of an additional focus on proactive contact to households at risk with an offer of help and to triage calls and visits to the service. Since April 2020, 4,955 calls or visits have been resolved at the first point of contact. The Community Food Clubs supported over 6,000 visits saving residents over £120,000 on food during this same period. Positive steps have been taken in partnership with the borough's Food Network. Through the Financial Hardship and Covid-19 Support Schemes, over £900,000 support has been awarded to more than 1,500 residents.

As we move towards proposed end of Covid-19 restrictions from 19 July 2021, key risks and challenges on the horizon remain. Principally increased demand as a consequence of Covid-19



and effort to balance debt prevention with mounting arrears. Specific issues include the end of Self-Employed Income Support scheme, the effect of the lifting of the eviction ban, and the end of furlough for 16,800 jobs.

## Prevention, Independence and Resilience

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**Every child gets the best start in life and all children can attend and achieve in inclusive, good quality early years settings and local schools**

### **Key performance and delivery messages:**

- Schools have continued to support pupils remarkably well despite the challenges of the pandemic. The Local Authority has provided support to schools and Headteachers from Education, Public Health, HR, Health & Safety and Children's Care and Support teams, with help from other partners such as BDSIP and CAMHS.
- Unvalidated results from the 2021 Early Years Census show a drop in take up of the free early learning entitlement.
- National Offer days for Reception and Secondary Year 7 places have taken place successfully. The Council was able to offer the highest percentage in London of first preferences for Reception places for families.

### **Priorities for next six months:**

- Mobilising the Early Help Improvement Programme and delivering immediate improvement actions to improve practice and oversight of vulnerable children. In parallel improving the MASH service to ensure there is an effective front door for Children's Care and Support.
- Supporting schools in their recovery plans. At the time of writing, government funding has just been announced. This falls far short of the figures recommended by the government's appointed Education Recovery Commissioner who has now resigned.
- Working in partnership with BDSIP to support LA maintained schools in preparation for Ofsted visits. Ofsted will resume routine school inspections from September 2021, with a phased return to inspection from May 2021. There has been one inspection in the borough so far in week commencing 23 May.
- In the Early Years, the focus will include: building on the existing marketing strategy to improve take up of places across all early years settings including schools; and supporting settings to narrow gaps in learning, particularly in Speech, Language and Communication.
- Additional special places remain a priority. The 'School Place Planning and Capital Investment' report to Cabinet in July 2021 will set out plans, where further capacity is needed, to meet forecast demand.

### **Key risk in the next six months:**

- Weaknesses in the Early Help Service undermine the overall journey to achieving a 'good' or better Ofsted rating, as well as MASH improvements
- Further disruptions to schools and pupils' face to face learning while the pandemic continues, and the risk that Covid-19 will worsen existing areas of inequality.

The recent independent review of the Early Help Service to evaluate its safety and effectiveness and to review operational arrangements completed in February 2021. The review identified significant areas for improvement. Addressing the report's recommendations is a top priority and an Early Help Improvement Programme is being mobilised. A new standards framework is being implemented to drive forward improvements in practice, a new operating model is being designed in collaboration with the Social Care Institute for Excellence (SCIE). The Early Help Improvement Programme will be overseen by the Safeguarding Children Partnership and the Children's Improvement Board. In the short term there is a suite of actions to deliver immediate improvements to the Early Help Service.

The position of the Early Help Service presents a major risk to protecting and supporting vulnerable children. It is an area of weakness in an otherwise improved Children's Care and Support Service which itself has transformed in recent times and set LBBB on course for an improved OFSTED rating. The improvement of the Early Help Service is not straightforward. It will require significant resources, perhaps more than allocated thus far, and the transformation will be developed and implemented in a post-pandemic context where we can expect higher demand and greater levels of severity and complexity of need associated with domestic abuse, youth violence and mental health. Also, important partners such as the NHS and schools will be recovering from the pandemic themselves adding further challenges to an already stretched system.

Children attending early years settings dipped to a low point in January and February. Unvalidated results from the Early Years Census show take up at 72% for two-year-olds (84% the previous year) and 78% for three and four-year-olds (87% the previous year). Work is underway to re-build uptake to its pre-pandemic levels and to maintain the childcare provider market which has been impacted by low occupancy caused by, for example, changes to parental working patterns. Graded Ofsted inspections are returning, and it is possible not all early years providers will keep their existing inspection judgements. Currently 100% of non-maintained providers are rated 'good' or better.

Early years funding remains a risk due the low occupancy in early years settings at Census time. There is some financial protection for LAs in terms of funding built in through the January 2021 Census. The minimum funding guarantee will give Barking and Dagenham 85% of this year's Dedicated Schools Grant but this could leave a significant shortfall in funds for future years. There is an additional headcount in May and September which may help if take up increases through the year.

Focussing on the outcomes for the youngest children, a priority for the next six months is to support emotional and social development and to work to close learning gaps in speech, language and communication. Returning to a rich and exciting learning environment with outdoor play and natural resources will help the developmental catch up but in reality it will take several months, if not years, to recover what has been lost from children being in lockdown restrictions for so long. Similarly, for school age children, the priority is to catch up on lost learning and development as schools put in place more of their normal routines. Virtual learning approaches developed during lockdown has a part to play in recovery and catch up programmes. BDSIP has supported schools to implement e-learning offers and is providing curriculum support and is sharing best practice through the partnership. The full impact of lost learning and development and what this means for outcomes for children is still largely unknown but research shows deprived and disadvantaged communities will be most affected and that inequalities have likely widened.

There have been developments in support for vulnerable pupils. The Team Around the School (TAS) pilot has operated in three primary schools alongside 'Vulnerable Pupil Hot Clinics' and 'Team Around the Area' support structures (both newly established in Autumn 2020). This has

further enhanced joined up multi-agency working to improve outcomes for pupils and families. An evaluation of the TAS pilot was conducted in March 2021. We are now exploring expanding a modified version of the pilot to enable more schools to take part in the future.

The borough's schools have done remarkably well to support children during the challenges of the pandemic with invaluable support from partners such as BDSIP and CAMHS. Since January there has been a focus on supporting children back into school, transition arrangements for year six/seven pupils, mental health and wellbeing support, and the awarding of qualifications for the 2020/21 academic year.

Increasing the provision of school places for the borough's growing population is progressing well. Greatfields Secondary School is under construction and we expect approval from the DfE shortly to build Greatfields Primary School. Barking and Dagenham has one of the largest house building programmes of any local authorities and this requires appropriate school infrastructure to keep pace with the new population. A further primary school which will be called Mallard is approved for Barking Riverside by 2024/25. Major developments in south Dagenham and the Dagenham Dock areas are coming forward which will create demand for new primary places in those locations. Education is currently working with Be First as new schools will be needed to make the developments sustainable and enable the Council to meet its statutory function of providing a school place for every child who wants one. Positively, the Council was able to offer the highest percentage in London of first preference reception places to families following a successful national offer day.

Importantly, special school places are increasing too and by 2024 the following are planned for completion. Pathways will move to its permanent site in South Dagenham. A new special school called Oxlow Bridge will be built on the former Pondfield site. The 'School Place Planning and Capital Investment Report' (Cabinet, July 2021) sets out plans to meet forecast demand for special places.

## More young people are supported to achieve success in adulthood through higher, further education and access to employment

### Key performance and delivery messages:

- As at February 2021, there were 3.7% of young people categorised as 'NEET' or with an 'unknown' destination. This makes us one of the best performing boroughs in East London.
- 84% of the year 13 school cohort progressed to higher education. 42% of the total number of year 13s went to a top-third institution.

### Priorities for next six months:

- Ensuring NEET provision is effective and co-ordinated through the Post-16 Provider Forum.
- Collaborating with Inclusive Growth commissioners to develop the apprenticeship offer to maximise opportunities from regeneration projects.
- BDSIP and LBBB are engaging with schools to support and rebuild the provision of work experience in the medium and long term.
- Renewing the post-16 partnership with schools and Barking and Dagenham College to strengthen careers opportunities and destinations and improve outcomes across all post-16 strands.

### Key risk in the next six months:

- Working to support young people in year 11 and 13, who have suffered the most disruption in their exam years, into good post 16 destinations which meet their interests so that, as far as possible, they are not disadvantaged further.

Destinations for young people after finishing school are positive. The percentage of year 11s that progressed to education, employment and training is up 0.6% compared to 2019<sup>3</sup>; this is the largest increase of any East London borough. Looking more specifically at NEETs, between December 2020 to February 2021, there was an average of 3.7% of young people categorised as 'NEET' or with an 'unknown' destination. Whilst this is higher than last year by 0.2% (representing just 21 extra young people) due to the severe impact of Covid-19, this is one of the best performances in East London which is very positive against the backdrop of the pandemic.

Progression to higher education has improved, increasing by 12% across schools compared to the previous year. More young people than ever (84% of the year 13 school cohort) are going to University and 42% of year 13s from schools went to a top-third institution, helping the borough's young people to compete in the labour market. Alongside this, 47 top achieving

<sup>3</sup> Source: Year 11 activity survey data

GCSE students who have chosen to stay in the borough to study at A level have been recognised and rewarded through a Colin Pond Scholarship (£500 per pupil).

In the next six months the focus will continue to be on supporting schools with identifying and reducing NEET numbers including through partnership working with Barking and Dagenham College. The borough's Post-16 Provider Forum will be key to ensuring NEET provision is co-ordinated and effective, and that opportunities are well-publicised to young people. The NEET Adviser Team in Community Solutions will engage and support young people into EET providing early intervention and the local apprenticeship offer will be further developed to maximise opportunities from regeneration projects.

Undoubtedly the biggest challenge is this area, and for the Provider Forum, is preventing young people becoming NEET and providing a good supply of opportunities, especially for those with vulnerabilities. Young people with SEND<sup>4</sup> are being supported through Barking and Dagenham College's 'REACH Supported Internship Programme'<sup>5</sup> but this programme has been impacted by Covid-19 which has reduced progression and employment opportunities.

As a result of the pandemic there has been a downturn in the provision of work experience and employers are struggling to re-introduce practical, onsite work experience because of Covid-19 restrictions. In addition, schools need to maximise teaching time to make up for lost learning from the closure of schools, taking attention away from work experience programmes. Furthermore, BDSIP<sup>6</sup> lost much of its work experience related traded income from schools. BDSIP have adapted their careers offer for schools with the 'Aim Higher' programme being delivered online with partners in the sector. An 'Insight into Management' programme is planned involving a range of employers to make up for missed opportunities.

In response to some of the challenges above the Council is working closely with BDSIP and London East Enterprise Adviser Network to provide other work-related learning opportunities for schools. A renewed post-16 partnership with schools, Barking and Dagenham College and the Council will be put in place. This will aim to expand careers opportunities and destinations for young people, strengthen outcomes for young people (post-16) across all qualifications, and draw together all strands of post-16 settings.

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<sup>4</sup> Special Educational Needs

<sup>5</sup> a one year work preparation programme for students with learning disabilities and autistic spectrum disorders

<sup>6</sup> Barking and Dagenham School Improvement Partnership

## More children and young people in care find permanent, safe and stable homes

### Key performance and delivery messages:

- There is a robust quality assurance plan as to inspecting unregistered/unregulated providers. There has been significant development of Quality Assurance processes and mechanisms to ensure high quality and standards of accommodation for Children in Care and Care Leavers
- LBBD joined West London Commissioning Alliance's Dynamic Purchasing Vehicle (WLCA DVP) to increase provision for supported accommodation
- LBBD has also joined the Children's Cross Regional Arrangements Group (CCRAG), to increase access to fostering, residential, residential special schools and supported accommodation provision

### Priorities for next six months:

- LAC and Care Leaver Sufficiency Statement is due to be presented to Cabinet in the Autumn
- Developing information sharing systems to share provider intelligence and concerns across key safeguarding professionals
- Establish a group of young inspectors who will be trained and supported to carry out mystery shopping visits to providers

### Key risk in the next six months:

- If demand for accommodation increases, along with the severity of need, we be unable to secure sufficient high quality provision to meet the needs of Children in Care and Care Leavers resulting in several placement moves which reduces stability.

The new Corporate Parenting and Permanence Service is further strengthening permanence and planning since its launch in Spring 2020. There are now four Corporate Parenting teams responsible for children up until the age of 18 and two Leaving Care teams responsible for care leavers aged 18 through to 25. This service will have a clear focus on permanence for children and improving the experiences and progress for children in care and care leavers.

Decision making for children who come into care is overall timely, planned, and appropriate. We have increased investment in good edge-of-care services to ensure, where possible, children can remain at home with their families. Our new Specialist Intervention service went live in July 2020 and will help us tackle the significant challenges that neglect, domestic abuse and other factors keeping children on the edge of care pose.

Most children are placed within family settings with improved permanence practice and planning. Good performance has been maintained in ensuring long term placement stability for Children in Care which has held up at 70% during the difficult pandemic period. Especially good is that not more than 10% of Children in Care were put into a short-term placement. As mentioned elsewhere, 92% of Care Leavers were in suitable accommodation at the end of Q4.

Sourcing and arranging the right placement at the right time is difficult in ordinary circumstances so to perform to this level during a crisis is an achievement.

A key priority in the past six months has been to quality assure the use of unregulated and unregistered supported accommodation providers having made a large number of placements to these. As the at end of March 2021, 40 Children in Care, aged under 18 years old, were placed with such a provider, as were 113 Care Leavers.

Quality assurance capacity and capability has been strengthened through the recruitment of additional staff in the Brokerage Team and there is better monitoring of placement demand and placement sourcing, and in general better oversight of placements to ensure standards are met. Safeguarding is at the centre of quality assurance and commissioning activity with robust processes to monitor and manage risk as well as drive forward service/provider improvement. The Safeguarding Risk Register which captures provider issues and concerns is reviewed monthly by key senior professionals and teams from operations and commissioning. Red-rated risks are escalated to the Director of Children's Care and Support and there is other senior management oversight through the Corporate Safeguarding Triggers. In the coming months, our quality assurance mechanisms will be strengthened further by developing a simple system to share information, including provider concerns, between the Independent Reviewing Officer's Team, the Local Authority Designated Officer, and social workers. A successful pilot of the system is ready to be implemented across social worker teams following some further testing.

A regular quality assurance visiting schedule is in place to detect and monitor issues and concerns. As part as a rolling programme, more than 40 visits will be carried out over the next six months. Priority for visits is given to unregulated/unregistered providers where there are many young people are placed or if issues/concerns have been previously reported. There have been concerns about several unregistered/unregulated providers within the borough (but not used by LBBD). Those concerns were formally reported to the local authorities which do use these providers for them to be investigated. Commissioners and the QA team, currently work closely with the Local Authority Designated Officer and Independent Reviewing Officer (IRO) team to share information and intelligence as to providers. We have recently developed a simple system for IRO's to raise any provider concerns, following their visits to children. We plan to role this out to the social workers teams once we have successfully tested this process with the IRO service.

LBBD has joined West London Commissioning Alliance's Dynamic Purchasing Vehicle (WLCA DVP) and is making placements to accredited providers for residential care homes, IFA, and since March 2021, supported accommodation. Because the WLCA DVP has more robust accreditation processes than other DVPs LBBD is encouraging members of the existing Preferred Provider Network to become accredited with WLCA DVP which will raise the minimum standard of provider quality.

In February 2021, LBBD joined the Children's Cross Regional Arrangements Group (CCRAG), to increase access to fostering, residential, residential special schools and supported accommodation provision. In addition to the benefit of access to provision the CCRAG maximises our resources in quality assuring provision and intelligence sharing about providers across the 34 partner local authorities.

In the next three months we plan to establish a group of young inspectors who will be trained and supported to carry out mystery shopping visits to providers. By the end of June 2021, we will have established a portal using One Borough Voice to capture the voice of Children in Care and Care Leavers about their placements. The survey will allow for anonymous responses giving confidence for them to be open and honest about their experiences. Feedback from the



surveys will inform the provider risk ratings and be triangulated with all other performance and intelligence data.

The Looked After Children's Sufficiency Statement, a critical artefact for Ofsted inspectors, is due to be presented to Cabinet in Autumn. It will set out demand and supply needs for accommodation and our plans to meet gaps in provision over the next two years.

## All care leavers can access a good, enhanced local offer that meets their health, education, housing and employment needs

### Key performance and delivery messages:

- 62.7% of care leavers are in education, employment or training as at end of March 2021.
- 92% of care leavers are in suitable accommodation.
- Capacity of beds at Summerfield House was extended for mothers and babies during the pandemic.

### Priorities for next six months:

- Improve our mental health and well-being offer to Care Leavers.
- Engage our Care Leavers much earlier, from age 14 years, in preparation for independence and support planning.
- Improve our offer as to accommodation and support options for Care Leavers.
- Continue to develop the Care Leavers Covenant.
- Continue to strengthen our engagement of Care Leavers as part of the Children in Care Council.
- Opening the YMCA care leavers provision which has met delays.

### Key risk in the next six months:

- Ability to engage Health Partners to support drive forward the improvements and investment required, at the pace required, to enhance the mental health offer to Care Leavers.
- The long-term impact of the pandemic may exacerbate resource pressures faced in supporting the increased needs of Care Leavers.

LBBB has a comparatively high proportion of care leavers in education, employment or training (62.7% as at Q4 2021), and notable efforts have been made to support young people's education, employment, and training aspirations through traineeships with Be First, and inhouse apprenticeships and internships. LBBB's Leaving Care Advisors are persistent in their efforts to engage young people who are reluctant to accept offers of support.

As part of the Sufficiency Strategy, we have been involved in developing a Pan-London business case, with a funding proposal to the Department for Education, to create more welfare remand provision in London. However, these plans are now on hold and there are risks around financing the project. The opening of the 36-bed YMCA Care Leavers provision, originally due in December 2020, is delayed. Despite these challenges, we have maintained 92% of Care Leavers being in suitable accommodation as the end of March 2021.

Over the last six months, 11 Care Leavers moved into Be First's Modula housing scheme. This is part of a wider programme of work that has been carried out in the last two years to increase the variety of housing options for care leavers. Schemes such as this enable more Care Leavers to live in the Borough, closer to their family, friends, and community networks.

A Care Leaver, accommodation and housing options document is currently in development that aims to outline the different accommodation and housing options available to them. This document has been co-produced with Children in Care and Care Leavers.

The 21-bed contract with Look Ahead, Summerfield House was extended for mother and babies, including Care Leavers with babies to ensure their safety over the pandemic and to enable more time for young mothers to gain independence skills and to facilitate their move into independent housing provision in a way that is carefully planned and managed.

Floating support and tenancy sustainment for Carer Leavers is being promoted and is being delivered by the Independent Living Association who have been successful in the past in delivering independence outcomes for Care Leavers moving out of the Foyer.

These different Care Leaver accommodation schemes and solutions are being delivered through the broader work of the Preventing Homelessness 16 to 25 year old Strategic Group as part of a refreshed improvement plan following feedback from MHCLG and a DfE National Adviser. Several sub-groups are contributing to the delivery of the Sufficiency Strategy and making sure it is informed by the lived experiences of vulnerable 16 to 25 year olds.

## Young people and adults at risk are safeguarded in the context of their families, peers, schools and communities and safeguarded from exploitation

### Key performance and delivery messages:

- Recruitment of our Independent Scrutineer, to support the Safeguarding Children Partnership.
- Continuation of the “Step Up, Stay Safe” (SUSS) Programme, including a second phase of the “Lost Hours” campaign working with secondary schools.

### Priorities for next six months:

- Independent Scrutineer to engage with communities to develop community response to tackling physical chastisement.
- Develop multi-agency safeguarding training programme.
- Take forward Adult Safeguarding Peer review.
- Improve the online safety of children at risk of exploitation.
- Strengthen and improve our safety planning and risk assessments as to Children in care who go missing and who are vulnerable to exploitation.
- Strengthen partnership working, especially Health’s engagement within MASH and interface between Early Help and MASH.
- Delivering the next SUSS workshop, including Member and director-level sponsors, focusing on the impact of commissioned services.
- Launch the Ben Kinsella Trust anti-knife crime exhibition at the Foyer, Barking, to schools from September 2021. The exhibition will include a section about ‘Lost Hours’ with pictures and videos, including from the Peter Chesney Foundation and parents who have experienced loss due to knife crime.
- The SUSS ‘Theme Leads’ working group has been focusing on how SUSS can support children’s and young people’s safety online, including for younger age groups, following a reported rise in online exploitation during Covid-19. Connected to this, the next phase of the ‘Lost Hours’ campaign will take place with the borough’s primary schools.

### Key risk in the next six months:

- A return of increased COVID-19 restrictions in the future would risk impacting safeguarding and community partners’ ability to work in schools, community settings, and/or youth provisions.
- Some projects in SUSS are reliant on fixed term grant funding. Over the next 12 months, there will be a focus on working to secure further funding for some programmes with partners in SUSS.

LBBB, working with children and young people and the statutory partners, have successfully recruited an Independent Scrutineer, who will chair the Safeguarding Children's Partnership in going forward. This scrutineer will hold partners to account regarding meeting our Safeguarding priorities. Several very strong applicants were put forward for the role, however LBBB's appointed scrutineer best reflects the lived experience of many of our young people living in the borough.

The business case to invest and recruit a Multi-Agency Safeguarding Training Coordinator has been approved by The Safeguarding Children Executive Board. A multi-agency safeguarding training programme is being developed with a priority focus on commencing the roll out of multi-agency training in tackling neglect, domestic abuse and child sexual exploitation and online exploitation.

To support align partnership/board agenda items and facilitate the sharing of relevant information, monthly partnership meetings are held between the Safeguarding Business Managers and the Community Safety Policy Manager. Updates to each of the boards/partnerships so to ensure alignment of the safeguarding priorities and actions being taken.

The 'Step Up, Stay Safe' (SUSS) programme has been ongoing. A second phase of the 'Lost Hours' campaign took place on 24 March 2021, with the borough's secondary schools. Half of the borough's secondary schools re-shared the #LostHours content and/or took part in an online exercise about 'County Lines'. The Youth At Risk Matrix (YARM), Box Up Crime, and Studio 3 Arts were able to respond to incidents of serious violence affecting young people in the borough and support schools whose pupils have become victims of knife crime. A workshop with partners, including some Members, was held in December 2020 which highlighted key projects, activities and services in SUSS and was well received. A further SUSS workshop with stakeholders on 30 June 2021 focused on the impact of commissioned services in SUSS.

LBBB's Violence Reduction Action Plan was recently reviewed by the Community Safety Partnership (CSP) with feedback from the Violence Reduction Unit (VRU) who were positive about LBBB's leadership and governance, partnership working, and examples of good practice such as the Step Up Stay Safe programme, Lost Hours campaign, and Youth At Risk Matrix (YARM) work through schools. A key challenge across the Action Plan is trying to develop and sustain long term programmes/services/interventions when the patchwork funding model for such things is short term and 'hand to mouth'. For example, there are immediate risks relating to the expiry of funding for Trauma Informed Training and the domestic abuse perpetrator programme. While we expect the Government to extend funding in some cases, and for new funding streams to emerge (e.g. relating to the new Domestic Abuse Bill) uncertainty around the continuation of funding beyond a 12-month horizon, or the need to find new grant funding streams is a constant challenge.

In relation to contextual safeguarding, three pilots have been established as part of a three-year programme of work with the University of Bedfordshire. This continues to address the extra-familial contexts being risks young people face outside the family, looking at peer groups, schools and neighbourhoods.

- Pilot 1: Focuses on taking forward the findings from the school safety summit that mapped safe and unsafe spaces for young people. This pilot has been reviewed and found there was strong partnership engagement and commitment to adopting and embedding a contextual safeguarding approach, but more focus is needed as to measuring outcomes, which is being taken forward. This work continues, with surveys with local businesses at Barking station being completed to increase engagement and communities within the contextual safeguarding agenda.

- Pilot 2: Focused on training five Contextual Safeguarding champions, developing further training, such as online safety and testing the Peer Assessment toolkit, so to embed a culture where child practitioners gain a greater understanding of young people's contexts outside of the family home e.g., peer groups, so to support ensure a more holistic safeguarding approach. The recent review of this pilot found that this pilot is successful however the impact and level of change attributed as a result, was not yet evidenced.
- Pilot 3: Preparation is underway. It will establish contextual conferencing for those on a Children in Need plan but where the risk is extra-familial and how young people can manage risk.

## Zero tolerance to domestic abuse drives local action that tackles underlying causes, challenges perpetrators and empowers survivors

### Key performance and delivery messages:

- Final report from the LBBB Domestic Abuse Commission was published in March 2021.
- Domestic Abuse Housing Alliance accreditation assessment was undertaken in February 2021. We were not awarded the accreditation but have received useful learning which will be embedded before reassessment over the next 6-12 months.

### Priorities for next six months:

- reMOVE abuse pilot mobilised and is meeting targets. A midway report will be produced by evaluators in Summer 2021 to inform next steps and ensure we can maximise external funding opportunities.
- Set up of a partnership to take forwards the recommendations set out by the LBBB Domestic Abuse Commission.

### Key risk in the next six months:

- There have been several projects mobilised and learning shared relating to domestic abuse. There is a risk that projects will work in isolation, which is why a priority is to establish a Barking & Dagenham Against Domestic Abuse Partnership.

The LBBB Domestic Abuse Commission launched its report at an online event in March 2021. The report attracted significant interest from local groups as well as from the specialist sector. The principal theme of the report and clear call to action is for survivors to be believed and responded to with empathy and consistency. This is unsurprising given how central survivors and their testimony were to the Commission. The next steps will be to form a partnership group to take forward the report' recommendations.

Refuge have continued to support survivors, receiving 262 referrals in Quarter 3. Following a surge in demand, referrals appear to be reaching a plateau and Refuge are refocusing on face-to-face peer support groups, community champions training and development of the peer mentor programme.

Refuge, Cranstoun and the MARAC have developed a multi-agency training offer for 2021/22 which has 15 dates across the year. Demand for the training is such that the intention is to add more dates.

The reMOVE abuse programme was able to fully mobilise following delays from funders and is now delivering one-to-one and group work to perpetrators alongside an accommodation offer which allows survivors to remain safe in their home (where safe and appropriate to do so).

80 social workers have completed the Safe and Together training and a new cohort of 12 are starting. Learning so far has been that it has had a profound impact for participants in the training and that the training needs to be further embedded over the coming year and worked into the partnership delivery plan in response to the Domestic Abuse Commission recommendations.

In February 2021, the Council undertook an assessment for accreditation for the Domestic Abuse Housing Alliance (DAHA) best practice award relating to housing responses to domestic abuse. Although we were unsuccessful in achieving accreditation on this attempt we will take learning and improve on weak areas with the aim to become DAHA accredited in the next 6 to 12 months.

Following recommendations from the Domestic Abuse Commission report, Community Solutions have worked to maintain the Survivors Panel, with a group of survivors who are keen to hold coffee mornings, provide peer support and set up offers for other survivors. Community Solutions have committed exclusive use of the BathHaus in Barking Learning Centre for survivors of domestic abuse. The survivor group, Council colleagues and local groups are excited to see how this can work going forwards and how we can use the move to community hub working to share space with survivors in the community.

Children's Care and Support have led on the development of a daily risk management process with partners in relation to high-risk MASH referrals. Developed following appetite to adopt a daily MARAC response, the work has improved relationships with health partners and specialist agencies working in the borough. The new process has improved referrals and uptake with CAMHS<sup>7</sup>, ensuring children have specialist mental health support to recover from adversity.

IRIS, a programme to improve identification and response to domestic abuse in GP settings has performed well, despite the vaccination programme impacting GP availability. Referrals have increased and presently there are 16 surgeries undertaking training, and three that have completed training and have been awarded IRIS domestic abuse informed status.

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<sup>7</sup> Child and Adolescent Mental Health Service



**All residents with a disability can access from birth, transition to, and in adulthood that is seamless, personalised and enables them to thrive and contribute to their communities<sup>8</sup>**

**Key performance and delivery messages:**

- Block contracts for supported living have been reconfigured, which means that they are better able to meet local demand. One of the provisions is primarily for younger adults from the age of 17. This means that we are minimising the number of moves a young person will make when transitioning to adult services.
- Learning Disability Employment Manager is supporting service users into voluntary and paid employment opportunities while supporting those in employment to maintain their jobs during and post Covid-19.
- 8 young people have successfully completed Travel Training.
- Positive Internal Audit has assured the service is effectively using resources in accordance with remit.
- Implementation of the Home to School Transport Policy.
- Transfer of Education Psychology Team and EHCP team back to education and Portage moving into the Disability Team.

**Priorities for next six months:**

- ASD Behavioural Team and diagnostic framework will be developed with parents, clinicians, CCG and commissioners to support service users.
- Reopening of day services, which will include the reconfiguring of the offer for young people transitioning to adult service.
- Scoping and reporting the opportunity to open Oval Road as a children's disability respite service.
- Implementing Baby and Us parenting programme at Heathway Resource Centre
- Developing the Shared Lives offer to include respite and day services, and ensure that the training pathway for foster carers wishing to continue to care for young people when they turn 18 is proportional to their knowledge and skills base.
- Start to look at the long term housing needs for older adults with a Learning Disability

**Key risk in the next six months:**

- Significant cost-avoidance is invested in the successful redevelopment of the Brocklebank site which is a complex project with surrounding risks.
- The number of have children and young people in the disability service continues to rise creating pressure on social worker caseloads.
- As CQC / Ofsted inspections restart post-Covid-19, we have seen several residential settings being rated as requires improvement and inadequate. This necessitates reassessment of our service users and potentially moving them to new settings, which is another factor putting pressure on caseloads.

The Disability Service Improvement Plan takes a whole-system view, consolidating various improvement and service development projects into a single cohesive plan which is being delivered in collaboration with staff and service users. The key objectives of the plan are to:

- Support service users to develop resilience and live independently as they are able
- Give service users a voice to change and shape services so that they meet their needs
- Develop services that are flexible to meet individual assessed needs, including stronger pathways for service users that present with LD and mental health needs
- Improve the accessibility of services
- Improve the supported living offer and develop new accommodation that meets long term needs

The Heathway Resource Centre which has moved to Becontree Children's Centre, capital works will be completed this month. The Centre will open following national guidance, which will be announced on 15 June 2021, and an assessment by Public Health. It is hoped the Centre will open sometime in the Q2 of 2021/22. The Centre is under the management of a qualified social worker, which has strengthened our early help offer and management of risk.

There remains significant pressure on the Autistic Spectrum Disorders (ASD) diagnostic pathway, with up to three year waits for diagnosis. The CCG has invested £1.6 million across the local health economy to ameliorate the wait time but will not offer pre- or post-diagnostic support.

Work continues to ensure all service users have a cognitive assessment as part of the baseline for the learning disability dementia pathway; this will ensure service users who are clinically distressed can be supported appropriately and in a timely way. We continue to work with Inclusive Growth, to consider creative ways of providing supported accommodation for the learning disability population as they age so they can remain in their home for as long as possible.

There continues to be significant pressure in the Life Planning teams in the Disability Service with caseloads above recommended levels. The service has struggled to find appropriately qualified and experienced staff to bring down caseload numbers, commissioners are working with non-framework providers who are suitably qualified to increase capacity.

## Children, young people and adults can better access social, emotional and mental wellbeing support - including loneliness reduction - in their communities

### Key performance and delivery messages:

- Developing a team of Primary Mental Health Workers (PMHW) with NELFT and the CCG who will work in schools and with GPs to support young people with anxiety and depression
- Hoarders Pathway has now opened for referrals offering Cognitive Behaviour Therapy (CBT) in the home.
- Government has delayed implementation of the Liberty Protection Safeguards; nevertheless the Mental Health Team have continued training (both children and adults social work teams) so that we are ready to implement the new legislation.
- Implemented the homeless / substance misuse pathways for people with complex needs living in the hostels

### Priorities for next six months:

- Reducing social isolation for older adults with a dementia diagnosis with engagement from Essex Cricket Club and Sporting Memories who will be running activities from July 2021
- Working with NELFT we will be supporting the commissioning of the Mental Health Peer Support Service, which will create an expert by experience team to support people with emerging or fluctuating mental health needs
- Implementation of the Schools Mental Health Team with Community CAMHS and Education
- Pilot of Antenatal Listening Visits based within Health Visiting to support pregnant women with lower levels of mental health need
- As Covid restrictions start to ease we will start supporting service users who have recovered from a period of ill health, back to living independently in the community.
- Implementation of the Criminal Justice pathway, which will support those leaving custodial sentences back into the community

### Key risk in the next six months:

- Given the daily struggle that people living in poverty experience life to be, it is not surprising that poverty increases the risk of mental health problems and is both a cause and consequence of mental ill health. Given the number of residents experiencing unemployment, zero hour contracts and furlough we would expect to see a rise in demand across all mental health services.
- At points during the pandemic demand for inpatient acute care rose by 36%, all of whom required assessment and packages of care on discharge. The core numbers in MH services have risen and we would not anticipate returning to pre-pandemic numbers until 2023/24 based on average length of open caseloads for secondary MH services.

Focus has been on delivering workstreams of the Mental Health Improvement Programme which emphasises the importance of early intervention with clear step-up and step-down processes to ensure acute and emerging mental health needs are met in a timely and thoughtful way. The programme addresses fragmented care pathways, ensuring service users with multiple vulnerabilities can access good quality, outcome-focused care, preventing escalation to specialist services.

The Mental Health Social Care Team has seen a 32% rise in referrals, all which require assessment, intervention and packages. Demand is expected to reduce during 2021/22 but not return to pre-Covid-19 levels until 2023/4 based on average lengths of stays, complexity of presentations and social needs that are arising from assessments. There is also a notable rise in the number of young people that will transition from CAMHS to adult mental health services. This will necessitate social care services to assess and support them as part of transition planning. Sustained pressure within mental health services is anticipated for at least the next two years.

As Health Services start to return to their pre-pandemic functions, a rise in older adult adults presenting for dementia diagnosis is predicted. Due to the significant delays in diagnosis, it is expected people will present with more complex and acute needs requiring packages of support to remain at home. Families, having not wanted to use care homes during the pandemic, will be more accepting of and/or requesting residential care which could drive costs in this area. An 8% increase in requests for support relating to memory and cognition in Q2 supports this view. Demand for this service is expected to rise further in the next 12 months as clinical assessments pathway will return to full capacity as clinicians move from the Covid-19 frontline to their substantive roles. We are seeking to offset pressure by embedding the Admiral dementia nurses within both Memory Lane and Adult Social Care Mental Health team to intervene earlier and prevent escalation to residential or nursing care, develop a range of social activities for service users and their families to reduce social isolation, as well as packages of care that seek to maximise independence and quality of life.

Essex County Cricket Club will be running coaching sessions over the Summer for service users with dementia and their carers. Sporting Memories, a programme which uses sporting memories and physical activity to tackle loneliness, depression, and dementia decline. Activities suitable for everyone include table cricket, walking cricket, and clock cricket - which has proved to be very popular among dementia sufferers. By championing sports and physical activity, it is hoped we can reduce social isolation for older men and engage them in services.

External funding was secured to work with the Homeless Team and Change Grow Live, a substance misuse service provider, to reconfigure support pathways within hostels. People who are homeless have complex needs and so we have enhanced the hostel support offer with peer mentors, substance misuse workers, counsellors and housing move on teams.

In the last two quarters 23 people were moved on from hostels into independent or supported accommodation, some of whom were street homeless for many years. One person has also gained employment. There is joined up work with St Mungo's to ensure the support is ongoing and to work towards tenancy sustainment.

Further funding was secured from Public Health England to improve drug treatment in order to reduce drug related deaths and re-offending. Learning from the work in the hostel will be focusing on individual outcomes rather than project KPIs. This allows practitioners more flexibility to support individuals in sustaining and maintaining change. The team will include substance misuse workers, mental health practitioners, support for education (basic literacy

skills), welfare and benefits support. Importantly these forms of support will be in place prior to release from prison or probation orders.

Offenders to be assessed away from what could be seen as an establishment and treating them as residents with a fresh start. A dedicated DWP work coach will advise on applying for jobs but also about apprenticeship opportunities for those individuals who have never worked before. It is anticipated that with such bespoke support many offenders will get opportunities opened to them that they have never previously had. Commissioners are working with the social value team to look at apprenticeship placements within the borough for this cohort.

The Criminal Justice Pilot will include working with Young People in Youth Offending and support schools to improve the educational offer to this cohort of young people to prevent future entry into the criminal justice system.

**All vulnerable adults and older people are supported to access safe, timely, good quality, sustainable care that enables independence, choice and control integrated and accessed in their communities, and keeps them in their own homes or close to home for longer**

**Key performance and delivery messages:**

- Care and Support services have been reliable and resilient, although the impact of the pandemic is manifesting in mental health services and there are an increasing cohort of younger adults who are being supported to live with care needs at home.
- LBBDD has worked jointly with health partners, Barking, Havering and Redbridge colleagues and local care providers to ensure the health and social care system responded effectively to the second wave of the pandemic, particularly around hospital discharge, infection control, market resilience and vaccine take-up. We will build on this work and learning as we roll-out the changes in our Adults Improvement Programme.

**Priorities for next six months:**

- Support the most vulnerable residents to recover from the effects of the pandemic
- Remodel hospital discharge and support to residents at home
- Tender for an ambitious care technology service
- Roll out the Adults Care and Support practice model working with the Social Care Institute for Excellence

**Key risk in the next six months:**

- A possible delay in the implementation of new hospital discharge arrangements due to the dependency on the establishment of a new discharge coordination unit and changes within other organisational structures across the BHR system.

The second wave of the pandemic tested the resilience of our social care workforce, both within the local authority and in the provider market, particularly during the first few months of 2021 when the second wave was at its peak. However, partners from across the health and social care system have continued to work closely and collaboratively, taking learning from the first wave to minimise Covid-19 transmission and better support vulnerable residents.

During this period, nearly all providers across residential care experienced a Covid-19 outbreak and we worked closely with these care homes to manage the outbreaks swiftly and safely. We did this using coordinated outbreak management teams (with input from a range of health and care professionals), infection control grants, Infection and Prevention Control specialist advice and visits, and our continued outreach support to all social care providers through the Provider Quality Team. Vaccine roll-out also started and continued in earnest during this period for all social care staff, with upwards of 70% of the LBBDD frontline social care workforce, 91% of care home residents and 76% of care home staff having their first jab in this reporting period. We have worked with BHRUT, GPs and providers to drive up vaccine uptake. In January Barking and Dagenham was bottom in London for care home staff vaccinations and is now in the top third of all London Boroughs.

The BHR system have worked in partnership to commission a range of activities to help individuals to be discharged from hospital as safely and quickly as possible during the pandemic to designated care homes, homecare agencies and other types of supported accommodation. The pandemic has provided a big learning opportunity for commissioners and operational staff in LBBD and across the sub-region. Service user pathways, support, information and advice and communication flows were reviewed and improved through collaboration between system stakeholders in response to the pandemic.

Since it was established in December 2019, the social prescribing model, delivered through the borough's six Primary Care Networks (PCNs) have received 1,466 referrals with 2,455 needs identified. Initially, as the pandemic hit, referrals started to decrease but are now increasing. Two of the Primary Care Networks have now approached Barking & Dagenham to recruit an additional link worker and a health and well-being coach to be part of their multi-disciplinary team. This expansion demonstrates faith in the social prescribing model and its success in delivering outcomes in relation to money and debt, social isolation, employment and education, mental health, physical health, domestic abuse and substance misuse.

Lockdown and restrictions have been particularly difficult for our vulnerable, older residents, particularly as the social infrastructure they rely on has reduced. Community-based networks such as BD CAN, along with organisations like the Independent Living Agency, Carers and Barking and Dagenham and Reconnections, have continued to put in initiatives to reduce loneliness and isolation and embed practical support such as food and medication pick-ups and training around the use of technology to connect with others. Community Solutions helped set up and run the borough's Central Food Hub between March to September 2020. The Hub distributed food and essential supplies to BD CAN partners and those who were 'shielding' and required additional food support. This enabled BD CAN to support over 2,000 residents (including medicine pickups), and Community Solutions to deliver c.250 emergency parcels to shielding residents. In addition to this, the Intake team have made upwards of 20,000 calls to support the most vulnerable residents during the pandemic, particularly those who were shielding. The Social Prescribing service linked people into befriending and support services as well as providing a range of virtual programmes to address social isolation and other needs.

Requests for adult social care increased during the 2020/21 financial year, with 3,442 requests, compared with an average of 3,282 in the same quarter in 2019/20. However, hospital discharge, although challenging, has not led to the levels of social care demand that were predicted during the pandemic. The number of people admitted to long-term residential and nursing care fell to the lowest level seen in several years, a trend that echoed national patterns as people sought community-based alternatives to care home placements during the pandemic.

The number of safeguarding concerns raised during 2020/21 is the highest number reported in the past seven years, with 26% more concerns than 2019/20. Upon analysis, there was an increased proportion of safeguarding concerns raised in relation to adults aged 18-64 during the pandemic, as well as a greater proportion of referrers from health services. The analysis shows that professionals and providers have maintained a commitment and focus to safeguarding throughout the pandemic and that the work that we have been doing to improve safeguarding referrals with partners is working.

Progress has been made in the delivery of our Adults Improvement Programme and this is the continued priority over the coming months. Over the next quarter we will look to remodel our hospital discharge arrangements with Havering, Redbridge, the hospital trust and NELFT, bringing social workers back into the community and establishing a new unit to coordinate discharges. Additionally, LBBD will be reviewing hospital discharge pathways to ensure they are clear, improve the patient experience, and outcome focused. The overall aim of the review is for residents to stay as independent as possible and away from long-term care options.

An example of this new pathway will be a new therapy-led discharge process which will see individuals assessed at home rather than in hospital. The success of this work is dependent on the timely establishment of a new unit to coordinate discharge and the implementation of a BHR-wide bank of therapists, as well as a number of organisations simultaneously disaggregating their resources from the current hospital set-up. This is being planned and worked through by BHR-wide groups but remains a collective risk over the next quarter for Care and Support.

As well as our work on hospital discharge, we will be tendering for an innovation Partner for a new Care Technology Service, rolling out a service with St Francis Hospice for end-of-life care at Kallar Lodge and receiving a report from the Social Care Institute for Excellence (SCIE) to support the roll-out of strengths-based working with our social workers and the community.



## Tackling inequality in all aspects of our service delivery and within our communities jointly with partners and Public Health

### Key performance and delivery messages:

- Most of cohorts two through six, including the shielding population, those with underlying conditions and people aged 65 and over, received their first dose of the Covid-19 vaccine

### Priorities for next six months:

- Further roll-out of the vaccination programme to prevent new cases of Covid-19 and related deaths from the virus. Engaging vaccine hesitant groups within the population is a priority.
- Delivering the Barking and Dagenham Delivery Partnership roadmap and driving forward integration of mental health and care and support services
- Taking forward recommendations from the Public Health-led review of widening inequalities caused by Covid-19.

### Key risk in the next six months:

- Legacy challenges created by the temporary shutdown of some health services and changes to health seeking behaviour have resulted in lost opportunities to make positive health service interventions to diagnose and treat health conditions.

Health inequalities, as well equality generally, have grown because of Covid-19. Not only because the virus itself has disproportionately affected ethnic groups and older people, but the economic fallout has negatively impacted socio-economic outcomes. This is true across the UK but especially so for Barking and Dagenham which has a diverse and deprived population. In response to rising inequality a review of the impact of Covid-19 has been commissioned to analyse inequality and consider how local public services can close equality gaps. The review is underpinned by key data sets and published evidence including intelligence on cases, hospital admissions, and mortality rates to better understand underlying risk factors. The review will inform the forthcoming Director of Public Health Annual Report and the development of the next Corporate Plan in 2022.

Inequalities are high on the agenda with our partner organisations too. NHS Operational Planning Guidance for 2021-22 emphasises the need to take further steps to develop population health management approaches that address inequalities in access, experience, and outcomes, which can only be delivered through effective partnership working across systems. Integrated Care Systems will be fundamental to delivering this. Over the course of quarter 3 and 4, the East London Health and Care Partnership was formally designated as an Integrated Care System (ICS), and the Government released its White Paper setting out legislative proposals for a Health and Care Bill, which will place ICSs on a statutory footing and delegate more commissioning and decision-making down to the place, or borough, level. In parallel, the Barking and Dagenham Delivery Group has been working on a Roadmap to becoming the Barking and Dagenham Borough Partnership in 2022. This has involved sharing ideas with peers across Barking, Havering and Redbridge and working with an independent organisational

development consultant to reflect on how it can become a stronger, more effective body that can take on more significant functions. The Delivery Group is furthering its identified priority areas for integration and service development, including integrated models of mental health care and support for both adults and children and young people, along with developing the multi-disciplinary team model in care homes. The Delivery Group's Roadmap to a Borough Partnership has identified additional priorities for delivery, all with alignment to the Joint Health and Wellbeing Strategy. Front and centre of these new priorities is taking forward integrated place-based care and addressing inequalities.

The arrival of the Covid-19 vaccination programme has been the most important development in this reporting period. Strong partnership working has enabled roll out of the vaccine across the borough at pace. By the end of quarter 4 most of cohorts two through six, including the shielding population, those with underlying conditions and people aged 65 and over, received their first dose of the vaccine. Notably, the Covid-19 vaccine programme began during the second wave of the pandemic, a period in which Barking and Dagenham had the highest case rate in England for 12 days<sup>9</sup>. The Covid-19 case rate improved dramatically from thereafter; the number of cases confirmed in February 2021 was 85% lower than January 2021. Lower case rates and fewer Covid-related deaths can be attributed in large part to the vaccination programme and the high vaccination rate for older age groups.

Legacy challenges have been created by the temporary shutdown of some health services, changes in health seeking behaviour and from the social and economic fallout of lockdown. Actions have been taken to mitigate this, including encouraging the public to seek advice for any health concerns, adaptations to the delivery of services such as hybrid digital models to accommodate social distancing. Although still operating in a reduced capacity, there was a notable upturn in the number of NHS Health Checks performed in quarter four, up approximately 50% from quarter three. This is a positive sign, but activity is still far from normal levels and the system regaining capacity to run health screening programmes and inspiring residents' confidence to access healthcare will be a priority going forwards. Significant improvements have been made over the past year in public health intelligence to support the health protection function in response to the impacts of the pandemic. This leaves a legacy of improved analytics and data sharing which can be utilised to tackle challenges in health improvement, closing health inequality gaps, in addition to improved health protection responses in the future.

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<sup>9</sup> This was the period between 30 December 2020 and 11 January 2021

# Participation and Engagement

## Building capacity in the social sector

### Key performance and delivery messages:

- Distributed £100,000 of NCIL funding across 12 community groups, and a further £9,500 has been raised to support groups. In total more than £350,000 was distributed in 2020/21
- Created a central endowment fund for the social sector that is hosted by BD Giving and initially totals £905,000.
- Four different networks have been successfully launched by the BD\_Collective, supporting and connecting community groups and council colleagues as they focus on tackling complex challenges facing the Borough.
- Made progress on the preparation of a Community Assets Policy, with significant research and engagement having taken place which will inform the final policy

### Priorities for next six months:

- Working closely with the BD\_Collective, BD Giving and other partners as they grow their networks in the Borough, including the development of Neighbourhoods and Social Isolation programmes.
- Engaging the sector and the community on the priorities for the forthcoming Community Assets Policy, along with internal stakeholders, while making progress on developing the policy itself.
- Transferring the endowment fund to BD Giving and working with them as they begin to grow the fund and distribute it to community groups through participative processes.

### Key risk in the next six months:

- Pressure on capacity and funding of the voluntary and community sector compromises the ability to take forward joint work

Over the past six months the social sector in the borough has continued to collaborate with each other, and with the Council, to support residents. This has involved running their day-to-day offers using online platforms, where necessary, as well as delivering vital support services in response to the Covid-19 pandemic.

The BD\_Collective has gained traction over the past six months cultivating and growing a 'network of networks' that can support the social sector. Progress has been made on the social infrastructure contract held by BD\_Collective. Better Impact, a shared volunteering platform for the Borough has been established, with social sector organisations gradually beginning to use the platform to access volunteers. However, take-up to the platform has been slower than anticipated; this partly due to community groups' capacity being reduced by the pandemic. The Reimagining Adults Social Care and Early Help for Families networks have continued to meet. These are being convened by the sector, with LBB and social sector partners coming together

regularly, with the latter sharing their experience of working directly with service users and learnings they have taken from this. There has been a strong emphasis on collecting service user testimonies and building case studies based on service users experience, which learnings from these hopefully reflected in future practises. New networks have been launched focused on food banks and young people. Work has begun on shared programmes of work between the Council and community groups, focused on Neighbourhoods and Social isolation, which will involve working closely in partnership with the BD\_Collective.

Barking and Dagenham Giving has made significant progress in the past season. In December 2020, Cabinet agreed to transfer endowment fund to BD Giving for the social sector. The £905,000 fund is made up of Corporate Social Responsibility Payments, Neighbourhood Community Infrastructure Levy (NCIL) income and Clinically Extremely Vulnerable grant funding and is due to be transferred to BD Giving in the coming months for them to grow and distribute. This will follow the signing of a Memorandum of Understanding. Round five of the Council's NCIL funding process has concluded and was delivered exclusively online with a new representative selection and training process to recruit new residents to the decision-making panel. During this funding round £100,000 was distributed across 12 community groups; plus a further £9,500 has been raised to distribute to local community groups involved with the Local Lottery.

Faith groups have played a key role in supporting the community throughout the pandemic and the Faith Policy Action Plan has continued to be monitored and delivered through the Faith Forum. Interfaith Week was successfully delivered in November and the first in-person faith event was successfully delivered in April celebrating Vaisakhi. The Council has worked closely and effectively with Faith partners throughout the pandemic to ensure that places of worship have safely opened, operated and addressed challenging issues related to lockdown compliance and safety.

Community hall leases have continued to be managed with liaison with local stakeholders around the usage of these halls. Engagement across the Council and with partners has progressed feeding into the development of a new Community Assets Policy. An external resource was brought in to conduct internal engagement and research regarding best practise and shared priorities regarding community assets. Policy development will continue with the aim to have the final policy agreed by Cabinet towards the end of 2021.

BD Citizens Alliance Network (BD CAN), run by local community groups, ran until March 2021, with the day-to-day responsibility of running the system being taken up by the newly formed Food Banks network from November. Following March, and as demand for BD CAN significantly decreased, the running of the platform was taken over by the Intake team in partnership with the Independent Living Agency, who continue to respond to requests for support that come up. The strong relationship between the social sector and the Council is evidenced by the speed and effectiveness with which BD CAN was established and the way in which it was able to adapt response to changing demand. BD CAN works collaboratively between multiple social sector and faith organisations, this is testament to the effective work that has been done by the BD\_Collective, over the past six months and before. Furthermore, the leading role social sector organisations have taken in delivering BD CAN and supporting residents highlights how the social sector's capacity has been built up.

Fundamentally, there is a clear sense of the social sector having made significant progress in the past season, and indeed the past financial year. Through the work of the BD\_Collective, BD Giving, Barking and Dagenham Faith Forum and other key partners, the social sector is more connected and coordinated in its work to support residents. Continuing to work closely with the sector and partners such as the BD\_Collective, on collaborative workstreams such as Community hubs and Neighbourhoods and Social Isolation, is a priority for the next six months.

## Developing opportunities to meaningfully participate

### Key performance and delivery messages:

- Every One Every Day (EOED) has continued to see Tomorrow Today Streets projects run, giving residents the opportunity to participate from their own homes. Progress has been made with the Collaborative Business programme, with up to 30 young people being hired as apprentices. An agreement has been reached to install a collaborative coffee shop business in the Wilds Ecology Centre, in partnership with Barking Riverside, which is a significant part of the platform being embedded in the Borough for the long term.

### Priorities for next six months:

- Securing the future of participation in the Borough, through sustainability discussions with Participatory City around the future of the Every One Every Day platform.
- Complete the review of opening times for heritage sites and ensure Covid-19 secure and safe opening of the sites.
- Completion of the Conservation Management Plans.

### Key risk in the next six months:

- Getting traction on Every One Every Day, heritage and cultural planning is more difficult and harder to sustain if meaningful in person participation cannot happen – any deviations from the current roadmap to recovery that central government has proposed, would represent a considerable risk to the participation agenda.
- New Town Culture funding from MOPAC is at risk beyond this financial year.

In the past six months, participation has continued to take place online wherever possible, meaning that residents have been able to participate virtually, despite pandemic-related restrictions.

A new metric for assessing the impact of participation for residents is being used to survey residents who have taken part in different activities such as the NCIL funding process, volunteering, or the participation through the Citizens Alliance Network (CAN). Results from these questions are encouraging, with the majority of residents who responded reporting the positive impacts of participating in different activities, which include:

- An increased desire and confidence to be involved in local decision-making or local community work
- Feeling confident they have a good understanding of the borough
- Wanting to make a change in their community or their own lives and feeling confident they can do so.

To obtain a baseline set of data to compare against results from residents who have actively participated, four of the 'Impact of Participation questions' were included in the Residents Survey which has a sample size of 1,000 residents. Comparisons between respondents of the

Residents Survey and those from the residents involved in the participation activities mentioned above supported the idea that participation has wider benefits beyond the benefits of the activity itself.

Every One Every Day (EOED) shops were closed due to Covid-19. Operations were moved online to their 'Mighty Networks' platform and residents were able to participate from their homes through the 'Tomorrow Today Streets' programme with the aim of creating smaller eco-systems of participation across the borough. Despite these efforts to move participation opportunities online the impact of Covid-19 will affect the number of participation opportunities which could be created during the programme's five year lifespan. Expectations for key metrics in terms of numbers of people participating, number of hours of participation recorded and number of projects initiated.

EOED have made efforts to re-open their in-person participation facilities to residents in a controlled manner but have been repeatedly impeded by Government guidelines and restrictions on in-person participation. However, EOED are planning to launch a Summer programme which will offer extensive opportunities for in-person participation. Progress has been made with EOED's collaborative business programme, through which 30 local young people being hired as apprentices as part of the Kickstarter programme.

There has been real progress made with embedding the platform into the Borough for the long-term via the Wilds Ecology Centre, with a partnership between Participatory City and Barking Riverside seeing the development of a co-operative coffee shop business within the centre itself. An evaluation model is being created which will enable Participatory City to assess the value created and financial savings delivered by the model.

EOED governance arrangements have not been affected by the pandemic. Meetings between the Council and Participatory City continued to be held online including funders board, project board and regular working group meetings. Sustainability planning discussions have been had with Participatory City and are progressing well with teams from the Council and PC working together closely, discussing the future of the EOED platform. Funders are being kept updated with regards to this future planning, with further progress due to be reported upon at the next Funders Board in June. This sustainability and future planning is a key priority for the next six months.

Heritage Services continues to be disrupted due to Covid-19. Other than a short period of re-opening between lockdowns, the sites have remained closed since March. Valence House is planned to open in May and Eastbury Manor House in June 2021 in line with Government Guidance. The Education Programme being delivered at Valence House has already received a number of inquiries and bookings from schools. A review is taking place of opening times for heritage sites. Despite significant difficulties presented by the pandemic, progress continues to be made on the conservation management plans. Strategic plans for both Eastbury Manor and Valence House have been commissioned which will map out the future for the sites, including identifying opportunities to develop the site and programme to ensure the visitor experience and ultimately increase footfall and income generation.

Cultural Commissioning continues to support arts and community-based organisations in the borough through key commissioning initiatives. A Women's Empowerment Month programme ran throughout March 2021 which saw the launch of the Barking and Dagenham Herbal Network with Company Drinks and the Good Food Collective, a series of online talks and events with Pen to Print and local culture partners such as the East End Women's Museum and

the premiere of Arc Theatre's new film made with girls involved in their Raised Voices programme. A new initiative by Studio 3 Arts' called A Week of trans Visibility was supported in March which saw artist Tabby Lamb curate an online dance celebration, talks and other events.

Becontree Forever a comprehensive programme of cultural activity, launched in March 2021, will run throughout the Centenary year of the Becontree Estate into 2022 and beyond, involving hundreds of artists and partners and significant commissions. Press reception for programming has been strong, with the bulk of activity shifted to begin from June 2021 onwards due to the Covid-19 pandemic.

The centenary is an opportunity to celebrate the estate's groundbreaking and radical beginnings and to reimagine Becontree's future. Cultural Commissioning is working in collaboration with other services to bring to fruition 5 major public realm commissions with artists Yinka Ilori (a new playground for Parsloes Park), Eva Rothschild (a series of new climbing structures also in Parsloes Park), Leonor Antunes (a series of commemorative plaques across the estate to highlight the rich history of people who have lived there), Studio Morison (new street furniture in key shopping parades across the estate) and Nimtim Architects (re-developing amenity greens in three areas of the estate in partnership with RIBA). These commissions are curated by Create London who are project managing the installation process of all commissions which will commence in June. In addition to these major public realm projects, for the Becontree Forever public engagement and cultural programme the Culture Service, is collaborating with residents and local partners such as the schools on the estate, Arc Theatre, Barking and Dagenham Youth Dance, East End Women's Museum, Girls Like Us, Green Shoes Arts, Love Music Hate Racism, Studio 3 Arts, Soul and Sound and The White House and national partners such as EFG London Jazz Festival, Focal Point Gallery, Serpentine Galleries and the Wellcome Trust.

The Events team are leading key celebratory moments throughout the summer and autumn including community festivals such as Becontree 100 and Roundhouse Music Festival which will see world-renowned artists such as Frank Turner, the Boomtown Rats, Don Letts and Idles take to the stage in Parsloes Park, free of cost to all residents. They are also working in partnership with EFG London Jazz Festival to bring the festival to the Borough for the first time in its history, with local sites such as the historic Dagenham Roundhouse and UCL Pearl to be used for workshops and performances. In addition to these and other community events, we are developing a Winter Lantern Parade and Chitty Lane Street Party with local schools Becontree Primary and Henry Green to mark the exact anniversary of the first houses built in Becontree. Programming will involve craft workshops, local history sessions, performances and a parade planned and developed closely with local Head Teachers and school children to take place in early November. To ensure all residents have an opportunity to participate in these key celebrations, Events have also commissioned toolkits by local artists that are designed for use by residents in local care homes and schools, and also available to download online.

This winter and spring saw programmes led by artists Joe Namy, Sarina Mantle, Elsa James, and Blak Outside Collective, commissioned in partnership with local partners The White House and Company Drinks.

New Town Culture continues to forge new pathways in partnership with Social Services and external organisations like Goldsmith's University, Tate, Serpentine and South London Gallery, developing workshops for young people from our Foster, Youth Offending and other Services.

New Town Culture receives project funding through the Mayor's Office for Policing and Crime (MOPAC) which is due to end in early 2022. Discussions are taking place with MOPAC to

extend this funding until the end of December 2022 with a view to focus on fundraising towards the approximately 1.2 million required to continue the programme for an additional 3-4 years. Whilst we are optimistic funding can be secured and are actively pursuing conversations with potential funders and partners, this is not guaranteed and therefore it is important to note New Town Culture is at risk beyond this financial year.

Over the next six months, a key priority will be continuing sustainability discussions with Participatory City over the future of an in-person participation platform embedded throughout the borough and as part of the wider social infrastructure of Barking and Dagenham. Also through maintaining participation opportunities for residents through our Culture, Leisure and Heritage offers, while navigating the complications and barriers to participation that Covid-19 presents.



## Facilitating democratic participation

### Key performance and delivery messages:

- Over 7,000 residents are aware of the Citizens Alliance Network (CAN) platform, with over 1,400 separate contributions to the 34 online projects.
- A recent project on Women's Safety has seen coverage in multiple national media outlets, and a significant increase in levels of resident engagement.
- A regular CAN governance group has been set up and is meeting regularly to help steer the platform's development and growth.

### Priorities for next six months:

- Begin to hold in-person meetings with residents, in addition to online meetings, as there is a move towards recovery from the pandemic.
- Continue to add projects, looking for opportunities to support residents who want to take action on issues that matter to them and social sector groups also.
- Develop support for council staff to engage more with residents and to use CAN.

### Key risk in the next six months:

- Any setbacks or changes to the government's proposed roadmap to recovery from the pandemic would represent a significant challenge for the CAN platform as being unable to meet in person makes it harder for residents to make connections with each other and develop deeper and more meaningful conversations.

Central to this priority is the progression of the Citizens Alliance Network (CAN), a platform for which community mobilising and democratic participation can be conducted from throughout the borough. The CAN Project Manager, in post since March 2020, has led on a development process to build CAN into a broad and active platform for democratic participation.

Over 7,000 residents are aware of the platform, with over 1,400 separate contributions to the 34 online projects. These include 23 Council initiated projects, 8 social sector-initiated projects and three which are resident-led. A recent project on Women's Safety has seen a significant jump in engagement measures, people are aware of CAN and are actively contributing to the platform with comments, questions and being part of discussions. This project has seen significant engagement with residents and has been highlighted by national media outlets. Over the last six months, a series of online 'Community Conversations' have taken place, bringing residents together with officers and Members to explore the projects and themes in more detail.

A refresh of the CAN online platform has seen the webpages updated to make them more accessible and engaging. A regular CAN governance group has been established and meets monthly. The group's remit is to steer the platform's development and plan for its continued growth.

Over the next six months, there are several priorities for CAN. Firstly, continuing to expand the Network to grow the number of projects and the amount of engagement. Secondly, developing an 'in person' CAN offering, as part of broader neighbourhood offering, to enable residents to come together and connect with each other after the pandemic restrictions are fully lifted.

Thirdly, to develop training and toolkits to support council staff in using CAN to its maximum potential to engage residents in policy and service development to deliver more impactful outcomes.

## Designing relational practices into the Council's activity

### Key performance and delivery messages:

- 2020-21 was the first full year of regular engagement and consultation opportunities delivered by One Borough Voice (OBV). The total number of visitors to OBV in 2020-21 was 41,165, exceeding the 20,000 visitor target. And the number of visitors that engaged was 9,861, more than double the target of 4,000.
- Cross-cutting workstreams such as Community Hubs, Neighbourhoods and Community Assets are all being run in a collaborative and partnership focused way.

### Priorities for next six months:

- Sustain the visitor and engagement numbers achieved, by continuing to raise the profile of OBV and support services to use OBV to provide residents with meaningful opportunities to participate and influence decision making.
- Ongoing cross-cutting workstreams such as Community Hubs, Neighbourhoods and Community Assets all require collaborative working alongside a partnership approach with the social sector, if they are to succeed and this is a priority for the next six months.

### Key risk in the next six months:

- The need to engage online may reduce as we move out of lockdown and some services resume face-to-face interaction. This may impact on OBV usage.

Relational working is a key aspect of the participation and engagement priority. This priority is interdependent between the key strategic priorities (Inclusive Growth; Prevention, Independence and Resilience; Well Run Organisation; and Participation and Engagement) and it requires extensive joint working across the Council and embracing co-production and co-design practices.

Towards the end of 2020 and into the beginning of 2021, colleagues from Strategy and Participation have been meeting and are meeting colleagues from Inclusive Growth, My Place, Community Solutions and Care and Support to scope out and identify ways in which joint working across the Council can add value to critical ongoing projects and, specifically, ensure they are participatory by design and in delivery. These include: the Community Hubs; Community Assets; and Neighbourhoods workstreams, all of which need to be collaborative and participative if they are to succeed. Another fundamental part of relational working involves working closely in partnership with the social sector, where power is shared equally and partnerships are genuinely equal. All of the above three workstreams again require a partnership approach between the Council and the sector if they are to succeed and such an approach will be reinforced as we move forwards, ensuring that is adopted throughout the Council as we work with our partners. We cannot work in silos, we must be working collaboratively and in partnerships, across the board.

Usage of One Borough Voice (OBV) has continued to increase as a platform to engage and consult with residents, staff and partners in the borough. The end of year figures shows there

were 41,165 visitors and 9,861 engagements. This volume of interactions far exceeds the initial targets (20,000 and 4,000 respectively).

Residents have been consulted on a wide range of topics including the Council's budget proposals, Public Space Protection Orders, and the development of a Carers' Charter. One Borough Voice also hosts the Citizens Alliance Network which led on discussions and sought community views on parks improvement and resident's experiences during the pandemic.

More services are choosing to use OBV to obtain customer feedback on a regular basis. Residents accessing services such as the Homes and Money Hub and Housing Repairs, or who have had contact with Children's Social Care, are being asked to share and rate their experiences. Ongoing opportunities for residents to have their say will lead to resident-led improvements to services.

The examples above show the versatility of the platform and opportunities to engage residents. Creative and diverse use of OBV to hold dialogue and canvass residents on important community issues is integral to our relational approach. In the next six months, we will create more engagement opportunities that are meaningful and of a high standard.

## Well Run Organisation

### Delivers value for money for the taxpayer

#### Key performance and delivery messages:

- The 2020-21 financial year was the final year of the Ambition 2020 programme which had a total target of £48.824m savings to be delivered in the period 2017-21. £36.781m (75%) of the Ambition 2020 savings have been achieved. A further £10.350m has been deferred or delayed into the 2021-22 financial year of which at least £1.741m is directly attributable to the impact of Covid-19. If these deferred savings are delivered 97% of the savings target will have been achieved.
- At the end of Q3, 39% of the original plan of risk and compliance audits were at least at draft report stage. This falls short of the target for the end of Q3 which is for 50% of audits to be at draft stage. At the end of Q3, 62% of the schools' audits were at least at draft report stage. This exceeds the target for the end of Q3 which is for 50% of audits to be at draft stage.
- By Q3 the Counter fraud team had accepted 88 cases for investigation, recovered 4 HRA properties and detected fraud to the value of £166k.

#### Priorities for next six months:

- Begin to deliver savings programmes relevant to the Medium-Term Financial Strategy (MTFS) inclusive of the £10.350m, deferred from 2020-21.
- Develop an updated (MTFS) to be taken to Cabinet in July from which a detailed savings plan will be developed over the summer.
- Prepare for the Oracle Replacement implementation to ensure it is delivered well and on time.
- Improve compliance with procurement rules.
- Completion and Audit sign-off of the Statutory Accounts for The Council and its subsidiary companies.

#### Key risk in the next six months:

- Covid-19 outbreak and the lockdown has resulted in increased costs of providing services and reduced income from fees and charges. It has also further compounded already existing risks in areas with existing demographic and needs led pressures such as care and support. This remains a financial risk this year.
- The longer term impact of Covid-19 and the potential for economic downturn is a risk for The Council and its subsidiaries as is the ongoing delay to Local Government Funding Reforms
- The timetable for the Oracle Replacement implementation project remains challenging.

The 2020-21 financial year is the final year of the Ambition 2020 programme which had a total target of £48.824m savings to be delivered in the period 2017-21. £36.781m (75%) of the

Ambition 2020 savings have been achieved. A further £10.350m has been deferred or delayed into the 2021-22 financial year of which at least £1.741m is directly attributable to the impact of Covid-19. If these deferred savings are delivered 97% of the savings target will have been achieved.

The Medium Term Financial Strategy (MTFS) approved by Assembly in February sets out the need to develop savings or income proposals of c£7m per year. Government have delayed funding reforms and social care reform appears to be unlikely to be resolved for the 2022-23 financial year. An updated MTFS will be presented to Cabinet in July from which a detailed savings plan will be developed over the summer.

The 2020-21 budget of £155.796m was approved by Cabinet in February 2020. The Covid-19 pandemic and the UK response (lockdown) started before the beginning of the financial year and has had a considerable impact on the Council's financial performance during the year. Additional costs have been incurred in a range of areas especially Enforcement, Care and Support and Homelessness (Community Solutions) while other services have not been able to operate normally and have lost income as a result. There has also been a considerable diversion of leadership and management activity and staff time to support the pandemic response which has meant that some new initiatives and savings plans have been delayed.

Even without Covid-19 there were underlying overspends or pressures in several areas – some of which have been worsened during the pandemic while others have been temporarily alleviated. As a result, the Council has an expenditure overspend of £27.948m against its financial plans including transfers to and from reserves. Following strong lobbying from the Local Government sector the scale of the pressures was recognised by Central Government in the form of a variety of grants – both ring-fenced and non-ring-fenced. This has resulted in £30.439m of additional income recognised in the 2020-21 financial year. The net result is an underspend of £2.491m. This is an improvement since the in-year forecasts reflecting both improvements in expenditure/income trends in some service blocks and significant additional grants released by Central Government in the final quarter of the year.

The financial risk resulting from shortfalls in financial returns from LBBB owned companies remains high. The Business Plans of the trading companies have had to flex to respond to the effects of Covid-19 resulting in a loss of income in some companies which has not been recovered in this financial year. This is most evident in the results for BDTP where a loss is forecast. A recovery plan is being developed to ensure the business returns to profitability and stems the impact of further losses.

Significant focus is being given to compliance with procurement rules as 25% non-compliance with raising a Purchase Order prior to goods/services being commissioned was reported in March 2021. The Council's Contract Rules require a Purchase Order to be raised prior to any goods or services being procured except in circumstances where such compliance is not practicable as this enables prompt payments to suppliers and supports effective budget management. Actions taken to date include improving the reporting processes to provide better data to services to action, further training within services and re-enforcing compliance through budget management training. Further engagement and culture change messages are being included in the Oracle Replacement Project and procurement compliance training is being included in the summer programme of lunch and learn sessions.

## Employs capable and values-driven staff, demonstrating excellent people management

### Key performance and delivery messages:

- Achieved Investors in People Gold, with some indicators at platinum level.
- Average sickness absence is 5.7 days per employee (excluding Covid-19 related absence).
- The Council's contribution to the Apprenticeship Target was met at the end of the four-year period.
- Implemented a new approach to recruitment and selection to improve candidate experience including the launch of a new recruitment and onboarding system.

### Priorities for next six months:

- Implement a dispersed working model enabling staff to work remotely or at different LBBD sites.
- Undertake staff temperature check to measure impact of Covid-19 on wellbeing, track progress since the Investors in People Gold review, and approach to equalities, diversity and inclusion.
- Work towards the Good Work Standard but acknowledging key risk set out below.
- A new workplace Apprenticeship action plan to support 2021 onwards targets.

### Key risk in the next six months:

- Despite meeting HR and organisational development criteria to achieve the Good Work Standard, at present we have no mechanism for confirming if contractors in our supply chain pay the London Living Wage. This is a significant barrier to achieving the accreditation.

Supporting the Council to maintain Covid-19 safe services has been a key focus. Reviews of risk assessments and individual health risk assessments are in place, and good support for staff who were Clinically Extremely Vulnerable enabling them to return safely to work.

A new approach to recruitment and selection has been delivered through the e recruitment and onboarding platforms. Talent Link was implemented in November 2020 and Enboarder went live in February 2021. This has enhanced manager and candidate experience. One of the key features of TalentLink is anonymised applications to all areas of the service which will help minimise unconscious bias. Analysis of the recruitment diversity data, by ethnicity and gender produced for internal audit shows the positive impact of anonymising applicants' identities on the system until after the shortlisting process. Recruitment metrics have been agreed which will track the progress made and measure impact, these will be reported in from Q2 2021-22.

Investors in People Gold level accreditation was achieved in February 2021. Positive evidence gathered during the assessment demonstrated that the Council are performing at an advanced level of performance against the vast majority of 'We Invest in People' indicators. Some of the themes within those indicators either are, or are on the verge of being, high performing

(Platinum). Detailed action planning will start after a follow up session with the Assessor, an internal group has been set up to oversee this work.

Excluding Covid-19 absence the sickness absence target has been met with 5.7 days reported in April 2021, compared to 7.3 reported in April 2020. Ongoing work on wellbeing, sickness absence management interventions continues to help the organisation to keep sickness at a low level, following our “firm but fair” principles.

The Council’s contribution to the Apprenticeship Target was met at the end of the four year period. A strong pipeline of varied apprenticeships is in development which will continue to provide entry-level apprenticeships, professional and career progression opportunities and upskilling for existing staff.

Achieving the Mayor’s Good Work Standard accreditation is proving challenging. Criteria, in terms of HR and as an employer, can be met. However, reporting mechanisms are not in place to evidence that the Council, Schools and Company supply chains pay the London Living Wage (LLW). There are still contractors in the Council supply chain who do not pay LLW which is a potential barrier to securing accreditation.

Work is presently being carried out by the Commercial Team to ascertain high risk categories and how quickly those suppliers can come up to standard. At least 80% compliance should be assured before self-certifying as compliant. The Oracle Replacement system will help with tracking compliance but this will not be until the end of 2021.

A request to mandate the LLW within terms and conditions is included within the Social Value Impact Report which is due to go to Cabinet in July 2021. There is a commitment to work with schools and their supply chains, who also need to be compliant to achieve the accreditation, in a planned approach. A new plan is being developed for achieving all three levels of the Good Work Standard whilst the LLW supplier issues are resolved.



## Enables democratic participation, works relationally and is transparent

### Key performance and delivery messages:

- Successful Postal Vote registration campaign carried out in Q4, resulting in an approximately 40% increase in registered postal voters to 27,957 for May 2021 elections
- Usage of One Borough Voice has continued to increase, with the number of annual visitors far exceeding the target of 20,000, with a total of 41,165 and the number of engagements exceeding its target of 4,000 by reaching 9,861.
- Over 7,000 residents are aware of the CAN platform, with over 1400 separate contributions to the 34 online projects. A recent project on Women's Safety has seen coverage in multiple national media outlets, and a significant increase in levels of resident engagement.

### Priorities for next six months:

- Development of Member Induction programme in preparation for May 2022 Local Elections
- Sustain the visitor and engagement numbers on One Borough Voice, through continuing to raise the profile of the platform and supporting services to undertake timely and meaningful engagement with residents.
- Continue to improve the number of Cabinet reports that have Equality Impact Assessments, where required.
- Beginning to hold in-person CAN meetings with residents, in addition to online meetings, as we continue to move towards recovery from the pandemic.
- A behaviour change campaign to follow the recently published report, aimed at tackling the normalisation of Domestic Abuse in the local community

### Key risk in the next six months:

- As we move out of Lockdown, the need to engage with residents online may reduce as services return to face to face interaction. This may negatively impact on the usage of OBV.

The bedrock of participation is enabling residents to exercise their right to hold elected officials to account, either through the ballot box or through involvement in local decision-making.

Electoral Services delivers open and fair elections and ensures compliance with direction from the Electoral Commission. LBBDD has a high proportion of registered voters, in 2020, 91.6% of household properties gave a positive response to the annual canvass, up from 89.7% in 2019 and achieved with Covid-19 restrictions in place. The GLA Mayoral election took place in May 2021, which was originally due to be held in May 2020, with a by-election in Thames ward on the same day to fill a vacancy arising from the resignation of a councillor.

The Law and Governance Service has an excellent record of compliance with Access to Information law, bringing openness and transparency to decision-making. The Statutory Forward Plan for executive decisions is routinely published with 100% compliance with the law,

and 100% of committee agendas were published five clear working days in advance of the meetings in line with statutory deadlines. Residents can therefore be confident democratic processes are delivered to the highest standards.

The Covid-19 restrictions meant that Council meetings were held virtually over the last financial year which see an increase in attendance and good feedback from local residents and external partners. Covid-19 regulations that allowed virtual committee meetings to take place came to an end on 7 May 2021. This means that all formal Council meetings must now be held in a physical meeting room.

Whilst the Council are committed to equality, diversity and inclusion, and have achieved a lot in this area in recent years, there continue to be ways to strengthen the approach and embed equalities in policy and decision-making. The number of Cabinet Reports that have an Equality Impact Assessment (EIA), where required, is slowly increasing, with 57% compliance in Q4 2020/21. EIAs are an important tool, ensuring that we are putting residents are the centre of policy and decision-making. The Strategy and Participation team has been proactively identifying reports that will require an EIA and supporting services to ensure that they are of a high standard and fully consider the impact of the decision on residents with protected characteristics.

Communication with residents is at the forefront of the approach to participation. Consideration is being given to priority campaigns for the 2021/22 financial year, funding, availability and resources, based on council priorities and in consultation with the Leader's office. There will still be a need for Covid-19 related campaigns and communications activity.

Phase 2 of the Cleaner Barking and Dagenham campaign continues to roll out (it started in April 2020 and will continue until Autumn 2021) with ongoing communications activity, principally daily social media posts. The focus is to highlight the effort of Waste and Street Cleansing staff to keep the borough clean and tidy during the pandemic, and to share the fantastic work our community have been doing to help keep our borough clean and tidy. An extended recycling scheme has been launched which will help the Council to increase recycling rates and has been positively received by residents. This is being promoted across all channels, including videos, social media posts, news releases and newsletter articles. The Green Garden Waste Collection service has already achieved 7,000 subscriptions this year – the total achieved at the end of 2020, so we are on track to beat last year's figures. The Cleaner Barking Dagenham campaign has helped to improve resident perceptions about our Waste and Street Cleansing service, with over 8,000 likes, 2,000 shares, 2,300 clicks and 3,500 comments on social media. As lockdown restrictions continue to ease over the coming months, the service will develop and promote more community engagement and participation through organised litter picks and other community initiatives.

Lost Hours is a campaign aiming to tackle the rise in youth violence and anti-social behaviour in Barking and Dagenham. Phase 2 of the campaign launched in February 2021, later than planned due to the Covid-19 pandemic and schools being closed during the Autumn/Winter term. This phase of the campaign was focused on engagement with secondary schools, using them as the conduit to the campaign and leveraging their channels and relationship with parents. In March, a day of action was held, whereby schools took part in sharing and pushing out campaign messages and content.

Phase 3 of the Lost Hours campaign is due to launch at the end of June 2021 and is focused on parents of primary school age students in years 5 and 6 as their children transition to secondary school. The aim of this phase of the campaign is around early intervention. To ensure that the campaign is relevant to parents with younger children the campaign has been evolved using more relevant imagery and messaging (i.e. not quite as graphic/shocking). The campaign will be

delivered via engagement with schools, again leveraging their channels and through incorporation with the transition programme. A digital campaign will also run alongside this activity.

A Fostering campaign to help recruit foster carers launched in May 2021 to coincide with Fostering fortnight. The campaign focuses on sharing stories of fostering using real life case studies of foster carers and children who were in care. The integrated campaign incorporates targeted and borough-wide advertising across a range of channels. The campaign has a strong digital focus and uses a short film to produce engaging and rich content. The campaign will be phased and run throughout the financial year 2021/22 and there will be ongoing monitoring and tracking to ensure campaign effectiveness and the campaign materials will be tweaked accordingly.

Other key campaigns for 2021/22, to date, will include:

- Domestic Abuse (DA) campaign – a behaviour change campaign to follow the recently published report, aimed at tackling the normalisation of DA in the local community and encouraging victims to feel believed so that they report incidents and seek help;
- B&D Working Together – to help encourage residents back into work and training as the economic fall out of the pandemic continues to have an impact on local residents
- Reconnecting with the community – helping residents to reconnect with each other and the borough as lockdown eases, through our events programme and other participation and engagement opportunities.

## **Puts the customer at the heart of what it does**

### **Key performance and delivery messages:**

- Appointment booking system delivered in March 2021 for Registrars, Bulky Waste and Pest Control.
- Chat Bot became active on The Council website in April 2021 with a focus on parking and waste enquiries.
- Complaint's response times despite falling behind target have improved in Q4, 2020-21, particularly regarding housing and repairs.

### **Priorities for next six months:**

- Continue to find efficiencies and financial savings through the re-structure of the Contact Centre and Customer Experience Digital Team.
- Improve the customer experience for tenants contacting us regarding housing repairs, where currently customer satisfaction and experience is an issue.
- Digital inclusion work to support closing the gap on skills and accessibility for residents and staff.
- Develop open and transparent 'Voice of the Customer' dashboards and share with services so that our customers can shape service improvement.
- Address Digital Inclusion in the borough: Recruit Digital Champions, ensure residents have the means and support to access council platforms et al.

### **Key risk in the next six months:**

- Ensuring that there is a balance of resources with aspirations and use technology to its maximum advantage.
- Resourcing the Digital Inclusion project
- The success of 'Voice of the Customer' relies on individual service engagement and a culture change across the organisation.

The Contact Centre and CIT (Continuous Improvement Team) underwent a review to identify efficiencies and financial savings. A restructure was implemented in April 2021, with staff successfully redeployed into new roles. The service continues to put steps in place to ensure performance is maintained with less resource.

Customer Experience Team, previously the CIT, now have greater focus on the entire customer experience, to enhance customer satisfaction, reduce spend, and improve employee satisfaction. This will also help to find more-effective ways to collaborate across functions and levels, a process that will deliver gains throughout the Local Authority and its trading entities.

Digital Inclusion is one of the team's biggest deliverables for 2021/22. The Council are looking to ensure that digital poverty and lack of digital skills are minimised as a risk factor for digital exclusion. KPIs are being developed to track the project's success.

Upheld complaints continue to perform below 45% demonstrating that the service responds well and is resolving residents' issues well. Despite not achieving the target in response to casework within 10 working days, there has been a 10% improvement since the last report. This has mainly come from Repairs where BDMS are working through a Service Improvement Plan in collaboration with the Council. It is noted that 65% of all complaints come from 3 service areas: Public Realm, Parking and Repairs.

There has been an increase in calls to the Contact Centre in Q4 2020/21 routed through the switchboard related to Parking. With the introduction of more CPZ areas an increase was expected, there has also been an increase in out-of-hours Parking calls. Parking call themes are mainly around visitor permits, renewing/acquiring new permits where customers are struggling to use the new system to obtain these. The team are working with the Parking service to create supporting content on the website to help customers.

Despite the challenging situation customer satisfaction scores have continued to exceed target.

A new booking system was implemented on 31 March 2021 to support pest control, bulky waste, and the registrar services. The system provides teams with more flexibility to manage diaries. This has reduced administrative pressures providing more scope within the Registrar service to work with customers.

The Council have introduced a webchat feature to its website giving residents another digital option for self-service. The Chat Bot three month pilot went live on 1 April and is due to finish at the end of June 2021. The pilot has been a success and has hosted over 20,000 conversations with residents. The Chat Bot pilot has enabled the Customer Experience Team to identify the requirements for a comprehensive organisation wide solution.

## Equipped with the tools, information and capability to deliver its vision

### Key performance and delivery messages:

- Exploratory investigation into the Website Redesign has taken place with a possible platform identified.
- Progress on the Oracle Replacement project has been positive
- Completion of migration to Cloud technology
- Return of IT services to The Council from Agilisys

### Priorities for next six months:

- The Oracle Replacement project particularly around testing and preparing for implementation
- Finalise the IT and Digital Strategy
- Submit a business case to the relevant groups boards and start procurement of an appropriate Chat Bot solution.
- Allocate budget and resource to the Website Redesign project.
- Implement the agreed cyber tool to counter some of the advanced persistent threat (APT) risks that typify Ransomware attacks.

### Key risk in the next six months:

- The timetable for the Oracle Replacement implementation project remains challenging.
- The Chat Bot and Website Redesign projects are contingent on the development and approval of an acceptable business case including provision of sufficient resource.
- The Council will need to remain vigilant around cyber security given rising levels of cyber attacks on the public sector.

The Council has completed the complex migration of its Core technology services and most business applications to Microsoft Azure Cloud during Q3. In parallel, the Council has moved from Citrix technology for access to key Council systems to Microsoft Windows Virtual desktop. These together mean that we have a very modern, cost efficient infrastructure with high levels of performance and flexibility.

Following the rising levels of cyber attacks on Local Government, we are increasing focus on both the Council's cyber security and starting to consider cyber security within the supply chain. Through Q3 the IT service were reviewing the impact on Local government of cyber attacks on Councils particularly the disastrous impact of Ransomware on two councils in England. The team has worked extensively with NCC in a cyber assurance exercise sponsored by Ministry of Housing, Communities and Local Government (MHCLG) in parallel with our migration to public cloud. The Council will investment in cyber tools to counter some of the advanced persistent threat (APT) risks that typify Ransomware attacks. Procurement on a specific product completed at the end of Q4 and implementation has started.

The applications team is in the final development stages for the replacement My Account solution named DCAP (Digital Customer Ambition Programme). This is expected to go live in September 2021. It will deliver a range of benefits into the Council's customer facing services both online and through the Contact Centre. It is anticipated that following a short period of settling in for the new service, Phase 2 development will commence with IT working together with the Customer Experience Team to enhance the digital service offer across the Council and its partner organisations.

Discovery work around Robotic Process Automation technology has commenced to understand the true scope for cost savings and process improvements through automation across the Council.

The IT team are working through a number of procurements for the replacement of contracts that were handed back from Agilisys in December 2020. For some of these we have extended the existing contracts to provide sufficient time to properly review, specify, re-procure and migrate to new service providers. There are a number of key procurements underway for Cloud Management services, and Database Management services in particular. These are expected to be fully migrated by the end of September 2021.

The IT team are working with the Oracle Replacement programme to establish the best approach for delivery of archive data access going forward. This is a challenging area where the historic approach of unnecessarily maintaining legacy system is not fit for purpose due to cost, GDPR compliance, support and security risks.

In a lot of Council sites, the network equipment is now at end-of-life with suppliers signalling that they will no longer be supporting the equipment with security and other updates from the end of 2021. This was taken to Cabinet in Q4 2020/21 and approval given. The IT service have made provision for this in its capital budget and have carried out proof of concept and pilot implementations on sites over the last 18 months to ensure that the new delivery approach to site network provision is fit for purpose. The IT Team expect to complete deployment of new network infrastructure to all relevant Council sites by December 2021.

The IT team are in the final stages of the project to migrate services from EE to our new mobile telephony contract. This started in January 2021 and is due to complete end of July 2021. Cloud telephony was successfully completed in December 2020 which approximately 18 schools within the borough buying in to the service. IT have since received interest from other schools in the borough to move to cloud telephony.

A key aspect of the Council's transformation since 2015 has been to become a data-led organisation which harnesses the depth and richness of data sets we hold (and exists elsewhere) to drive policy and operational decision-making. The internationally recognised Insight Hub has been at the centre of this shift, pioneering new tools and data science techniques.

The Social Progress Index (SPI) 2019 (the latest version) was published on time in November 2020 and scorecards are available on LBBDD's website. The SPI is key to understanding and comparing inequalities and social challenges and helps us, and partners, to target efforts at a neighbourhood-level. The SPI since 2016 has shown steady improvement across all wards across 50 key indicators to April 2020. Next year's Index will detail the true impact of Covid-19. It has been used to decide resource allocation for Community Hubs.

The SPI has now also been expanded to cover progress against the United Nations Sustainable Development Goals (SDG). LBBDD is the first local authority in the UK to map the indicators to the global goals. Whilst there is no universal methodology for mapping data to the SDGs, the

Council have attempted a methodology like that of the SPI. The results illustrate the need to focus on environmental quality, particularly areas such as pollution and climate change. These fit and support the Council's net zero carbon ambition.

The Resident Matrix – a single view of a household and the demography of the borough - has been updated to 2020 and is being used for infrastructure and regeneration planning at Barking Riverside, as well as to provide key insights and demographic profile information to inform our response to Covid-19 and provide in-depth analysis of inequalities ahead of the refresh of the Equality and Diversity Strategy in 2022, aligned with the next Corporate Plan.

One View, a triage tool and case management system which is integrated with key data sets, has successfully been adapted to give frontline workers a Covid-19 case management system. This element of OneView will continue until at least September 2021. OneView has also been expanded to cover Single View of Debt, which is currently being rolled out to the Revenues and Benefits staff.

The Borough Data Explorer has been updated. There are over 110 indicators to track progress against the Borough Manifesto.

The Insight Hub has been working on a "Levelling Up Model" to support the Council's bidding process to the levelling up fund. Publication of the model is expected in the next quarter.

We had a successful Census in March 2021 with over 95% completion rate in the borough. There was an excellent effort across the Council particularly in libraries to support Census completion.



Single Performance Framework – Schedule of Amendments

	Theme	Metric/Deliverable	Amendment	Rationale
<b>Inclusive Growth</b>				
1	Building New Homes	<b>Tenure type and bedroom size of new homes delivered.</b>	Change to: Proportion of planning permissions for properties with 3+ bedrooms	A similar but more insightful metric to appraise supply of family sized homes. Reduces number of data points collected to get to important analysis about meeting supply targets for larger homes.
2	Tackling Homelessness	<b>Number of homes let through allocations, by total and broken down by bed size and by group, including those let through:</b> <ul style="list-style-type: none"> <li>• <b>Choice based lettings</b></li> <li>• <b>Decants</b></li> <li>• <b>Direct Offers</b></li> </ul>	Change to:  Number of homes let through allocations: Total lets  AND  Number of homes let through allocations: Decants	Reporting the granular detail of allocations by bed size and group and lettings type creates a multiplier of data points, not all of which are valuable for reporting in high-level terms as required for the SPF. Focus needs to be on decants numbers and total allocations only.
3	Improving the quantity and quality of jobs in Barking and Dagenham	<b>NEW: Percentage of procurements (over £100k and excluding procurements with waivers) where a 10% social value weighting is included in the ITT specification</b>	<b>Add to the framework</b>	This new metric is the best reporting we can achieve with Oracle. The proposed metric monitors compliance with the new social value policy.  In addition to this there will an annual summary of social value impact report of commitments and outputs through procurements.

	Theme	Metric/Deliverable	Amendment	Rationale
4		<b>Number of opportunities created for residents in the Council’s supply chain (jobs).</b>	Remove from framework.	Social value and procurement metrics will be re-visited once new Oracle replacement system (with better analytics) is embedded. Presently because of Oracle reporting constraints/limitations we are unable to report on these metrics.  Be First is able to provide analysis on job creation and supply chain
5		<b>Number of opportunities created for residents in the Council’s supply chain (excluding jobs)</b>	Remove from framework	
6		<b>% of contractors delivering services for the Council that pay at least the LLW.</b>	Remove from framework	
7		<b>Total amount and % of goods and services sourced from the Borough by the Council and its contractors.</b>	Remove from framework	
8		<b>Number and % of people working on major construction developments who are Borough residents - Be First and LBBB (contractors or subcontractors).</b>	Change to: Number and % of people working on major construction developments who are Borough residents - Be First	
9	<b>Number and % of FTE people working on major developments that are apprentices – Be First and LBBB.</b>	Change to: Number and % of FTE people working on major developments that are apprentices – Be First		

	Theme	Metric/Deliverable	Amendment	Rationale
10		<b>% of goods and services sourced from the Borough on major developments - Be First and LBBD</b>	Change to: % of goods and services sourced from the Borough on major developments - Be First	
11		<b>Employment, Skills and Suppliers Plans submitted to Be First on major developments which meet the expectations agreed with LBBD.</b>	Remove from framework	
12		<b>% of workers on Be First sites paid at least LLW.</b>	Remove from framework	
13	Supporting residents to access new opportunities in the Borough	<b>Number of residents accessing vocational pathways at Adult College to Levels 2 and 3</b>	Change to: Number of learners accessing vocational pathways at Adult College from <i>Entry Level</i> to level 3	More accurate definition of what is being reported. Includes a wider scope of qualifications. Aligns with other reporting on vocational pathways.
14				
15		<b>Total number of people supported into employment, and number of those who worked with the NEETs Team</b>	Remove from the framework. Covered by reporting of:	To avoid duplication of reporting. For example, the mental health cohort is the same as those getting employment through vocational support pathway.
16		<b>Total number of people supported into employment sustaining employment after six months supported by the job shop</b>	“Total number people supported into employment (job starts and those sustaining employment after 6 months), broken down by: - Job shops - Vocational	

	Theme	Metric/Deliverable	Amendment	Rationale
17		<p><b>Number of residents with history of poor mental health supported to become ready to work, enter the workplace and successfully retain employment (including numbers being supported by LBBB social care services).</b></p>	<p>Support - NEETs team (Homes and money hub)”</p>	
18		<p><b>Number of apprenticeships created through the Levy Transfer scheme with breakdown of Level (Levels 2-4 and Levels 5-7) and % going to new entrants and those aged 16-25.</b></p>	<p>Change to: “Number of apprenticeships created through the Levy Transfer scheme”</p>	<p>To monitor success of the levy transfer scheme. However, granular analysis of levels and age is not required for corporate reporting.</p>
19		<p><b>Number of apprenticeship and other training opportunities created in the Council’s supply chain for care leavers and other Borough residents aged 16-25.</b></p>	<p>Remove from framework.</p>	<p>In relation to care leavers and apprenticeships it was agreed to report on these metrics only:</p> <p>“Number of ‘apprenticeship’ starts as a proportion of total workforce”</p> <p>“Level 2-4 starts as a proportion of all apprentices”</p> <p>“Level 5-7 starts as a proportion of all apprentices”</p> <p>“Total number of care leavers in all apprenticeships”</p>

	Theme	Metric/Deliverable	Amendment	Rationale
				“Of all care leavers in apprenticeships, the number of which are in the council”
<b>Well Run Organisation</b>				
20	The Well Run Organisation delivers value for money for the taxpayer	<b>NEW: Number of retrospective purchase orders raised</b>	<b>Add to framework</b>	To monitor situation and performance re compliance with procurement process and contract rules
21		<b>NEW: Number of procurement waivers used</b>	<b>Add to framework</b>	
22	The Well Run Organisation is equipped with the tools, information and capability to deliver its vision	<b>Feedback from State of the Borough conference on the Social Progress Index and Borough Data Explorer.</b>	Remove from framework	On reflection these metrics do not yield any important insights other than confirming BAU of the Insight Hub has been completed.
23		<b>Use of the Residents Matrix in at least two B&amp;D challenges per year.</b>	Remove from framework	
<b>Participation and Engagement</b>				
24	Designing relational practices into the Council’s activity	<b>Develop and adopt a Policy explaining how the Council’s strategic framework – including the Single Performance Framework – progress the Council’s ambitions to tackle structural inequalities and barriers and celebrate diversity, as a successor to the Equality and Diversity Strategy. Ensure the Policy spans the agendas of the Single</b>	Change the completion date for this deliverable from Q2 2021/22 to Q2 2022/23.	The next Equality and Diversity Strategy is being developed and aligned in parallel with work on the next Corporate Plan for 2022/26.

	Theme	Metric/Deliverable	Amendment	Rationale
		<p><b>Performance Framework and all portfolios, including key areas in Inclusive Growth such as housing and jobs; in Participation and Engagement such as ability to participate in cultural activities and community cohesion; and in Prevention, Independence and Resilience such as pertaining to health inequalities and domestic abuse. Ensure the policy explains how this is supported by collaboration</b></p>		

**CABINET****13 July 2021**

<b>Title:</b> Contract for Supply of Furniture, Fixtures and Fittings for Early Years Education Settings and Temporary Residential Accommodation	
<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	<b>Key Decision:</b> No
<b>Report Author:</b> Rikke Damsgaard - Strategic Childcare Development Manager Paul Perry – Hostel Manager	<b>Contact Details:</b> Tel: 020 8227 5398 E-mail: <a href="mailto:rikke.damsgaard@lbbd.gov.uk">rikke.damsgaard@lbbd.gov.uk</a> Tel: 020 8724 2475 E-mail: <a href="mailto:paul.perry@lbbd.gov.uk">paul.perry@lbbd.gov.uk</a>
<b>Accountable Director:</b> Jane Hargreaves - Commissioning Director	
<b>Accountable Strategic Leadership Director:</b> Elaine Allegretti, Strategic Director, Children and Adults Mark Fowler, Strategic Director, Community Solutions	
<b>Summary:</b>  This report seeks Cabinet approval for the procurement and award of new Term Contracts for the supply of Furniture, Fixtures and Fittings for the Council's Early Years Educations Settings and Temporary Residential Accommodation under the open procurement route for a term of three years from 1 April 2022 to 31 March 2025, with an option to extend for a period of up to one year to 31 March 2026 subject to satisfactory performance of the appointed supplier(s).  The Council has a legal and statutory obligation to provide the necessary equipment and services to support all its vulnerable residents as guided by theses legislations:  <ul style="list-style-type: none"> <li>• Children Act 1989 &amp; 2004</li> <li>• Children (Leaving Care) Act 2000</li> <li>• Statutory Guidance on Securing Sufficient Accommodation for Looked After Children 2010</li> <li>• Guidance on the Provision of Accommodation for 16 &amp; 17-year-old young people who be homeless and/or require accommodation 2010</li> <li>• Housing Act 1996</li> <li>• Homelessness Reduction Act 2017</li> <li>• Childcare Act 2006</li> </ul> The Council must also satisfy its own due diligence to ensure the well-being of all its vulnerable residents.  The key benefits of the contracts will be:	

- Provide high quality, cost effective Furniture, Fixtures and Fittings for the Council's Early Years Educations Settings and Temporary Residential Accommodation
- Cost efficiencies and effectiveness through economies of scale;
- Utilise a multi lot approach as it provides variety and offers opportunities for local and national suppliers to compete for this contract;
- Streamlined approach to ensure that requirements for Furniture, Fixtures and Fittings for the Council's Early Years Educations Settings and Temporary Residential Accommodation are captured under this contract.

### **Recommendation(s)**

The Cabinet is recommended to:

- (i) Agree that the Council proceeds with the procurement of a contract for Furniture, Fixtures and Fittings for the Council's Early Years Educations Settings and Temporary Residential Accommodation in accordance with the strategy set out in the report; and
- (ii) Authorise the Strategic Director, Children and Adults, in consultation with the relevant Cabinet Members, the Strategic Director, Law and Governance, and the Managing Director, to conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements with the successful bidder, in accordance with the strategy set out in the report.

### **Reason(s)**

To assist the Council in meeting its priorities of "Prevention, Independence and Resilience" and "Well Run Organisation".

## **1. Introduction and Background**

1.1. The Council has a legal and statutory obligation to provide the necessary equipment and services to support all its vulnerable residents of varying age groups and needs as guided by these legislations:

- Children Act 1989 & 2004
- Children (Leaving Care) Act 2000
- Statutory Guidance on Securing Sufficient Accommodation for Looked After Children 2010
- Guidance on the Provision of Accommodation for 16 & 17-year-old young people who be homeless and/or require accommodation 2010
- Housing Act 1996
- Homelessness Reduction Act 2017
- Childcare Act 2006

1.2 The Council must also satisfy its own due diligence to ensure the well-being of all its vulnerable residents.



- 1.3 There is no one contract in place for Furniture, Fixtures and Fittings and services tend to procure from multiple suppliers which does not offer confidence that the Council is achieving best value. The proposed new multi-lot contract is expected to commence in April 2022.
- 1.4 During Covid19 pandemic, this provision was more critical and emphasised the need to for a longer term strategy as the requirement to ensure adherence to Covid19 rules was followed and that the spread of Covid19 was minimal. Continuing to deliver these services in a safe environment for residents, staff and children was critical and the provision of furniture, fixtures and fittings at short notice regardless of quantity was a key part of the process. This procurement will ensure that the long term strategy to provide this service cost effectively and compliantly is achieved.
- 1.5 The Council's Early Years Educations Settings and Temporary Residential Accommodation including but not limited to the hostels and temporary voids units acquired for use as temporary care leavers accommodation are provided by the council for its, youngest residents, displaced vulnerable residents and care leavers. It relies on the Council's ability to provide these young and vulnerable residents with good quality, safe, smart Furniture, Fixtures and Fittings in order to maintain a healthy and safe environment and accommodation. It is critical that regular and reliable contractors for Furniture, Fixtures and Fittings are in place in order to ensure that there are minimum disruptions to services provisions and minimise the cost of voids accommodation within these facilities to due to lack of proper Furniture, Fixtures and Fittings. The contractors will supply, install, and remove Furniture, Fixtures and Fittings as required by the Council and maintain a minimum level of the require stock of Furniture, Fixtures and Fittings required to be kept in storage to ensure sufficient availability to maintain continuity of service.
- 1.6 The hostels, care leavers accommodation and Early Years Resources require regular supply of quality variety of Furniture, Fixtures and Fittings to meet service requirements.
- 1.7 The Hostels are part of the Temporary Accommodations service provided by the Council for residents whose applications for homelessness are under consideration for allocation of a permanent Council Housing. Hostel Accommodation are temporary and are provided furnished to the residents. The hostels hold a stock of spare Furniture, Fixtures and Fittings to facilitate repairs where possible. Maintaining a regular contractor ensures the same type and quality of Furniture, Fixtures and Fittings is maintained throughout hostels. Therefore, it is business critical that the Council's Hostel Service team have access to beds, mattresses and white goods, as previously described, and on that basis would need to make ad-hoc purchases to replace damaged equipment. The Council currently has four hotel accommodations and there are more being built.
- 1.8 The Early Years' Service has responsibility for 16 commissioned nurseries and for opening new childcare settings in addition to ensuring delivery of free early learning in good quality environments for 0-5 year olds. These services form an integral part of a child's early education and development. Support is provided for all early education settings, but the Council has particular responsibility for 16 settings, which it commissions to deliver services in Council buildings. This provision is provided for the new childcare settings and nurseries to ensure the safety and wellbeing of the children while in these facilities. The Early Years' Service has

contractual responsibility for ensuring commissioned settings have good quality Furniture, Fixtures and Fittings to operate with. The Settings pay rent and a service charge to the Council, which in turn is used to renew and replace these Furniture, Fixtures and Fittings. It is critical for the Early Years' Service to have access to good quality equipment as resources need to be replaced regularly in the early years due to wear and tear through extensive usage.

- 1.9 The care leavers accommodation is a grant funded initiative provided by the Council under the Leaving Care grant to support the LAC and Care Leavers to receive the right support and accommodation as they transition into adulthood and independent living. The accommodation is temporary and only available to those care leavers in fulltime education or full-time employment. Most of the Furniture, Fixtures and Fittings remain in the properties when the care leavers move into their permanent accommodation. Some of the Council vulnerable residents such as Care Leavers are at greater risk of homelessness. It is the Council's duty to ensure that such services are provided to support these residents into independence and long-term accommodation.
- 1.10 This procurement will ensure that the Council will have a regular supplier to meet this requirement while's remaining compliant to the Council's Contract Rules.
- 1.11 The Early Years Settings, hostels and voids suites for care leavers are provided as part of People and Resilience and Community Solutions. This procurement ensures that the council fulfils its duty of care and responsibility by providing the children in the Early Years Educations Settings and the residents and care leavers in the temporary Residential Accommodation with suitable Furniture, Fixtures and Fittings. This provision includes any new Early Years Educations Settings and Temporary Residential Accommodation such as hotels and voids units for care leavers opening which will utilise these contracts.
- 1.12 This Procurement will offer opportunities for local and national suppliers to provide high quality, cost effective Furniture, Fixtures and Fittings for the Council's existing 4 hostels and for purchasing early years resources across 16 commissioned settings and any new hostels, care leavers accommodation and early years settings opening during the term of this contract. This procurement ensures efficiency through economies of scale.
- 1.13 This procurement will contribute to some of the Council's Corporate plan priorities to deliver a new kind of council focused on enabling independence and empowering people by enabling greater independence whilst protecting the most vulnerable through early intervention of the needs of the Councils residents and service users.
- 1.14 **Empowering People** - These services enable greater independence & protect the most vulnerable, strengthening the Council's services. The Education and Participation Strategy, Homelessness Strategy and Housing for Vulnerable People Strategy were developed to provide earlier intervention and delivers the best possible outcome for the Councils younger population in Early Years Educations Settings and residents in hostel accommodations and Care Leavers utilising voids suites earmarked for LAC in Children's Care and Support.
- 1.15 This procurement will also contribute to the Council's DRIVE values to provide excellent service for Council residents by:

- Deliver: the best outcomes for residents whenever we can.
- Respond: to residents' needs in a helpful and friendly way.
- Inspire: others and ourselves to achieve their best.
- Value: residents when making decisions.
- Engage: with residents and colleagues in the best way we can.

1.16 This procurement contribute to some of the Council's Social Value objectives to ensure that the Council delivers valuable services for its tenants and residents in the context of limited resources by seeking to work with organisations who share our values and commitment to the borough, and asking those that want to contract with the council to deliver in a way that creates additional benefits for our residents and communities.

1.17 The multi-lot approach will be utilised for this procurement to ensure efficient, cost effective procurement:

- Lot 1 - Window Protection and Covering
- Lot 2 - Outdoor Equipment Protection and Covering
- Lot 3 - Indoor Equipment Protection and Heuristic Play
- Lot 4 - Indoor Staff and Reception Room Furniture
- Lot 5 - Residential Accommodation Furniture

1.18 It is proposed that all the new term contracts commence on 1st April 2022.

1.19 The estimated total annual spend on Furniture, Fixtures and Fittings for the Council's Early Years Educations Settings and Temporary Residential Accommodation is £155,000 based on current spend across the Council.

1.20 The estimated total contract value across all contracts for the full 4 years, up to 31<sup>st</sup> March 2026 is £672,000 including 3% uplift in case of price increases during the contract term.

	<b>Estimated 3 years</b>	<b>Estimated 4 Years</b>	<b>Estimated 4 years inc 3% uplift</b>
Lot 1 - Window Protection and Covering	£103,500	£138,000	£142,000
Lot 2 - Outdoor Equipment Protection and Covering	£ 55,050	£ 73,400	£ 75,500
Lot 3 - Indoor Equipment Protection and Heuristic Play	£148,200	£197,600	£203,500
Lot 4 - Indoor Staff and Reception Room Furniture	£ 61,500	£ 82,000	£ 84,000
Lot 5 - Residential Accommodation Furniture	£120,750	£161,000	£167,000
	<b>£489,000</b>	<b>£652,000</b>	<b>£672,000</b>

1.21 There are new hostels, voids units and childcare settings being acquired which will utilise this contract. The actual costs of this contract is not known but will be absorbed within each individual Council services budgets.

1.22 This procurement will ensure that this requirement is met within contract, compliant with the Council Contract Rules and PCR15

## 2. Proposed Procurement Strategy

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

2.1.1 Furniture, Fixtures and Fittings such as metal bunk beds, soft furnishing and beds / bedding, storage, window coverings, outdoor early years coverings, storage lockers for staff, shade sails and staff room Furniture, Fixtures and Fittings for settings including installation, removal and storage in order to maintain Health and safety for the residents and children and to minimise the cost of voids due to missing Furniture, Fixtures and Fittings. The multi-lot approach will be utilised for this procurement as below:

- Lot 1 - Window Protection and Covering
- Lot 2 - Outdoor Equipment Protection and Covering
- Lot 3 - Indoor Equipment Protection and Heuristic Play
- Lot 4 - Indoor Staff and Reception Room Furniture
- Lot 5 - Residential Accommodation Furniture

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

2.2.1 The estimated contract value for all lots over three years is £489,000. The estimated total contract value over the full 4 years of the contract including the options to extend for a year and 3% uplift is £672,000.

	<b>Estimated 3 years</b>	<b>Estimated 4 Years</b>	<b>Estimated 4 years inc 3% uplift</b>
Lot 1 - Window Protection and Covering	£103,500	£138,000	£142,000
Lot 2 - Outdoor Equipment Protection and Covering	£ 55,050	£ 73,400	£ 75,500
Lot 3 - Indoor Equipment Protection and Heuristic Play	£148,200	£197,600	£203,500
Lot 4 - Indoor Staff and Reception Room Furniture	£ 61,500	£ 82,000	£ 84,000
Lot 5 - Residential Accommodation Furniture	£120,750	£161,000	£167,000
	<b>£489,000</b>	<b>£652,000</b>	<b>£672,000</b>

2.2.2 The contract term is structured as 3 year with the option to extend for one further annual extension period (3+1).

2.2.3 The correct total will depend on requirements of the service users and individual services' budget.

2.2.4 The budget for this service sits with individual service areas and the correct total spend will depend on requirements of the service users and individual services' budget.

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

2.3.1 Each lot will be let for three years with an option to extend for one year, giving a total duration of four years from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2026.

## 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 Yes these contracts are subject to PCR 2015. The contracts are for goods and are not subject to the Light Touch Regime.

## 2.5 Recommended procurement procedure and reasons for the recommendation

2.5.1 Utilise the open tender procedure following an advertisement in Find a Tender (FTS) <https://www.find-tender.service.gov.uk>, Council's e-tendering portal Bravo, council's website, the BEC and B & D Business Magazine published by the Inclusive Growth team. A notice of the strategy will be included in the next issue of the B & D Business Magazine.

2.5.2 Open Tender Procurement where this procurement will be advertised thus providing opportunity for more local and national suppliers to tender for these contracts thus meeting the Council's social value requirements.

2.5.3 The wider supplier base provides opportunity for competitive advantage, efficient and cost-effective procurement through economies of scale.

2.5.4 The proposal is to use the multi-lot approach as below:

Lot 1 - Window Protection and Covering

Lot 2 - Outdoor Equipment, Protection and Covering

Lot 3 - Indoor Equipment, Protection and Heuristic Play

Lot 4 - Indoor Staff and Reception Room Furniture

Lot 5 - Residential Accommodation Furniture

2.5.5 A supplier must bid for a complete lot. Each lot will be awarded to a single bidder, but suppliers are able to bid for multiple lots. LBBD intends to award a contract to a maximum of 5 suppliers, a maximum of one supplier per lot. The contractor for each lot will be the main contact to source requirements for the furniture, fixtures and fittings for that particular lot for any requirements that are identified after the contract has commenced. If a contractor cannot supply a particular goods/service, depending on the lot, the contractor will be offered the opportunity to source the product/service as part of the contract. If the contractor is still unable to provide the product/service and unless only that contractor was awarded contracts for all the five lots, then the Council, will offer the opportunity to the contractors on the other lots. If all the contractors are still unable to fulfil the Council's requirement for the particular goods/service, the Council will source the requirement elsewhere as a one-off procurement. LBBD will provide a detailed specification which will include all the contract requirements including but not limited to KPIs, delivery timescales, minimum quality standards.

- 2.5.6 Suppliers will be assessed based on particular requirements including their economic and financial standing, health and safety standards, technical capability, pricing, as well as a qualitative assessment on a range of criteria relevant to the contracts which will include qualitative assessment of selected range of product samples as detailed in the tender documents issued to suppliers. All goods will be required to meet, as a minimum, UK standards.

**Outline Procurement Timetable:**

Procurement Strategy Report to Procurement Sub Board	June 2021
Procurement Strategy Report to Procurement Board	June 2021
Procurement Strategy Report to Cabinet	July 2021
Submit Find a Tender (FTS) notice	July 2021
Project live on Bravo	August 2021
Tenders returned and evaluation	September 2021
Award Report to Procurement Board	November 2021
Alcatel ends	December 2021
Implementation	January 2022
Contract Commencement	1 <sup>st</sup> April 2022

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

- 2.6.1 The contracts will be let using the Council’s standard Terms and Conditions, which are appropriate for use for the supply Furniture, Fixtures and Fittings.
- 2.6.2 The Council will provide the contractor with a detailed specification to include clear outcomes and supporting performance indicators. This will detail the contract management methodology to be adopted by the contractor throughout the contracts term.
- 2.6.3 The contracts will work on a “call off” basis for a number of Departments within the Council, including but not limited to; People and Resilience, Community Solutions. This will ensure delivery of furniture fixtures and fittings across the different locations of LBBB services and accommodation. Purchase orders including blanket orders will be issued to the contractors before the goods or services are delivered for the agreed prices and within agreed timescales as detailed in LBBB’s terms and conditions. LBBB intends to agree contract prices for this contract for the duration of the contract period but provisions have been made to cover any potential prices increases which will be agreed by both parties before being applied.
- 2.6.4 The contracts will not commit the Council to guaranteed volumes and payments to the Contractors but will ensure continued supply of important goods during the contract term.
- 2.6.5 The successful contractors will be required to maintain a full electronic set of information on the goods provided to the Council. This data will be accessible to

LBBB officers in the form of Management Information when requested. Selection is not only on price.

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

2.7.1 This procurement will provide the Council with a cost effective and high-quality service through leveraging economies of scale by regularly reviewing the range of products purchased.

2.7.2 This procurement will provide cost savings on Furniture, Fixtures and Fittings requirement for the hostels and early years' service as all requirements will be captured in the contracts and will be purchased from the contracts.

2.7.3 This Procurement will offer opportunities for local suppliers to provide high quality, cost effective services to the London Borough of Barking and Dagenham.

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

2.8.1 The contracts will be awarded through a scoring matrix based on 50% price and 40% quality of which 10% is social value. The process will include full quality testing of the proposed goods and an e-auction to ensure competitive pricing is achieved.

2.8.2 The quality of products procured under these contracts will adhere to all Health and Safety requirements and be fit for purpose.

2.8.3 The Council will provide the contractors with a detailed specification which will be used throughout each contracts term.

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

2.9.1 Social Value forms 10% of evaluation criteria for procurement. It will enable sustainable procurement, by engaging with local and regional suppliers to promote the local economy and taking account of the social and environmental impact of spending decisions.

2.9.2 The Council, along with its policies, is committed to ensuring that services are delivered in a way that protects the quality of the environment and minimises any adverse impact on community well-being.

2.9.3 The Council plans to approach competition positively, taking full account of the opportunities for innovation and genuine partnerships which are available from working with others in the public, private and voluntary sectors.

2.9.4 The below social value themes are the main areas of social value that this contract aims to meet however any additional proposals initiated by bidding contractors will be welcomed. Each Lot of this procurement will aim to deliver on a specific Social Value theme.

**Investment in local people:** tackling unemployment and low pay by promoting payment of the London Living Wage, securing quality employment, work experience and apprenticeship opportunities. An example social value initiative in this area may include:

- Paying and promoting the London Living Wage.
- Providing sustainable (26 weeks+) employment opportunities for LBBD residents.
- Providing quality apprenticeships with clear wage and employment gains for LBBD residents – with a focus wherever possible on apprenticeships at or progressing to Level 3 and above.
- Providing work experience and careers support for borough residents.
- Providing work-related learning opportunities for the borough's schools, such as work experience, insight visits, careers talks, mock interview days and enterprise advisers
- Advertising all local employment and apprenticeship vacancies through the council's job brokerage services, and working with the existing local education and training system to deliver training and careers activities wherever possible.

**Investment in the local economy:** supporting local job creation by sourcing goods and services from organisations with premises/operations based in the borough and supporting initiatives to build the capacity of local suppliers. Ensuring that the contractor pays its staff the London Living Wage as well as any legislative increase throughout the term of the contract. This is particularly important given that Barking & Dagenham has some of the lowest median wages in the capital. An example social value initiative in this area may include:

- Buying goods and services from organisations based in Barking and Dagenham wherever possible - supporting our goal for at least 25% of council goods and services to be sourced from local suppliers.
- Building the capacity of local suppliers to access procurement opportunities, such as through mentoring and meet the buyer events.

**Environmental sustainability:** reducing waste and single-use plastics, promoting recycling and sustainable energy, supporting local growing initiatives and other activities to improve the local environment and air quality. This social value theme supports the Council's waste reduction strategy to achieve a clean, green, and sustainable borough by taking active steps to recycle and reduce waste. An example social value initiative in this area may include:

- Reducing the amount of waste and single-use plastic and seeking opportunities to recycle wherever possible.
- Supporting LBBD's target to reduce carbon emissions by taking concrete steps to minimise energy consumption and consider the environmental performance of the wider supply chain.
- Supporting initiatives to improve the local environment such as through local growing schemes and measures to address air pollution and fly-tipping.



## 2.10 **Contract Management methodology to be adopted**

- 2.10.1 The Council will provide the contractors with a detailed specification which will detail the contracts management methodology to be adopted by the contractors throughout the contracts term. A named contract manager will lead the process supported by others from within the other main services utilising this contract.

## 3. **Options Appraisal**

### 3.1 **Option 1 – Do Nothing**

This option was considered and rejected. This option is not viable as the value associated with this service requires that a full tender exercise must be carried out for the spend to be compliant with the Councils Contract Rules and Public Contracts Regulations 2015.

### 3.2 **Option 2 – Continue with existing arrangements**

This option was considered and rejected as the value associated with this service requires that a full tender exercise must be carried out for the spend to be compliant with the Councils Contract Rules and Public Contracts Regulations 2015

### 3.3 **Option 3 – Utilise a Framework agreement**

This option was considered and rejected. This option does not provide opportunities for local and national suppliers to participate. This option also does not provide the Council the opportunity to meet some of its Corporate Plan and Social Value objectives

### 3.4 **Option 4 - Open tender (Recommended)**

This option was recommended as it requires the procurement to be advertised thus providing opportunity for more potential suppliers locally and nationwide to tender for these contracts thus meeting the Council's social value requirements. The wider supplier base provides opportunity for efficient and cost-effective procurement through economies of scale. An open procurement will also provide the opportunity for our incumbent suppliers to tender for the contracts. This option provides competitive advantage as it is open to more suppliers locally and nationally to compete.

## 4. **Waiver**

- 4.1 Not applicable.

## 5 **Consultation**

- 5.1 The report will be presented for consideration and approval at the Procurement Sub-group and Procurement Board in June 2021.
- 5.2 The Commissioning Director for Education and Strategic Director of Community Solutions were consulted in January and May 2021. The report was presented to the Cabinet Member and Portfolio Holder for Educational Attainment and School Improvement in June 2021.

## **6. Corporate Procurement**

Implications completed by: Francis Parker – Senior Procurement Manager

- 6.1 The proposed open route is suitable for this procurement and compliant with the Councils contract rules and the PCR 2015.
- 6.2 A single procurement with multi-lot contracts is a sensible contractual method for the various services detailed within this report.
- 6.3 This procurement is likely to yield the best value for money solution.

## **7. Financial Implications**

Implications completed by: Nurul Alom and Florence Fadahunsi, Finance Business Partners

- 7.1 Finance supports the recommendation above. An open procurement provides opportunity for efficient and cost-effective procurement through economies of scale. The contract cost for the period 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2025 for Temporary Residential Accommodation Fixtures & Fittings will be contained within the Community Solutions budget and any overspill will be contained within the outturn forecast.
- 7.2 The purchase of the of Furniture, Fixtures and Fittings for Early Years Educations will partly be funded by the Early years department from cost centre F17000. Provision has already been made in the early years budget for this procurement.
- 7.3 This waiver covers the provision of furniture, fixtures, and fittings for void properties with a view of accommodating care leavers. This opportunity is not only cost effective and efficient, but it will improve the pace of housing the young people. Budget has been earmarked for this procurement in the Corporate Parenting budget F15640.

## **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 multi lot contract on a 3+1 basis for the provision of furniture, fixtures and fittings for Early Years Educations Settings and Temporary Residential Accommodation in the Borough from 1<sup>st</sup> April 2022.
- 8.2 It is anticipated that the estimated value of the contract across all Lots will be in excess of the threshold for goods 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.
- 8.3 Contract Rule 28.8 of the Council's Contract Rules requires that all procurements above £500,000 in value must be submitted to Cabinet for approval.

8.4 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.

8.5 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

**Risk** - No formal contract means the Council will not be able provide its Furniture, Fixtures and Fittings within a controlled spending thus creating potential risk of overspending Furniture, Fixtures and Fittings across all Council divisions due to maverick buying and unagreed prices on non-contractual Furniture, Fixtures and Fittings.

**Risk Management** - The proposal to retender gives the Council an opportunity to work with new suppliers who work with the Council's to deliver the Council's requirements for Furniture, Fixtures and Fittings

The contracts will provide a strict performance monitoring which all providers will be required to adhere to in order to ensure that the right quality of products, the correct agreed costs of Furniture, Fixtures and Fittings products ordered is delivered on time thus reducing the issues of unapproved products and unagreed prices.

The contracts will help the Council to forecast and budget for its Furniture, Fixtures and Fittings provision and associated costs as full auditable data will be available to all divisions to monitor their Furniture, Fixtures and Fittings.

The Terms and Conditions will set out the operations of the Contracts and ensure all parties meet their contractual obligations.

9.2 **Corporate Policy and Equality Impact** - Furniture, Fixtures and Fittings are provided for the Council's Early Years Educations Settings and Temporary Residential Accommodation in order to maintain a well-being, healthy and safe environment and accommodation for the Councils youngest and vulnerable population.

This procurement sets out the route to market that will meet the Councils social value requirements, achieve economic advantage through economies of scale, provide options for competitions from suppliers locally and nationally and provide opportunities for efficient, cost effective procurement.

This procurement is fully inclusive and will provide opportunities for the Local Businesses to participate in this procurement to provide a service that meets the needs of some of the Council's youngest population and vulnerable groups. An Equalities Impact Assessments has been carried out (Appendix 1) and will be used to inform the development of the evaluation criteria that delivers on Equalities & Diversities and Inclusion as part of this tender.

It is also business critical that council services have access these Furniture, Fixtures and Fittings and white goods as detailed in this report.

This procurement sets out the route to market that will meet the Councils social value requirements, achieve economic advantage through economies of scale, provide options for competitions from suppliers locally and nationally and provide opportunities for efficient, cost effective procurement.

This procurement will also contribute to LBBD achieving the UK Government's 25 Year Environment Plan and Greening Government Commitments which includes but not limited to:

**Waste Minimisation** – the Council will work with Contractors to minimise waste by reusing and recycling materials where possible to minimise the impact on the environment.

**Sustainable Procurement** – this Council will work with Contractors in waste management to reduce waste and develop sustainable ways of achieving zero waste to landfill.

9.3 **Safeguarding Adults and Children** - The Council has a legal and statutory obligation to provide the necessary equipment and services to support all its vulnerable residents as guided by these legislations:

- Children Act 1989 & 2004
- Children (Leaving Care) Act 2000
- Statutory Guidance on Securing Sufficient Accommodation for Looked After Children 2010
- Guidance on the Provision of Accommodation for 16 & 17-year-old young people who be homeless and/or require accommodation 2010
- Housing Act 1996
- Homelessness Reduction Act 2017
- Childcare Act 2006

The Council must also satisfy its own due diligence to ensure the well-being of all its vulnerable residents.

9.4 **Health Issues** - The Council has a duty of care, legal and statutory obligation to provide its youngest and vulnerable population with the necessary, good quality Furniture, Fixtures and Fittings in order to maintain a well-being, healthy and safe environment and accommodation. The Furniture, Fixtures and Fittings under this contract will be fit for purpose and adhere to all Health and Safety requirements and will be what staff will be recommended and approved to purchase.

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

**List of appendices:**

- **Appendix 1** – Equalities Impact Assessment

## Community and Equality Impact Assessment

As an authority, we have made a commitment to apply a systematic equalities and diversity screening process to both new policy development or changes to services.

This is to determine whether the proposals are likely to have significant positive, negative or adverse impacts on the different groups in our community.

This process has been developed, together with **full guidance** to support officers in meeting our duties under the:

- Equality Act 2010.
- The Best Value Guidance
- The Public Services (Social Value) 2012 Act

**About the service or policy development**

Name of service or policy	Early Years and Childcare
Lead Officer	Rikke Damsgaard
Contact Details	020 8227 5398

**Why is this service or policy development/review needed?**

This EIA relates to a procuring exercise currently being undertaken to secure a contract with a provider to supply products of Furniture, Fixtures and Fittings for the Council's Early Years Educations Settings and Temporary Residential Accommodation.

The Council has a legal and statutory obligation to provide the necessary equipment and services to support all its vulnerable residents as guided by these legislations:

- Children Act 1989 & 2004
- Children (Leaving Care) Act 2000
- Statutory Guidance on Securing Sufficient Accommodation for Looked After Children 2010
- Guidance on the Provision of Accommodation for 16 & 17-year-old young people who be homeless and/or require accommodation 2010
- Housing Act 1996
- Homelessness Reduction Act 2017
- Childcare Act 2006

This procurement ensures that the council fulfils its duty of care and responsibility by providing the children in the Early Years Educations Settings and the residents and care leavers in the temporary Residential Accommodation with suitable Furniture, Fixtures and Fittings.

**1. Community impact (this can be used to assess impact on staff although a cumulative impact should be considered).**

What impacts will this service or policy development have on communities?  
Look at what you know. What does your research tell you?

Please state which data sources you have used for your research in your answer below

*Consider:*

- National & local data sets
- Complaints
- Consultation and service monitoring information
- Voluntary and Community Organisations
- The Equality Act places a specific duty on people with 'protected characteristics'. The table below details these groups and helps you to consider the impact on these groups.

## COMMUNITY AND EQUALITY IMPACT ASSESSMENT

- It is Council policy to consider the impact services and policy developments could have on residents who are socio-economically disadvantaged. There is space to consider the impact below.

### Demographics

The London Borough of Barking and Dagenham is the 7<sup>th</sup> smallest London borough with a population of 214,107. It has the highest proportion of young people under 16 in the country and the average age of residents is below the London average. The borough has the highest rate of domestic violence in London.

Barking and Dagenham has the highest birth rate in London and there are 17,593 children under 5 in Barking and Dagenham and this contract will apply to 16 of 65 early years settings across the borough. It is the borough priority that every child should have access to a place in a setting rated 'good' or 'outstanding' by Ofsted. To get this grade, settings must have good or outstanding learning environments and this contract will support this.

There are 4 hostels in Barking and Dagenham that deliver services to vulnerable residents. At present, these support over 350 people in need of housing support and intervention.

Potential impacts	Positive	Neutral	Negative	What are the positive and negative impacts?	How will benefits be enhanced and negative impacts minimised or eliminated?
<b>Local communities in general</b>	√			Positive impact in particular for children under 5, youngest residents, displaced vulnerable residents and care leavers.	This contract will have an impact on the environment in which children under 5 receive early education. It will apply to nurseries that are commissioned by the local authority, so 16 in total. These 16 settings are spread across the local authority area and operate in council buildings. The contract will also apply to 4 hostels, which could support over 500 people at any given time during the year.
<b>Age</b>	√			Positive impact in particular for children under 5, youngest residents, displaced vulnerable residents and care leavers.	The equipment will maintain a healthy and safe environment and accommodation for our most vulnerable residents. These services form an integral part of a child's early education and development. The Early Years team have a duty to deliver good quality learning environments. The impact on this contract may mean that better outdoor environments can be created for children under 5 or that a more suitable indoor environment can be offered due to high quality fittings like blinds and window film for example.
<b>Disability</b>	√			Positive impact in particular for children under 5, youngest residents, displaced vulnerable residents and care leavers.	LBBDD have a high number of SEND children who access Early Years provision. These services form an integral part of a child's early education and development. The Early Years team have a duty to deliver good quality learning environments any by purchasing good quality fixtures and fittings, learning environments can be enhanced and meet needs of children with wider range of needs.

## COMMUNITY AND EQUALITY IMPACT ASSESSMENT

<b>Gender reassignment</b>		√		N/A	There are no perceived negative impacts on this protected characteristic
<b>Marriage and civil partnership</b>		√		N/A	There are no perceived negative impacts on this protected characteristic
<b>Pregnancy and maternity</b>	√			Positive impact for pregnant women who are care leavers or vulnerable.	The service will supply hostels and care leaver accommodation with a regular supply of quality variety of Furniture, Fixtures and Fittings to meet service requirements This would include cots and bedding for use in emergencies or in instances of domestic violence.
<b>Race (including Gypsies, Roma and Travellers)</b>		√			
<b>Religion or belief</b>		√			All services provided by the council are inclusive and cater for all religions or none. Faith groups are encouraged to visit the hostels and have regular visits from local groups.
<b>Sex</b>		√		N/A	There are no perceived negative impacts on this protected characteristic
<b>Sexual orientation</b>		√		N/A	There are no perceived negative impacts on this protected characteristic
<b>Socio-economic Disadvantage</b>	√			Positive impact in particular for children under 5, youngest residents, displaced vulnerable residents and care leavers.	<p>This term over 1,000 children of families living on low income or claiming income-based benefits accessed early years provision. This contract forms an integral part of a child's early education and development. The Early Years team have a duty to deliver good quality learning environments.</p> <p>These services enable greater independence &amp; protect the most vulnerable, strengthening the Council's services. The Education and Participation Strategy, Homelessness Strategy and Housing for Vulnerable People Strategy were developed to provide earlier intervention and delivers the best possible outcome for the Councils younger population in Early Years Educations Settings and residents in hostel accommodations and Care Leavers utilising voids suites earmarked for LAC in Children's Care and Support.</p> <p>No perceived issues for the hostels, support agencies and internal agencies are signposted to and these engage with the families. There is a process for the transition from a LAC to independent living with support in place.</p>
<b>Any community issues identified for this location?</b>					No community issues identified for the various locations.



## 2. Consultation.

Provide details of what steps you have taken or plan to take to consult the whole community or specific groups affected by the service or policy development e.g. on-line consultation, focus groups, consultation with representative groups.

If you have already undertaken some consultation, please include:

- Any potential problems or issues raised by the consultation
- What actions will be taken to mitigate these concerns

The report procurement report will be presented for consideration and approval at the Procurement Subgroup and Procurement Board in June 2021. The Commissioning Director and Director of Community Solutions were consulted in January, May 2021. Report was presented to the Cabinet Member and Portfolio Holder for Educational Attainment and School Improvement in June 2021.

## 3. Monitoring and Review

How will you review community and equality impact once the service or policy has been implemented?

*These actions should be developed using the information gathered in **Section 1 and 2** and should be picked up in your departmental/service business plans.*

<b>Action</b>	<b>By when?</b>	<b>By who?</b>
Contract monitoring meetings	Quarterly	Rikke Damsgaard/Paul Perry
Consultation with service users – commissioned nurseries/accommodation/hostels	Annually	Rikke Damsgaard/Paul Perry

## 4. Next steps

It is important the information gathered is used to inform any Council reports that are presented to Cabinet or appropriate committees. This will allow Members to be furnished with all the facts in relation to the impact their decisions will have on different equality groups and the wider community.

Take some time to summarise your findings below. This can then be added to your report template for sign off by the Strategy Team at the consultation stage of the report cycle.

Implications/ Customer Impact
<p>This procurement provides the Council with the long-term strategy to leverage its buying power to provide these facilities with quality, cost effective Furniture, Fixtures and Fittings, compliant with the Council's Contract Rules, satisfies due diligence, fulfils legal and statutory obligation to provide service and support to its vulnerable residents.</p> <p>This procurement will have Positive impact in particular for children under 5, youngest residents, displaced vulnerable residents and care leavers alongside low-income families who access early education. This equipment will provide with good quality, safe, smart Furniture, Fixtures and Fittings in order to maintain a healthy and safe environment and accommodation.</p>

## 5. Sign off

The information contained in this template should be authorised by the relevant project sponsor or Divisional Director who will be responsible for the accuracy of the information now provided and delivery of actions detailed.

Name	Role (e.g. project sponsor, head of service)	Date
Jane Hargreaves	Commissioning Director Education	02.07.2021

**CABINET****13 July 2021**

<b>Title:</b> East London Joint Resources and Waste Strategy 2027-2057 – Public Consultation	
<b>Report of the Cabinet Member for Public Realm</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
<b>Report Author:</b> Abdoulie Jallow, Head of Compliance, Projects, and Administration, My Place	<b>Contact Details:</b> Tel: 020 8227 6321 E-mail: <a href="mailto:abdoulie.jallow@lbbd.gov.uk">abdoulie.jallow@lbbd.gov.uk</a>
<b>Accountable Strategic Director:</b> Lisa Keating, Strategic Director, My Place	
<b>Summary</b>	
<p>As Waste Collection Authorities (WCAs) the London Borough of Barking and Dagenham and the other three Constituent Boroughs of Havering, Newham, and Redbridge collect household and other waste that is subsequently treated and/or disposed of by the East London Waste Authority (ELWA) as the Joint Waste Disposal Authority (JWDA).</p> <p>ELWA and its constituent Boroughs (collectively the ‘Partner Authorities’) are statutorily required to produce a Joint Resources and Waste Strategy (JRWS) to replace the existing strategy which is expiring.</p> <p>The context around the Partner Authorities delivering waste management services is subject to considerable change over coming years and this needs to be reflected in the replacement JRWS. These notably include significant forthcoming changes to national waste policy and the ending of ELWA’s current waste treatment contract in 2027 with the need to develop successor arrangements. There will also be an increased expectation from the Mayor of London that the Partner Authorities meet their obligations to be in ‘general conformity’ with the London Environment Strategy (LES) when the ELWA contract ends.</p> <p>The Preliminary Draft of the new East London Joint Resources and Waste Strategy (ELJRWS) has been developed in close cooperation between officers and Members of the Partner Authorities and is attached at Appendix A to this report. This report sets out the key elements of the ELJRWS and the context around it.</p> <p>A public consultation is planned on the ELJRWS during mid-July to mid-September, which will be delivered by ELWA. This report sets out the details of the consultation.</p> <p>This report seeks approval of the Preliminary Draft of the ELJRWS and the associated public consultation plan, in line with parallel approvals sought from the other four Partner Authorities for the purposes of the stakeholder engagement process set out in the report. The process and timescales towards adoption of the ELJRWS is also set out in this report.</p>	

## **Recommendation(s)**

The Cabinet is recommended to:

- (i) Approve the release of the Preliminary Draft of the East London Joint Resources and Waste Strategy (ELJRWS) and associated documents to the four statutory consultees (Environment Agency, Greater London Authority, Historic England, and Natural England);
- (ii) Approve the start of the public consultation on the ELJRWS in line with the proposals set out in the report; and
- (iii) Delegate authority to the Strategic Director, My Place, in consultation with the Cabinet Member for Public Realm, to approve any appropriate minor amendments within the strategy document and/or changes in the public consultation timeline.

## **Reason(s)**

To assist the Council to achieve its priorities of “Inclusive Growth” and “Well Run Organisation”, and to ensure that the Council’s service to collect household waste (refuse) and recycling runs effectively and efficiently.

## **1. Introduction and Background**

### **1.1 Current Waste Management Arrangements**

- 1.1.1 In line with other Waste Collection Authorities (WCAs) the London Borough of Barking and Dagenham has a statutory obligation to collect household waste arising from homes and other premises, alongside commercial waste at the request of individual businesses. The WCAs are also responsible for undertaking street cleansing and other public realm management duties, which result in the collection of other waste streams.
- 1.1.2 The East London Waste Authority (ELWA) is a ‘Joint Waste Disposal Authority’ and is responsible for providing treatment and disposal services for the waste and recycling collected by the London Boroughs of Barking and Dagenham, Havering, Newham, and Redbridge.
- 1.1.3 ELWA has a contract for the management of the waste collected by its constituent Boroughs and the operation of the four Reuse and Recycling Centres (RRC’s) which started in 2002 and ends in December 2027.
- 1.1.4 Through its long-term contract, ELWA arranges for various treatment processes for the recycling, including sorting infrastructure for mixed materials and composting capacity for garden waste.
- 1.1.5 The residual waste (i.e., waste that is not reused, recycled, or composted) delivered to ELWA is primarily managed through two Mechanical Biological Treatment (MBT) Facilities, located at Frog Island (Havering) and Jenkins Lane (Newham). These reduce the total volume of residual waste through a bio-drying process, and then

separate the remainder into three fractions – metals and glass/stones for recycling, ‘Compost Like Output’ (CLO) that undergoes further treatment so it can be used as a non-agricultural soil improver and Refuse Derived Fuel (RDF) which is sent for energy recovery.

- 1.1.6 As such ELWA’s contract delivers very high level of diversion of waste from landfill and recycling/composting which supports the constituent Borough’s recycling rates. However, unlike several other WCAs both in London, the contract has prevented the introduction of food waste collections by the constituent Boroughs and has disincentivised several improvements that they might otherwise make to their recycling services.

## 1.2 The Statutory Context

- 1.2.1 The WCAs and WDAs in ‘two tiers’ areas (i.e., areas with separate WCAs and WDAs) in England are required under s32 of the Waste Emissions Trading Act to have in place a joint strategy for the management of household and similar wastes. The Act also obligates these Authorities to:

- Ensure that the policies in the joint strategy are kept under review;
- Have regard to the relevant government guidance; and
- When formulating a joint strategy “carry out such consultation as they consider appropriate”.

- 1.2.2 Waste Authorities in London are required to deliver waste management services in ‘general conformity’ (subject to some caveats) with the Mayor of London’s Resources and Waste Strategy – currently the waste policies of the Mayor’s wider 2018 London Environment Strategy (LES). This requirement extends to the policies of any Joint Waste Strategy.

- 1.2.3 The Constituent Boroughs also have a statutory obligation to produce a Waste Local Plan, which sets out land use policies for waste development in the local area and ensures that local planning authorities provide sufficient space for the management of an amount of waste apportioned in the London Plan.

- 1.2.4 This will include waste that is not collected or treated by the Partner Authorities, such as privately managed commercial waste and construction/demolition waste. The production of a Waste Local Plan is separate from the development of the ELJRWS and is not within the scope of this report, but the Partner Authorities (particularly ELWA) will need to have due regard to the local planning context when delivering future infrastructure solutions for waste management.

## 1.3 Current and Future Government and Mayoral Waste Policy

- 1.3.1 The national Resources and Waste Strategy (RWS) was published in 2018, and notably include proposed policies for setting up of a Deposit Return Scheme (DRS) for drinks containers, Extended Producer Responsibility (EPR) for packaging waste, and establishing more consistent household and business recycling services across the country (Consistency).

- 1.3.2 The Government launched a second round of consultations on two of the three proposed policies in March 2021, with a view to the introduction of the policies from

2023. The third consultation (Consistency) was delayed until 7 June 2021. Notwithstanding that, residual uncertainties around the three proposed future policies will lead to significant changes to both collection and disposal activities in the Partner Authority area.

- 1.3.3 The DRS proposals are likely to mean that the recycling rate of drinks containers will increase and littering of these products will reduce. However, the number of drinks containers in constituent Borough waste collections (both recycling and residual waste) will reduce, and it is not clear if the items diverted into the DRS will be able to be counted in local authority recycling rates.
- 1.3.4 The EPR proposals, aside from making the packaging industry responsible for the costs of packaging waste, are likely to drive consistent recyclability labelling on packaging and the use of more recyclable packaging.
- 1.3.5 Broadly in line with the Government's Consistency proposals, the Mayor of London's Minimum Service Standards set out in the LES include six main dry recycling materials collected from all properties and separate food waste collections, including from flats where practical and cost-effective.
- 1.3.6 The modelling underpinning the Preliminary Draft of the ELJRWS reflects prudent assumptions on the impact of EPR and DRS. The future collection systems modelled are also compliant with both the Mayor's Minimum Service Standards and the expected requirements of the Government's Consistency proposals.
- 1.3.7 Government and Mayoral waste policy are expected to evolve further over the life of the Strategy (2027 to 2057) and several specific future policies are included in the RWS. However, these are not sufficiently developed to include in the ELJRWS modelling.

## **2. Proposal and Issues**

### **2.1 Recycling Rate Targets**

- 2.1.1 The RWS sets out two recycling targets - that 50% of household waste will be recycled or composted by 2025 and that 65% of municipal waste (which includes commercial waste that is similar in composition to household waste, including that collected by the private waste sector) recycled or composted by 2035.
- 2.1.2 The LES contains recycling rate targets for London of 50% of Local Authority Collected Waste (LACW) by 2025 and 65% of Municipal Waste recycled by 2030. LACW is all waste collected by local authorities, which is mainly household waste but also includes other wastes such as commercial waste collected by local authorities, street cleansing and fly-tipped waste.
- 2.1.3 It is important to note that targets are respectively national targets for England and London-wide targets, not targets on individual local authorities within these areas. It is acknowledged that individual local authorities will over- or under-achieve against these national and regional recycling rate targets depending on local circumstances.

- 2.1.4 The differing performance expectations for household waste recycling amongst local authorities are largely driven by the proportion of properties that are flats and the amount of garden waste available. In general, people who live in flatted properties recycle less than those who live in houses and produce little to no garden waste, whilst a large volume of garden waste often makes a significant contribution to the recycling rates in higher performing parts of the country.
- 2.1.5 Across the Partner Authorities' area levels of garden waste collected are relatively low because many properties in the region have very small or no gardens, with the lack of a garden becoming even more common due to the increasing number of blocks of flats. As such, the ELWA area could reasonably be expected to achieve lower recycling rates than many other local authorities both in London and nationally.
- 2.1.6 Furthermore, as stated above, the current MBT-based residual waste solution makes a significant contribution to constituent Borough recycling rates. However, it cannot confidently be assumed that there will be any recycling contribution from residual waste treatment when ELWA's contract ends in 2027.
- 2.1.7 Based on 18/19 figures the overall contribution of the MBT recycling to Borough recycling rates is 5% which is likely to increase using current measures before 2027. However, irrespective of ELWA's post-2027 residual waste solution, government reporting changes are likely to substantially reduce the amount of MBT outputs that can officially be reported against recycling rates.
- 2.1.8 The ELJRWS modelling assumes that the proportion of properties that are flats will significantly increase in the future in line with Borough forecasts, further depressing future recycling rates.
- 2.1.9 It is also important to note that the RWS targets are significantly predicated upon central government policies that are not under the control of local government (notably DRS and EPR). Furthermore, the municipal waste targets are significantly predicated on the recycling performances of businesses that use private sector waste companies for their collection services.
- 2.1.10 The shared LACW recycling rate minimum performance within the Preliminary Draft of the ELJRWS is 35% for 2030. Key assumptions in the underpinning modelling are:
- The loss of the recycling rate contribution (currently 5%) from the MBT's either at the end of the existing ELWA contract or before if reporting requirements change.
  - The increasing proportion of flats as above.
  - Prudent assumptions on the impact of EPR and DRS and the assumption that material captured by the DRS will be reported against individual local authority recycling rates.
  - That, in conformity with the Government's Consistency proposals and the LES Minimum Service Standards, the constituent Boroughs will add glass and a wider range of plastic containers to recycling services, as well as launching separate food waste collections.

- The retention of the existing weekly residual waste collections for properties served at street level, and the existing garden waste charging and collection arrangements.

2.1.11 There are also local ambitions to achieve higher recycling performance than that which has been modelled, contributing as much as possible to the London-wide aspiration of 50%. Whilst the overall 35% recycling rate minimum performance set out above is reasonable but challenging, there are further factors not reflected in the current modelling that could reasonably be expected to drive higher recycling rates if they arise. These include a greater recycling rate contribution from the EPR and DRS proposals than what has been modelled, and further policies set out in the RWS that have not yet been developed and were not modelled on that basis. Exploration of future residual waste treatment options may also yield cost-effective solutions for continuing to recover recyclable materials that would further drive up the modelled performance.

2.1.12 Consequently, the targets included in the ELJRWS are as set out in Table 1 below:

Table 1: Borough Contributions to the Joint LACW Minimum Recycling Performance and LES Ambitions for 2030:

<b>Borough</b>	<b>2030 LACW Minimum Performance</b>	<b>LES Aspiration</b>
Barking & Dagenham	35%	50%
Havering	45%	50%
Newham	28%	50%
Redbridge	35%	50%
<b>Joint Performance</b>	<b>35%</b>	<b>50%</b>

## 2.2 ELWA's Successor Post-2027 Waste Treatment and Disposal Solution

2.2.1 The end of the current waste treatment contract in 2027 will mean that ELWA needs to make new arrangements to manage the waste and recycling collected by the Partner Authorities. This is a process that can take several years to plan because of the large investments that may be needed in new infrastructure and because of the lengthy procurement times. If new facilities are needed, lengthy development times will be needed.

2.2.2 The end of this contract also provides an opportunity for improvements to be made to reuse and recycling services for households and businesses. It can take time to plan these types of improvements, particularly where investment in new contracts or vehicles are required, and there will be differing infrastructure needs to support these arrangements.

2.2.3 It is important for ELWA and the Constituent Councils to work together on planning future arrangements for managing resources and waste, so that the right types and sizes of waste and recycling treatment are available, and the best whole system solution is obtained.

2.2.4 Due to the uncertainties around the detail of future policy and the capacity available for different types of infrastructure in 2027, it is not appropriate or possible to set out



a prescribed solution for the reuse, recycling and treatment/disposal of waste handled by ELWA beyond 2027 at this stage.

2.2.5 Considering the above, section 2.2.2 of the Preliminary Draft of the ELJRWS contains a series of priorities and actions to guide the process of developing successor arrangements and that link back to the overall objectives of the ELJRWS.

2.2.6 ELWA will, in due course, develop a procurement plan to support the delivery of future waste treatment capacity from 2027 onwards. ELWA officers will work with the Constituent Councils to understand their infrastructure needs as they make plans for any future changes to refuse and recycling collection services.

### 2.3 The Term of the Preliminary Draft of the ELJRWS

2.3.1 As stated above there is limited scope for changes to waste collection and/or treatment/disposal arrangements before the end of ELWA's existing contract in 2027. Additionally, ELWA's successor contracts could last for up to 30 years in line with standard waste industry contracts for residual waste treatment (which relate to the long payback period for this expensive type of infrastructure). Considering these factors, the ELJRWS period is 2027 to 2057.

2.3.2 The Preliminary Draft of the ELJRWS does however still set out a range of actions that the Partner Authorities are committed to undertake to improve services prior to 2027.

2.3.3 Clearly there is significant potential for the context to change both between now and 2027, not least as central government policy and as ELWA's post-2027 waste treatment arrangements both take shape. Therefore, Section 5.4 of the Preliminary Draft of the ELJRWS commits the Partner Authorities to review of the Strategy by 2028 and thereafter at intervals of not more than 10 years.

### 2.4 Other Key Elements of the Preliminary Draft of the ELJRWS

2.4.1 Aside from the key points above, the contents of the Preliminary Draft of the ELJRWS are set out below:

- **Chapter One – Introduction** - sets the context for the ELJRWS, why it is needed and the aims and objectives of the strategy.
- **Chapter Two – What is Our Current Situation?** – sets out the context of the Partner Authorities' area, current waste management arrangements, a description of the waste managed, and the current performance.
- **Chapter Three – What Might the Future Look Like?** - describes what changes the Partner Authorities expect to see in the future, both in terms of how the area will change, what impacts national and regional policy may have on the types and quantities of waste being generated, and some of the other factors which may also play a role such as changes in consumer behaviour.
- **Chapter Four – Where do we Want to Be?** - sets out the vision for how the Partner Authorities will work together to help reduce waste as well as increasing reuse and recycling. It sets out the recycling rate targets and the priorities and actions for ELWA's post-2027 arrangements described in more detail above.
- **Chapter Five – How do we Get There** - outlines how the Partner Authorities will work together to achieve the aims and ambitions set out in the ELJRWS

including the partnership working arrangements and provisions for future review described above; and

- **Chapter Six – Measuring Success** - describes how the performance indicators outlined will be used to measure success.

## 2.5 Strategy Development Process

- 2.5.1 The ELJRWS development was commenced in 2019, with ELWA as the lead authority. A Project Team was established comprising officers from ELWA and the four Constituent Councils to work closely together on the development of the ELJRWS. A Project Board, comprising the Managing Director of ELWA and the four borough Environment Directors was also established.
- 2.5.2 Overall oversight of the project was undertaken by the eight borough Members nominated to serve as ELWA Members, which includes the portfolio holders for Environment from the Constituent Councils.
- 2.5.3 Initial workshops were held with the Members and officers to set out priorities that would need to be addressed in the document.
- 2.5.4 A procurement exercise for consultancy support was then undertaken, to assist the Partner Authorities in undertaking forecasting and modelling work prior to drafting the ELJRWS. The successful bidder was Ricardo Energy & Environment.
- 2.5.5 The first stage in developing the ELJRWS was the establishment of a baseline, using data from 2018-19 as this was the last full year for which the necessary information was available at the point this work got underway in October 2019. A comprehensive forecasting exercise was then undertaken, to model the amount and composition of waste that the Partner Authorities would need to manage in the future. Modelling was then undertaken on how the Partner Authorities could work together to reduce this amount of waste and divert a greater amount for reuse, through communication campaigns and enhancements in reuse services and partnerships.
- 2.5.6 The modelling of future collection services was then undertaken to enable the Partner Authorities to understand what recycling performance could be expected. This used the service models set out by the Government in its Consistency proposals (which correlate to the Mayor of London's Minimum Service Standards), with extensive benchmarking of other local authorities undertaken to determine what is likely to be achieved.
- 2.5.7 Once all this forecasting and modelling work had been completed, the Partner Authorities reviewed the findings and engaged with the Greater London Authority to agree reasonable future performance levels and aspirations for the ELJRWS.
- 2.5.8 The ELJRWS itself was then drafted, along with the necessary supporting documents (which are outlined below). These were extensively reviewed by Members and officers from the five Partner Authorities, prior to completion of the Preliminary Draft.

## **2.6 Timetable**

- 2.6.1 In parallel with these decisions the Preliminary Draft of the ELJRWS will be reviewed by each of the Partner Authorities in the cycle of Council Cabinet and ELWA Authority meetings in June and July 2021, with the same recommendations being made at each.
- 2.6.2 Subject to approval from the five Partner Authorities, the Preliminary Draft of the ELJRWS will be released to the four statutory consultees in summer 2021.
- 2.6.3 Around 6 to 8 weeks has been allocated for public consultation in the summer, as set out below.
- 2.6.4 During the autumn time has been allowed to incorporate any changes that may be required to the ELJRWS following the public and statutory body consultation processes. The feedback from this exercise, as well as a further review of the evolving national policy landscape, will be used to update the ELJRWS before it is finalised and formally adopted by Partner Authorities.
- 2.6.5 From the end of November/December, the final ELJRWS will need to be passing through the pre-Cabinet governance processes in the Constituent Councils, so that formal adoption can proceed around February 2022.

## **2.7 Statutory Consultation**

- 2.7.1 The ELJRWS will need to be sent to the Greater London Authority for formal consultation, to determine if it is in general conformity with the London Environment Strategy.
- 2.7.2 As a new waste management strategy, the ELJRWS would under most circumstances automatically be subject to a Strategic Environmental Assessment (SEA). This is a comprehensive assessment process that is governed by specific regulations, which requires its own consultation approach. SEAs are typically carried out where the environmental impacts of a plan or strategy can be fully identified.
- 2.7.3 However, the ELJRWS is a high-level document that sets out a broad direction of travel for the Partner Authorities as they plan for the future of resources and waste management in the area, and as such does not contain any proposals on future waste collection or treatment services. Without some options for future service delivery set out, particularly for the treatment of the collected waste, it would not be a worthwhile exercise carrying out an SEA at this stage as the environmental impacts cannot be assessed. An SEA may be needed for the ELWA procurement plan, and a commitment to undertaking an SEA Screening Report on that document to determine if that is the case has been noted in the ELJRWS.
- 2.7.4 An SEA Screening Report has been produced for the ELJRWS (Appendix C), which will be sent to the statutory consultees for SEAs (namely the Environment Agency, Historic England, and Natural England). This report, which will have the ELJRWS, and background information attached, will seek the agreement of those consultees that an SEA is not required for the ELJRWS.

- 2.7.5 The risk of the statutory consultees disagreeing with the Partner Authorities' position on an SEA not being required is low, but there is the possibility that one or more of them will determine that, regardless of the level of detail, the ELJRWS is new and therefore automatically requires one.
- 2.7.6 To help mitigate this risk, informal engagement with the statutory consultees is being undertaken by officers from ELWA and the Constituent Councils using existing connections with the three organisations.
- 2.7.7 An SEA being determined to be required could put the formal adoption of the ELJRWS in February 2022 at risk, as the process of producing an SEA is lengthy and requires a public consultation period of at least five weeks.
- 2.7.8 Advice will be taken on whether there is scope, in this event, to overlap the SEA production and consultation processes with the final completion and pre-Cabinet governance period for the formal adoption of the ELJRWS.
- 2.7.9 However, there remains a risk that a statutory consultee determining an SEA is needed would delay formal adoption of the ELJRWS until later in 2022.

## 2.8 **Public Consultation**

- 2.8.1 A planned public consultation is planned for the ELJRWS, which will take place in the summer 2021 once approval to commence has been received from all five Partner Authorities. The public consultation will last around 6- 8 weeks.
- 2.8.2 The public consultation will be run by ELWA through a combination of an online survey and focus groups.
- 2.8.3 The online survey will be linked to from a new page on ELWA's website, and the four Constituent Councils will use their own websites and social media channels to raise awareness and direct local stakeholders to that page to participate. The survey questions are attached as Appendix B.
- 2.8.4 An online focus group will take place near the start of the public consultation period, with participants recruited by a specialist agency to be representative of the Partner Authorities' area and with varying levels of pre-existing knowledge of waste and recycling services. The focus group will be run by Ricardo Energy & Environment, using a facilitator with no other connections to the ELJRWS project.
- 2.8.5 A second meeting will take place towards the end of the consultation period, aimed at groups who are already engaged on waste and environmental issues. It is hoped that this meeting will be able to take place as an in-person event, but a decision will be taken on that before the start of the public consultation period based on the latest Government advice regarding social distancing etc. ELWA will work with the Constituent Councils to identify and contact individuals or groups who may wish to be invited to this session.
- 2.8.6 A report will be produced after the public consultation has concluded, which will inform any amendments that may be needed to the Preliminary Draft of the ELJRWS before a final version is produced for formal adoption by the Partner Authorities.

### **3. Consultation**

- 3.1 Regular workshops and briefings have been provided for the eight ELWA Members during the development of the ELJRWS, including the four portfolio holders for Environment from the Constituent Councils.
- 3.2 Officers from ELWA and the Constituent Councils have been engaging with the Greater London Authority (GLA) since work on the ELJRWS project began, to chart a course towards achieving general conformity with the LES. The earliest of these discussions helped to shape the modelling work that was subsequently undertaken, whilst further engagement has continued as the modelling was completed and the ELJRWS entered the drafting stage.
- 3.3 The engagement has been productive and positive, and the Partner Authorities appear to be on track to achieve general conformity with the LES. This will be confirmed during formal consultation with the GLA (as noted above).

### **4. Financial implications**

Implications completed by: Sandra Pillinger, Group Accountant

- 4.1 The targets and priorities within the ELJRWS do not bind the Council to any specific expenditure, but there will need to be investment in recycling and waste services in the future to meet performance expectations. Further analysis of financial implications will need to be undertaken as more specific proposals are brought forward for the Council's collection services as well as the wider infrastructure solutions for ELWA.

### **5. Legal Implications**

Implications completed by: Dr Paul Feild, Senior Governance Lawyer

- 5.1 By virtue of the Environmental Protection Act 1990 the Council has been established as a waste collection authority. The Council is a member of the Waste Authority along with the London Boroughs of Havering, Newham and Redbridge which is the statutory Waste disposal authority.
- 5.2 Section.32 of the Waste and Emissions Trading Act 2003 sets a requirement for waste authorities in two-tier areas to produce a joint strategy for the management of household waste and other similar wastes. Ministerial Guidance was issued in 2005. The guidance indicates that these joint strategies should be reviewed and updated every five years at a minimum.
- 5.3 As set out in the main body of the report ELWA is tied into the Integrated Waste Management Services Contract until 22 December 2027 so planning need to commence in terms of establishing a waste strategy for collection and disposal that will take over waste management across the four waste collection Boroughs and the waste disposal authority.

5.4 In terms of developing the strategy consultation will need to be carried out at a meaningful time with both statutory consultees and other interested parties so that the responses can be taken into account in finalising and adopting the strategy.

## **6. Other Implications**

6.1 **Risk Management** – The potential risk to the outcome of the recommendations to approve the policy document are assessed as being LOW.

6.2 **Corporate Policy and Equality Impact** - An Equalities Impact Assessment has been completed for the ELJRWS. There are no specific equality implications relating to the content of the ELJRWS. Local collection arrangements are already in place to meet the needs of disabled residents. The cultural diversity of the borough will inform the development of any communications or education programmes arising from the ELJRWS.

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

### **List of appendices:**

- Appendix A: East London Joint Resources and Waste Strategy (ELJRWS) 2027 to 2057 – Public Consultation.
- Appendix B: Joint Strategy Consultation – Survey Questions
- Appendix C: Strategic Environmental Assessment (SEA) Screening Report



# A Joint Strategy for Resources and Waste Management in East London 2027 - 2057

PRELIMINARY DRAFT

# A Joint Strategy for Resources and Waste Management in East London 2027 – 2057 – Preliminary Draft

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## Executive Summary

It is important that the environment is left in a better condition for the next generation.

This Joint Strategy sets out how the five Partner Authorities, namely the [East London Waste Authority](#) (ELWA) and the London Boroughs of [Barking and Dagenham](#), [Havering](#), [Newham](#) and [Redbridge](#), will preserve resources by minimising waste, promoting resource efficiency and moving towards a circular economy, all of which will help to protect the natural environment and reduce carbon emissions.

There is a great deal of change coming in the next few years that will affect the management of resources and waste in the Partner Authorities' area. This includes the end of ELWA's long-term 25-year contract for waste treatment services in 2027, potential changes to existing Partner Authority vehicle and service contracts, as well as important national and regional initiatives and targets that will result in new legislation and requirements for local authorities.

This Joint Strategy sets out the strategic aims and aspirations for resources and waste management of the five Partner Authorities, and outlines how the Partner Authorities will work together to manage resources and waste within their boundaries between 2027 and 2057, after the end of the long-term contract for waste treatment services.

Working with residents and businesses, the Partner Authorities want to make it as easy as possible to produce less waste, and to reuse, repair, and recycle more items and materials. Within the Joint Strategy a series of priorities are outlined that will help facilitate this, including how the Partner Authorities will support future improvements with infrastructure. These priorities will form the basis of how the Partner Authorities will manage waste in the future, contribute to London-wide and national targets, and meet the aspirations for future performance. The Partner Authorities will need to work together to achieve these goals.

The Joint Strategy also outlines the journey required to deliver improvement and respond to future changes. The Joint Strategy starts in 2027 once the current long-term contract for waste and recycling treatment comes to an end, but it is recognised that action to deliver improvements needs to start as soon as possible to achieve future performance aspirations. Steps that the Partner Authorities are taking to improve performance in the intervening years, including development of an East London Waste Prevention Programme and Borough Reduction and Recycling Plans (submitted to the Mayor of London), are detailed.

The Joint Strategy itself will need to be reviewed periodically to confirm it remains relevant in light of the rapidly changing policy environment and provides the right framework to drive performance improvements. The first overall review will take place by 2028.

The Partner Authorities also will need to regularly monitor progress against current and proposed performance indicators, which focus on reducing waste, maximising reuse, repair and recycling and limiting any waste sent to landfill.

This Joint Strategy sets the framework to drive environmental improvements that will support the Partner Authorities to help protect the environment for future residents and businesses of East London.

# 1 Introduction

## 1.1 Purpose of the Joint Resources and Waste Strategy

This Joint Strategy sets out the strategic aims and aspirations for resources and waste management of the five Partner Authorities, namely the [East London Waste Authority](#) (ELWA) and the London Boroughs of [Barking and Dagenham](#), [Havering](#), [Newham](#) and [Redbridge](#) (the 'Constituent Councils'). The Partner Authorities work together to manage resources and waste within their boundaries. It is a long-term strategy.

It is important that the environment is left in a better condition for the next generation. This Joint Strategy sets out how the Partner Authorities will preserve resources by minimising waste, promoting resource efficiency and moving towards a circular economy, all of which will help to protect the natural environment and reduce carbon emissions.

There is a great deal of change coming in the next few years that will affect the management of resources and waste in the Partner Authorities' area. This includes the end of ELWA's long-term 25-year contract for waste treatment services in 2027, potential changes to existing Partner Authority vehicle and service contracts, as well as important national and regional initiatives and targets that will result in new legislation and requirements for local authorities.

The Joint Strategy period is from 2027 to 2057. It is therefore primarily focused on how resources (the materials we use in our everyday lives) and waste will be managed in the future.

The Partner Authorities will commit to undertake a high-level review of this Joint Strategy by 2028 (see Chapter 5), to ensure the targets, priorities and aspirations are appropriate once future waste and recycling collection and treatment arrangements are better understood. Reviews thereafter will be conducted at intervals of not more than 10 years, to ensure the Joint Strategy continues to drive improvement and enable the Partner Authorities to respond to evolving innovations and policies on resources and waste management.

The previous strategy was originally drafted in 1996 and reviewed in 2006 and set the framework for performance for the 25-year contract period to 2027. The contract operator (Renewi) has developed a number of five-year and annual budget and service delivery plans, which review progress and outline future performance standards<sup>1</sup> and the Partner Authorities have prepared Reduction and Recycling Plans (RRPs) that set out how they will develop their services and local performance to work towards the targets and service standards within the London Environment Strategy<sup>2</sup>. The Partner Authorities Plans will also be updated as proposals for future service and performance improvement on waste reduction, reuse and recycling evolve.

The Joint Strategy does not cover local issues such as the collection of litter, street cleansing and fly-tipping, and also does not set out specific details on how each Borough will develop its household waste and recycling collection services in the future. The Joint Strategy focuses on the longer-term targets and aspirations of the Partner Authorities, and the general principles

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<sup>1</sup> [Renewi-FYSDP-Report-web-res.pdf \(eastlondonwaste.gov.uk\)](#)

<sup>2</sup> [London Environment Strategy](#)

by which the Partner Authorities will work together to achieve them. Further details on the responsibilities of the Partner Authorities can be found in section 1.2.

### 1.1.1 Structure of the Joint Strategy

- **Chapter One** – sets the context for the Joint Strategy;
- **Chapter Two** - describes how resources (the valuable materials that we dispose of every day) and waste are currently managed in the Partner Authorities' area, and provides detail on some of the opportunities, challenges and existing performance levels;
- **Chapter Three** - describes what changes the Partner Authorities expect to see in the future, both in terms of how the area will change, what impacts national and regional policy may have on the types and quantities of waste being generated, and some of the other factors which may also play a role in how consumers buy, use and dispose of products that will have an effect on resources and waste management;
- **Chapter Four** – sets out the vision for how the Partner Authorities will work together and with the community to help reduce waste and divert more items for repair and reuse. It sets out what level of recycling performance is expected to be achieved across the area, the aspirations the Partner Authorities have for diverting even more waste from disposal, and how future waste treatment capacity will be sourced;
- **Chapter Five** – outlines how the Partner Authorities will work together to achieve the aims and aspirations set out in the Joint Strategy; and
- **Chapter Six** – describes what performance measures will be used to measure success.

## 1.2 Responsibilities of the Partner Authorities

The four Constituent Councils (as 'waste collection authorities') are responsible for arranging the collection of household waste and recycling, as well as undertaking waste and recycling collections from local businesses that choose to use their commercial waste services.

The Constituent Councils also manage street cleansing, fly-tipping removal, and management of litter from local parks and open spaces, which all generate waste.

ELWA is the 'joint waste disposal authority' for the region, and is responsible for providing treatment and disposal services for the waste and recycling collected by the Constituent Councils. ELWA also operates four Reuse and Recycling Centres (RRCs) where residents can deposit a wide range of materials for reuse, recycling and disposal.

## 1.3 Why Do We Need a Strategy?

This Joint Strategy is needed to help the Partner Authorities start to plan for the end of the long-term 25-year contract (2002-2027) for waste treatment, while meeting the new requirements that will be arising from national and regional policy changes, and economic, environmental and societal drivers. The Partner Authorities also recognise the imperative to manage resources better in the future, to enhance resource efficiency and minimise greenhouse gas emissions. The main drivers are described in the following sections.

Development of a Joint Strategy is a statutory requirement for waste authorities in two-tier areas<sup>3</sup>. Furthermore, development of this document provides an opportunity to ensure that future strategy, procurement proposals and targets align as closely as possible with London’s overall strategic ambitions, as set out in the London Environment Strategy.

### 1.3.1 Summary of the Key Drivers

Figure 1: Summary of the Key Drivers



<sup>3</sup> [Waste and Emissions Trading Act 2003 \(legislation.gov.uk\)](https://legislation.gov.uk)

### 1.3.2 Society and the Environment

In recent years there has been growing concern throughout society about our impact on the environment, particularly around climate change, the ‘throw-away’ society and plastic pollution. An increasing number of people are now aware that producing and consuming goods and services results in greenhouse gas emissions and waste. Members of the public are looking to brands, retailers, governments, and other organisations to help them adopt more sustainable lifestyles.

This growing public interest in how products are made and what happens to the waste people generate has led to a number of policy initiatives at an international, national and regional level. Many of these policies include adherence to the waste hierarchy (Figure 2), which presents the management options for waste and resources in order of preference based on environmental impacts. Policies and programmes are also increasingly focused on delivering what is known as the Circular Economy (Figure 3), which involves designing out waste and pollution, keeping products and materials in use, and regenerating natural systems. Embracing the principles of both the waste hierarchy and the Circular Economy supports society in moving away from unsustainable levels of consumption of natural resources and helps to protect the environment in a number of ways. New policies that focus on these principles, along with pressure from consumers, are driving innovation and change in manufacturing and retailing, leading to new technologies for managing waste products.

At an international level the Sustainable Development Goals<sup>4</sup> (SDGs), also known as the Global Goals, were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. The goals collectively represent a sort of ‘social value charter’ for the planet.

The 17 SDGs are integrated, recognising that action in one area will affect outcomes in others, highlighting that development must balance social, economic and environmental sustainability. From the 17 goals and 169 targets there are at least eight indicators which focus on solid waste management, the majority of which sit in Goal 12 – Responsible Consumption and Production. These indicators cover everything from domestic material consumption through to global food loss, but importantly link back to the issue of sustainable management of the resources we have and use.

Developing a Joint Strategy for resources and waste management provides an opportunity for the Partner Authorities to explore the ways they can work together and with the local community (residents, businesses and other organisations) to deliver more sustainable systems for managing resources and waste in accordance with the Circular Economy principles within the national Resources and Waste Strategy and the London Environment Strategy. This includes identifying ways to reduce waste, divert more materials for reuse and recycling, and reduce the greenhouse gas emissions associated with the generation and management of waste and resources. The Partner Authorities will look at how to do this within

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<sup>4</sup> [THE 17 GOALS | Sustainable Development \(un.org\)](https://un.org/sustainabledevelopment)

their own services and how to influence wider work by a range of organisations involved in the supply of goods and services locally.

Figure 2: The waste hierarchy

## The Waste Hierarchy

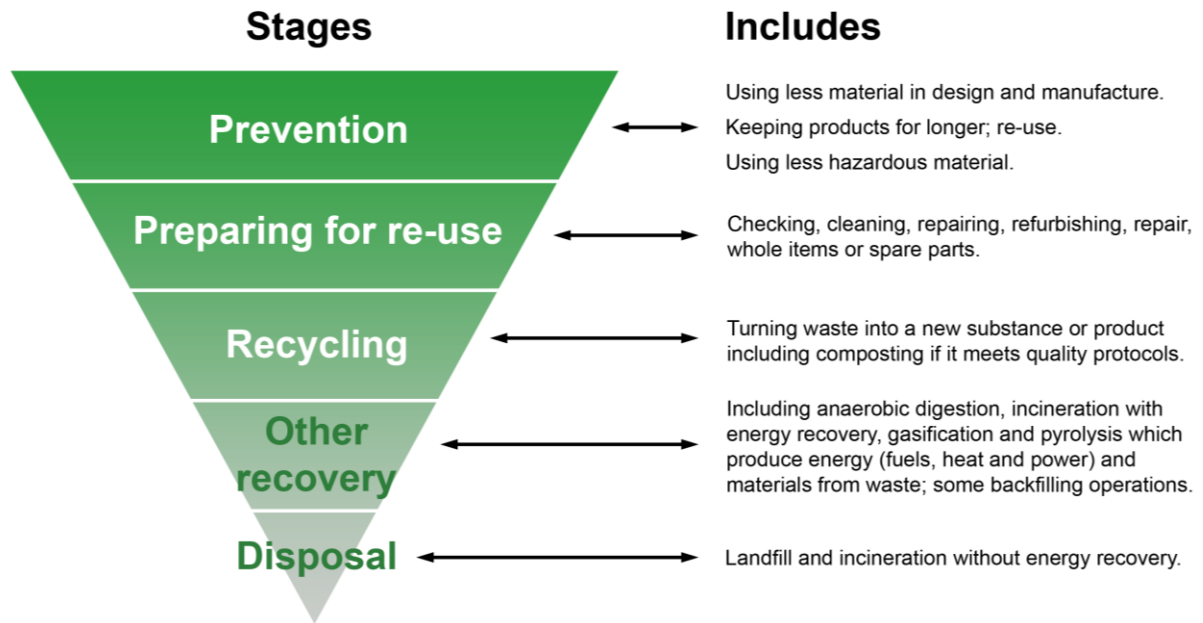
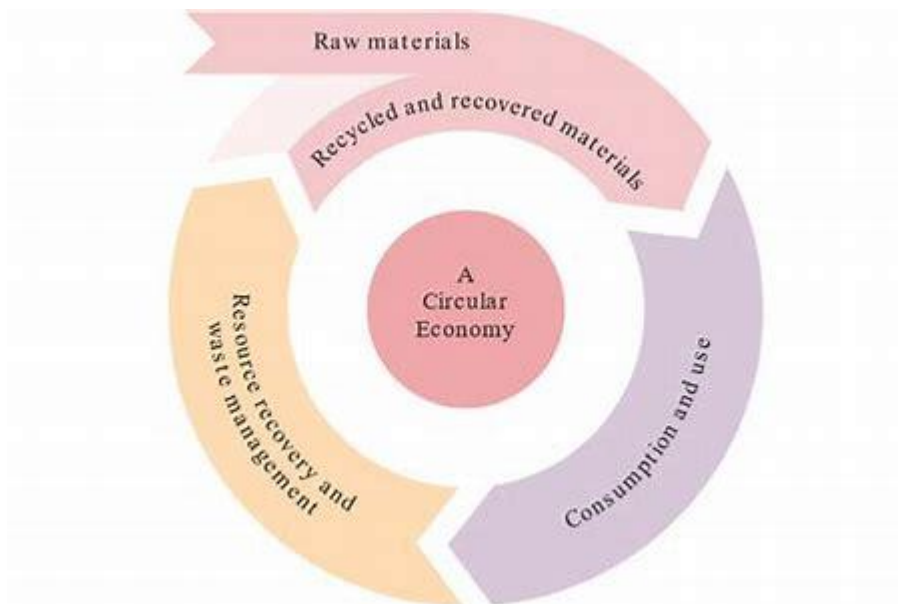


Figure 3: Vision of a circular economy (RWS)



### 1.3.3 Policy Landscape

National and regional policy on resources and waste is rapidly evolving in order to meet ambitions on preserving materials, reduce environmental impacts, and establish a Circular Economy.

The national Resources and Waste Strategy<sup>5</sup> (RWS) was published in 2018, and includes many new proposals that will change how local authorities deliver recycling and waste services, and how communities interact with them. These include the setting up of a Deposit Return Scheme (DRS) for drinks containers, extended producer responsibility (EPR) for the costs of managing packaging waste, and establishing more consistent household and business recycling services across the country (Consistency). Further discussion of these issues can be found in Section 3.2.1.

The Government launched a second round of consultations on the DRS, EPR and Consistency proposals in the spring of 2021. This Joint Strategy has included consideration of, and assumptions on, the direction of travel for the development of these proposals, and the actions and priorities set out within the document include further review of the final course of action that the Government decides upon for implementing the RWS.

The Mayor of London also published the London Environment Strategy<sup>6</sup> (LES) in 2018, which covers a broad range of environmental issues including waste management. The LES includes an aspiration for London to be a 'zero waste city' by 2050. The regional waste policies contained within the LES are similar to the national Consistency proposals, and waste authorities in London must demonstrate 'general conformity' with them.

The national and regional strategies both set ambitious targets for reuse and recycling, which East London will contribute towards. These are explained in Chapter 4 of this Joint Strategy, which also covers local priorities and aspirations, whilst the range of national and regional policies and proposals that have come forward are covered in more detail in Chapter 3.

Local policy issues including commitments to reduce carbon emissions and improve air quality will also need to be taken into consideration and will help to inform the way that we manage waste materials in the future.

#### 1.3.4 Economic

Local authorities have faced a challenging financial situation in recent years, and the Covid-19 pandemic has put extra pressure on budgets locally as demand for some services has increased while income from other activities has dropped. The long-term effects of the pandemic are not yet known, but the disruption to the national economy, along with accelerated changes to how many people live and work, are likely to mean that some adverse effects on local authority finances will continue. The Partner Authorities need to deliver waste collection and treatment services in the most cost-effective way, in order to protect other frontline services that residents value.

The existing long-term waste treatment contract (see below) has prevented the Partner Authorities from gaining the financial savings that other local authorities have been able to through increasing recycling, and the overall costs for treatment of the waste and recycling collected have generally been higher for the Partner Authorities than in many parts of London.

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<sup>5</sup> [Resources and waste strategy for England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/721212/resources-and-waste-strategy-for-england-2018.pdf)

<sup>6</sup> [London Environment Strategy - GLA](https://www.gla.gov.uk/london-environment-strategy)



When this contract ends in late 2027, the Partner Authorities will have the opportunity to start making savings on waste treatment by diverting more material for recycling, and may also be able to access cheaper solutions for managing the residual waste. To make the best of these opportunities, it is important for the Partner Authorities to work together to consider what mix of collection and treatment services will provide the most cost-effective solutions overall, taking into account local priorities and needs. The development of this Joint Strategy is the first stage in that process.

### 1.3.5 Contract Situation

The current long-term waste treatment contract started in 2002, and was designed to achieve high levels of diversion of waste from landfill. This was consistent with national policy at the time, and the contract was supported by the Government through the implementation of a Private Finance Initiative model. The operator of the contract, Renewi (formerly Shanks Waste Management), has achieved and indeed significantly exceeded the targets set on landfill diversion, and at the time of writing this Joint Strategy less than 1% of the Partner Authorities' waste goes to landfill (a reduction from 3% in 2018/19).

Unfortunately, the structure of the contract has made it more difficult to increase recycling in the Partner Authorities' area, and local recycling performance has fallen behind the rest of the country. The financial savings that other local authorities can achieve by increasing recycling are not available under the structure of the contract, and the range of materials that can be collected for recycling has also been limited by the infrastructure that was built in the mid-2000s to support local waste treatment.

Renewi is working with the Partner Authorities to try to improve local recycling, including supporting initiatives to introduce a wider range of materials into household recycling collection services. The company's annual budget and service delivery plans<sup>7</sup> include a number of projects designed to help the Partner Authorities meet and exceed a local 33% recycling target, with partnership working across the region intended to improve household collections, increase the quality of the recycling collected through reduced contamination, recover even more materials from the residual waste, and increase reuse and recycling at the four Reuse and Recycling Centres. The local recycling target was expected to be achieved by 2021, but the impacts of the Covid-19 pandemic unfortunately meant that this was just missed. At the time of writing this draft Joint Strategy, it is anticipated that this target will be met or exceeded in 2022. [Paragraph to be updated for final Joint Strategy]

The Partner Authorities will be working with Renewi to continue to improve local recycling services and performance to the end of the contract in 2027, including identifying opportunities to take full advantage of the changing policy landscape. There will also be work done to mitigate national changes that are expected on how local recycling rates are calculated, which may see a significant portion of the material recovered by Renewi from residual waste no longer being counted towards this performance and reducing local recycling rates by up to 5%.

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<sup>7</sup> [ELWA's Strategy « East London Waste Authority](#)

## 1.4 Producing a Joint Strategy – Aims and Objectives

With the end of the long-term waste treatment contract approaching, and the significant changes coming forward on resources and waste policy, the Partner Authorities agreed that the development of a new Joint Strategy for East London would be an important first stage in planning for the future.

To develop the Joint Strategy, a series of basic questions were posed that would need to be answered for the Partner Authorities:

- What is our current situation?
- How much waste will there be to manage in the future, and what will its composition be?
- How much can we reduce the amount of waste that is generated?
- How much waste can we divert for reuse or repair?
- How much of the waste can we recycle or compost?
- How will we manage the treatment of the waste collected for recycling or composting, as well as the waste that cannot be recycled?

The following aims and objectives (displayed overleaf) were developed by the Partner Authorities for the Joint Strategy to provide a clear outline of what needs to be achieved in the future. The priorities for the future which are detailed in Chapter 4 are based on the aims and objectives.

### Joint Strategy Aims

The aims of the Joint Strategy are:

- A1. to promote and implement sustainable municipal resources and wastes management policies in East London as part of our contribution to transitioning to a more Circular Economy;**
- A2. to minimise the overall environmental impacts of resources and wastes management;**
- A3. to engage residents, community groups, local business and any other interested parties in the development and implementation of the above resources and wastes management policies; and**
- A4. to provide customer-focused, cost-effective, best value services.**

## Joint Strategy Objectives

The objectives of the Joint Strategy are:

- O1. to minimise the amount of municipal wastes arising;**
- O2. to maximise reuse, recycling and composting rates;**
- O3. to maximise the diversion of resources and wastes from landfill, particularly organic materials that would produce greenhouse gases;**
- O4. to co-ordinate and continuously improve municipal wastes minimisation and management policies in East London;**
- O5. to manage municipal wastes in the most environmentally benign and economically efficient ways possible, including reducing greenhouse gas emissions, through the provision and co-ordination of appropriate resources and wastes management facilities and services;**
- O6. to ensure that services and information are fully accessible to all members of the community;**
- O7. to maximise all opportunities for local regeneration and increased social value benefits from waste and resource management, including employment, skills and wellbeing; and**
- O8. to ensure an equitable distribution of costs, so that those who produce or manage the waste pay for it.**

## 2 What is our Current Situation?

This chapter provides a snapshot of services delivered and performance at the time of writing the Joint Strategy (spring 2021).

Data and information to support the development of the Joint Strategy was taken from the last full year of service that was available when the development of the document started (namely 2018/2019) and has been used to understand current performance but also provide a baseline for future projections. Any updates to this have been highlighted within this chapter.

Development of the Joint Strategy began in late 2019, and continued during the Covid-19 pandemic. The pandemic has had an effect on the amount (quantities) and type (composition) of waste produced, and the Partner Authorities continue to monitor these changes. However, the Partner Authorities believe it is too soon to forecast with confidence what the longer-term impacts on local waste quantities and composition will be.

### 2.1 Our Area

The London Boroughs of Barking and Dagenham, Havering, Newham and Redbridge cover an area of 93 square miles, bordering the historic East End, the edges of Epping Forest, rural Essex and the River Thames. The 1.1 million residents live in 425,000 households, spread over a diverse mix of districts that include large housing estates, dense terraces, detached suburban streets, and small villages. There are also significant pockets of commercial land, active farms, and large industrial zones. The area is seeing a great deal of regeneration, spurred on by the 2012 Olympics, the imminent arrival of Crossrail services, and the repurposing of land next to the Thames. Further details on what East London could look like in the future can be found in Chapter 3.

The local community is vibrant, diverse, and ever changing. Residents come from a wide range of cultures and backgrounds, and the development of new housing is attracting many more people to the area. As is commonplace in London, an increasing number of people are renting rather than buying their homes, which contributes to relatively high levels of population transience (meaning people move more regularly). The population density varies significantly from neighbourhood to neighbourhood, but is generally increasing across the area as more new homes are provided in blocks of flats than houses.

### 2.2 How We Currently Manage Resources and Waste

#### 2.2.1 Collections

##### 2.2.1.1 Regular Household Collections

The four Constituent Councils all provide a weekly residual waste collection for residents, with more frequent services for some blocks of flats where space for bins is limited, and also on high streets where residents need to put their waste out on the street in bags. Commercial waste collections for businesses are currently offered by three of the four Constituent Councils.

Collections of 'dry' recycling, which mainly includes paper, card, plastic bottles, tins and cans, are provided on a weekly or fortnightly basis. Opportunities to improve local recycling services and collect a wider range of materials are being explored, and at the time of writing this Joint

Strategy work is underway to begin allowing a wider range of materials to be accepted in recycling collection services.

Garden waste collections are provided by all four Constituent Councils to meet local needs.

Some of the Partner Authorities also collect additional materials for recycling from households, such as Havering's service for small electronic appliances and batteries. Commercial recycling services are currently offered in two of the four boroughs (as well as by private waste contractors), and there is a network of public recycling banks around the area that residents can use to recycle more materials, including glass.

Residents can book bulky waste collections for larger items like furniture and white goods, with some items being separated so they can be recycled. Some of the Partner Authorities also have additional arrangements in place to allow bulky items to be diverted from disposal, such as Barking & Dagenham' partnership with an online electrical retailer to provide a free collection scheme for specific bulky items that can be reused and repaired.

There are also special collections available for household collections of clinical waste and hazardous waste.

Unlike many other parts of London, the Partner Authorities benefit from some materials being recovered for recycling from the residual waste, such as glass, metals, and the dried residue of food and garden waste. The recovery of these materials currently counts towards local recycling performance, but the Government has indicated that there may be changes to how local recycling rates are calculated in the future that could see the contributions from some of these recovered materials no longer counting. Further information is awaited from the Government on this issue.

#### 2.2.1.2 Street Cleansing and Parks Waste

The four Constituent Councils collect waste from street cleansing operations, including the contents of litter bins, material swept off the street, and larger items that have been cleared from fly-tips.

Similar waste is also collected from the parks managed by the four Constituent Councils, along with material similar to household garden waste (where it is not composted at the parks themselves).

#### 2.2.1.3 Reuse and Recycling Centres

ELWA provides four Reuse and Recycling Centres (RRCs), with one in each Borough. These are available for residents to use free of charge to deposit a wide range of materials for reuse, recycling or disposal. Three of the RRCs are also available for businesses to pay to use, through a direct arrangement with the operator of the sites.

### 2.2.2 Waste Treatment

ELWA is responsible for providing treatment services for the waste the four Constituent Councils have collected from households, businesses, and through street cleansing. These treatment services are provided through a long-term integrated waste services contract with Renewi, which ends in late 2027.

Much of the dry recycling (paper, card, tins, cans, plastic bottles, etc.) is collected in one bin or bag, so has to be sorted before each type of item can be sent off for recycling into new products. This sorting is done at a Materials Recovery Facility (MRF). Separated materials are then sent to reprocessing facilities that can recycle them into new products, and materials that can't be recycled (contamination) are sent for treatment (predominantly to be used as a fuel for electricity generation and district heating elsewhere).

Figure 4: How Waste and Resource Management works within the Partner Authorities' area



Recycling from bring banks and some household collections do not require sorting and are able to be sent directly to reprocessors for recycling.

Garden waste is sent to industrial composting facilities, which produce a high-quality product that can be used to improve soil on agricultural land. This reduces the demand for fertiliser made using fossil fuels, helping to reduce greenhouse gas emissions and other pollution.

Some recyclable materials, such as electrical items, metal and wood, are extracted from the bulky waste that is collected from residents, so that these can be sent away for reprocessing into new products. The remaining bulky waste is shredded to make a fuel to be used for electricity generation and district heating elsewhere.

The residual waste is processed through two Mechanical-Biological Treatment (MBT) facilities, located at Frog Island (Havering) and Jenkins Lane (Newham), which opened in the

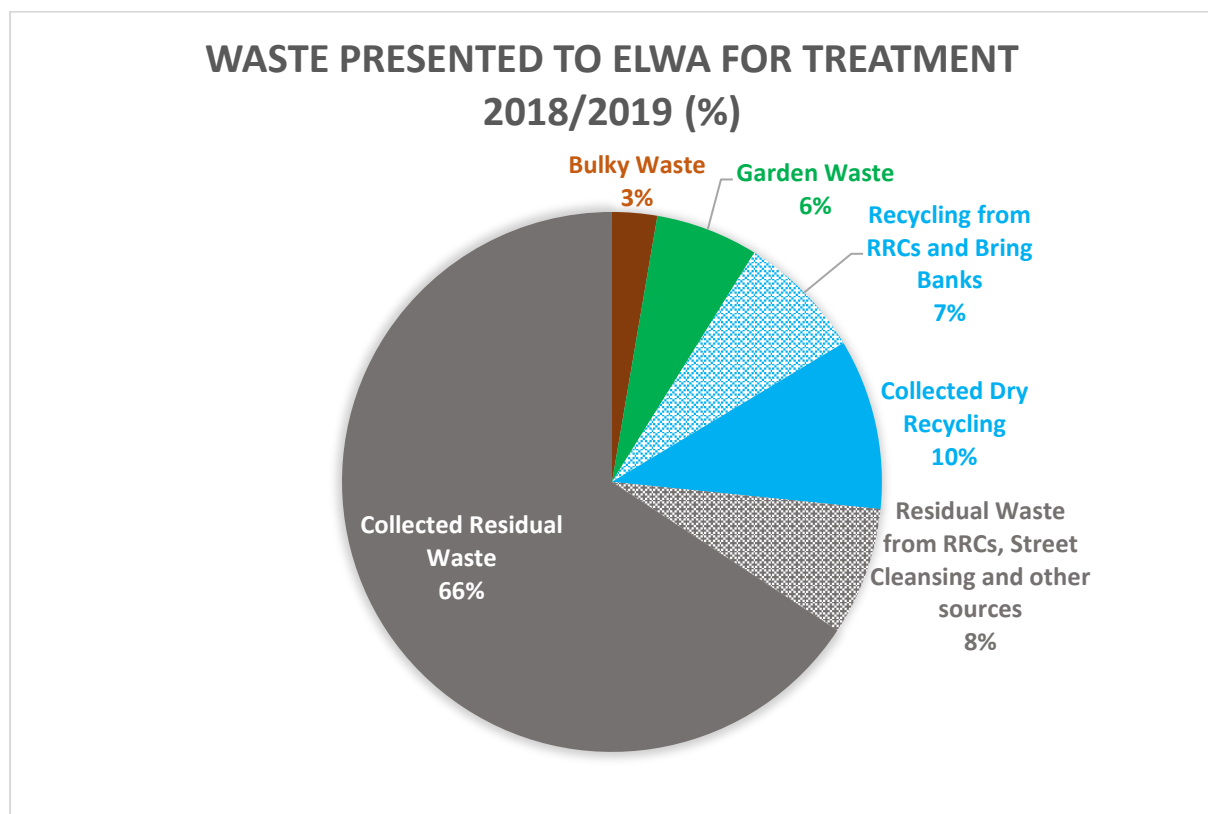
mid-2000s and are paid for through the current 25-year contract. The MBT system works by drying out the waste through natural processes similar to composting, where the organic content of the waste (mostly food) decomposes and produces heat. This drives off a lot of the moisture in the waste over the 10 to 14 days it spends in the drying halls at the MBT facilities, reducing the overall weight by about 30% (21% of total waste arisings including recycling). The dried waste is then put through a series of devices to recover some recyclable materials, such as glass, metals, and the solid residue of the food waste. These are sent off for re-processing, whilst the remaining waste is used as a fuel for electricity generation and district heating elsewhere. A short video of the process was produced by Newham Council, and is available on YouTube<sup>8</sup>.

### 2.3 How Much Waste Do We Manage?

The Partner Authorities currently manage approximately 450,000 tonnes of waste per year, which comes from a number of sources including households, businesses, Reuse and Recycling Centres (RRCs), on-street bring banks and street cleansing.

Figure 5 displays the percentage proportion of each waste type presented to ELWA for treatment in the 2018/19 financial year.

Figure 5: Waste presented to ELWA for treatment 2018/2019 (%)



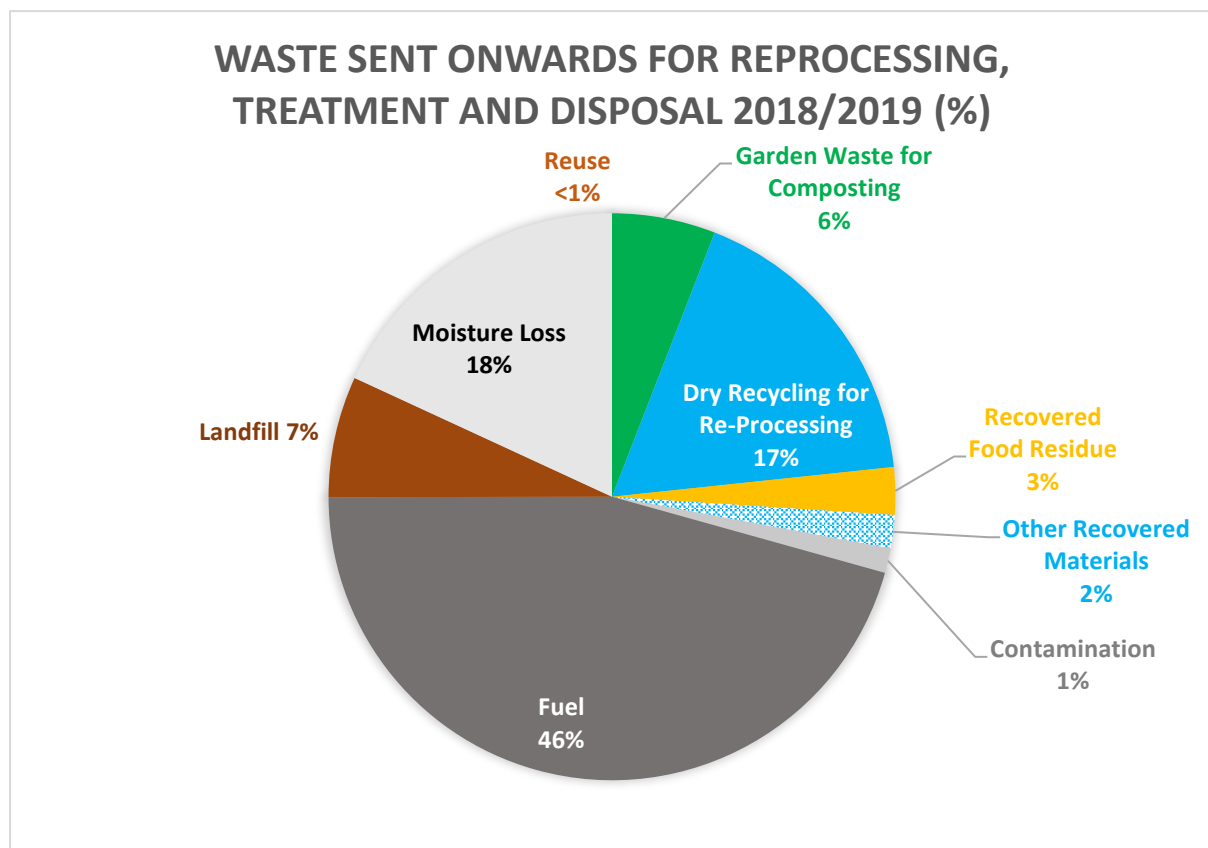
Once the collected materials are bulked together at a local transfer station or undergo initial treatment, they leave the ELWA facilities for onward treatment and reprocessing.

<sup>8</sup> [What happens to your rubbish in Newham - YouTube](#)

Around 300,000 tonnes of residual waste is processed through the two MBT plants each year, whilst around 43,000 tonnes of mixed dry recycling is sorted at a number of different MRFs. The garden waste is sent to composting facilities, and the materials residents have put into bring banks or taken to the RRCs are sent to other re-processors to be turned into new products.

Figure 6 displays the amount (percentage) of waste and recycling from all ELWA facilities sent onwards from ELWA for reprocessing, treatment and disposal. It includes the moisture loss from the MBT process which results in an overall weight (tonnage) reduction of waste being sent on for further treatment compared to what was collected.

Figure 6: Waste and Recycling sent onward from ELWA for reprocessing, treatment and disposal (%)



## 2.4 What's In Our Waste

To be able to understand how best to plan future waste collection and treatment services, including how recycling performance could be improved, it is important to understand in more detail what amounts and types of waste residents are currently producing.

The last time a detailed analysis of the composition of waste managed by the Partner Authorities took place was in 2016, and the charts below show the results from that study. Figure 7 provides the composition of the household waste that was sampled (recycling and residual waste), whilst Figure 7 provides the composition of the residual waste only. This is particularly important as it helps the Partner Authorities to understand how much waste that could have been recycled is still being disposed of in residual waste.

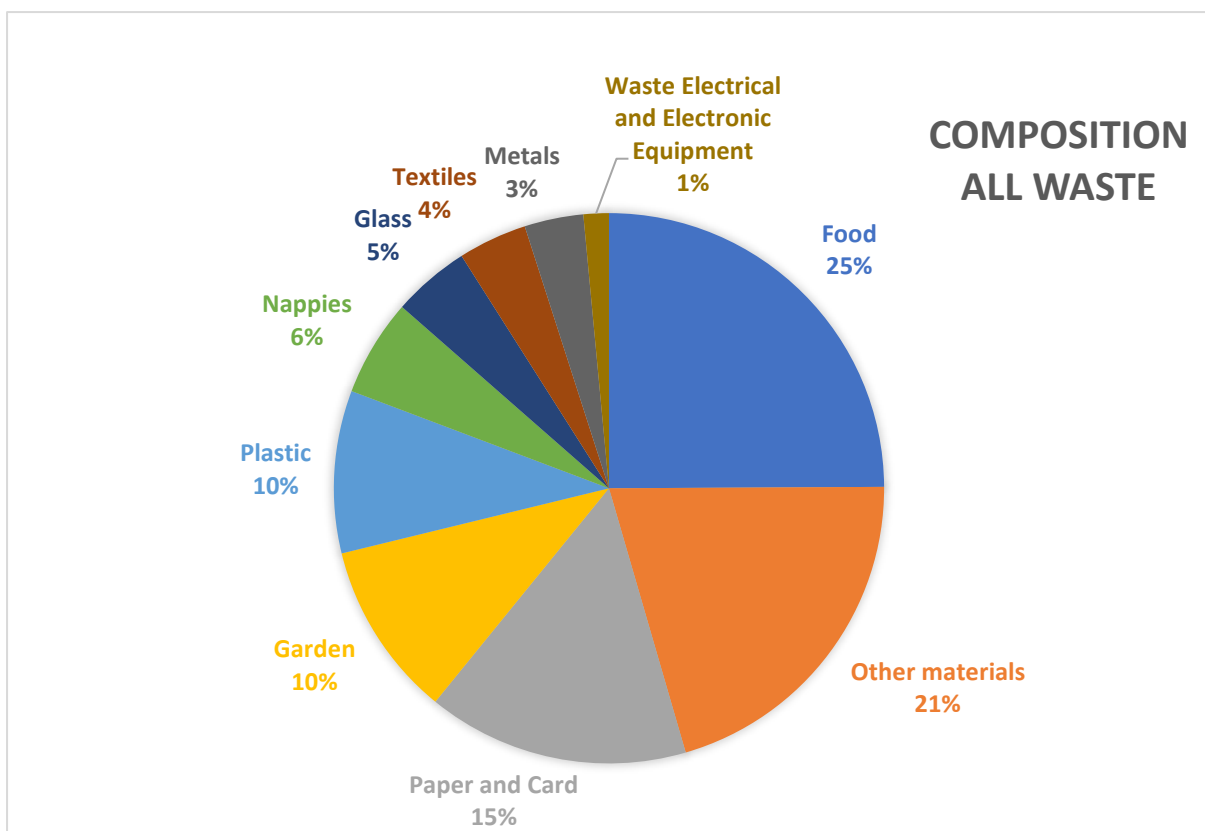


The analysis carried out in 2016 revealed that there is a large amount of food waste being produced and disposed of as residual waste within the Partner Authorities' area. This is common to many parts of the country, but it shows that a significant difference to the amount of residual waste being produced could be made by helping local residents to reduce food waste. According to the environmental charity WRAP, the average family of four can save just over £60 per month<sup>9</sup> by reducing their food waste, whilst preventing food waste would have significant environmental and cost benefits.

Data from the residual waste composition analysis also shows that large amounts of paper and card, plastics and metals are being thrown away which could have been recycled.

A further composition analysis will be conducted in 2021.

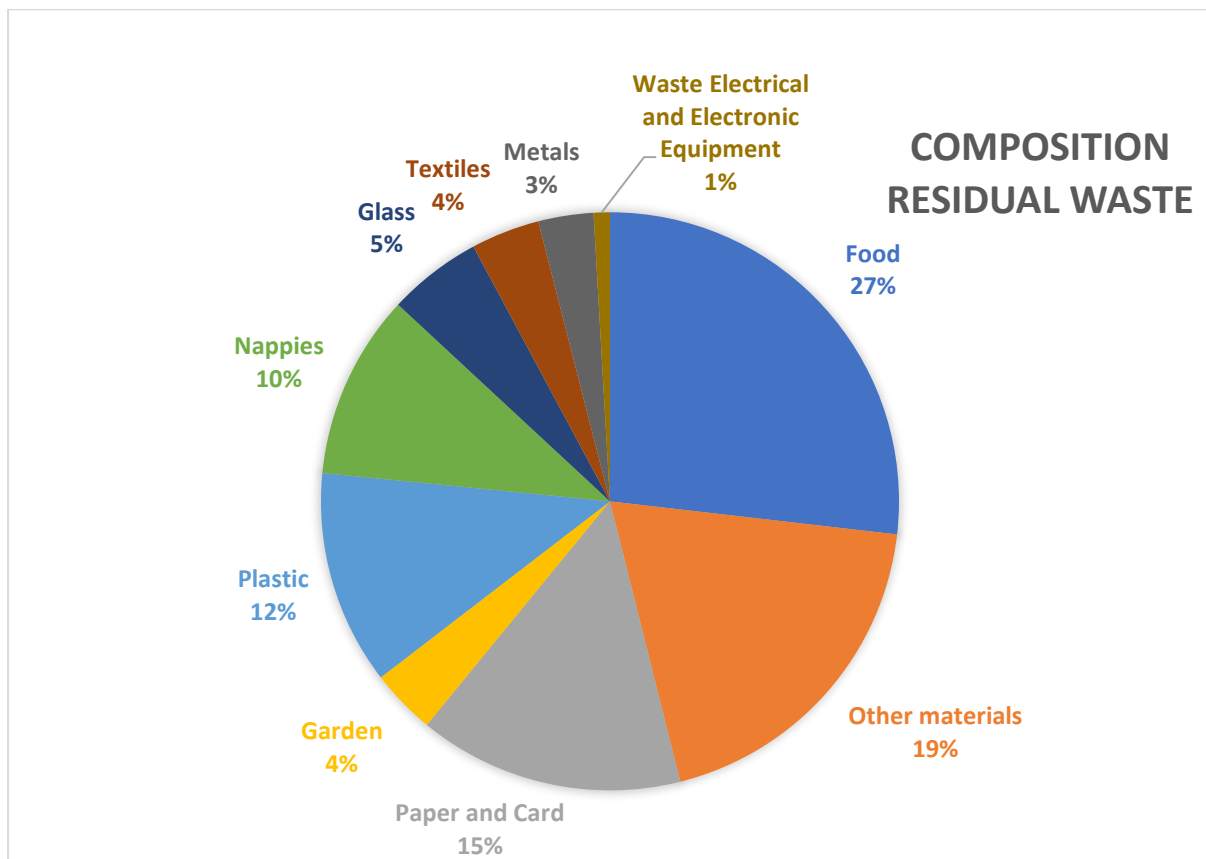
Figure 7: Waste Composition Analysis Results 2016 – All household waste



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<sup>9</sup> [Why Save Food | Love Food Hate Waste](#)

Figure 8: Waste Composition Analysis Results 2016 - Residual Waste



## 2.5 Our Current Performance

The Partner Authorities' area faces some considerable challenges relative to other parts of England and London in achieving the high recycling rates and reductions in residual waste more widely achieved elsewhere.

One of the main challenges is ELWA's current long-term waste treatment contract. This was innovative when it first began in 2002 and means that very little residual waste is landfilled (which is environmentally beneficial). However, over time it has become restrictive for the Partner Authorities and has meant that it has not been economically viable to achieve the same high levels of performance on recycling as other parts of the country.

### 2.5.1 Barriers to Recycling

A number of studies have identified common barriers to recycling, many of which are applicable to the Partner Authorities' area. Within the WRAP Barriers to Recycling at Home<sup>10</sup> study the following universal barriers were identified:

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<sup>10</sup> [WRAP Barriers to Recycling at Home](#)

**Situational barriers** – including not having adequate containers, a lack of space for storage, unreliable collections, unable to get to bring sites;

- Lack of space for storage within a property is a common challenge for those residents living in flats or in Houses of Multiple Occupancy (HMOs)

**Behaviour** – for example household disorganisation, being too busy with other preoccupations, difficulties in establishing routines for sorting waste and remembering to put it out on collection day;

- Examples of behavioural barriers include putting things in the recycling even if the unsure if it can be recycled, which can cause contamination of the recycling

**Lack of knowledge** – such as knowing what materials to put in which container, and understanding the basics of how the scheme works; and

- High levels of transience (residents moving often), combined with a lack of information provided to tenants about services, can limit recycling

**Attitudes and perceptions** – such as not accepting there is an environmental or other benefit, resistant to householder sorting, and not getting a personal motivational reward from recycling.

- Ease of throwing everything into one bin combined with not having anywhere to store recycling can limit recycling

WRAP's Recycling Tracker<sup>11</sup> identifies that age profiles and home ownership affects recycling rates. Residents between 18-35 record lower rates of recycling, and home owners tend to recycle more than people who rent their homes.

ReLondon has produced a report about recycling in flats<sup>12</sup>, which noted that people who live in these types of property recycle much less than those who live in houses.

Across the area, the levels of garden waste collected are relatively low because many properties in the region have very small or no gardens, with the lack of a garden becoming even more common due to the increasing number of blocks of flats. Garden waste often makes a large contribution to the recycling rates in higher performing parts of the country.

However, despite the barriers identified, the Partner Authorities aspire to improve recycling rates in the future with the support of the community and businesses. Some of the current initiatives that the Partner Authorities are working on are covered below in section 2.6. The Joint Strategy is looking at how significant improvements in performance can be achieved beyond this once the current waste treatment contract comes to an end in 2027.

### 2.5.2 Reuse, Recycling and Composting

As a consequence of the factors detailed above, East London has some of the lowest recycling rates in the country.

A particular concern for the Partner Authorities is the amount of contamination in the recycling.

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<sup>11</sup> [WRAP Recycling Tracker 2020](#)

<sup>12</sup> [Report - Making recycling work for people in flats | ReLondon](#)

Contamination is the name given to non-recyclable material that residents incorrectly put out for recycling, or recyclable materials which are placed in the wrong bin (e.g. textiles need to be placed into a recycling bank or donated locally, rather than into household recycling bins and bags). Contamination has to be sorted out from other recyclable items before being sent away for disposal. Some types of contamination are particularly problematic, as they can also damage other materials that would otherwise be able to be recycled. Tissues, nappies and food waste are examples of this type of contamination, and they are especially damaging to paper and card when put into the same recycling bin or bag.

Figure 9: Percentage of household waste sent for reuse, recycling 2018/2019 – NI192 Partner Authorities

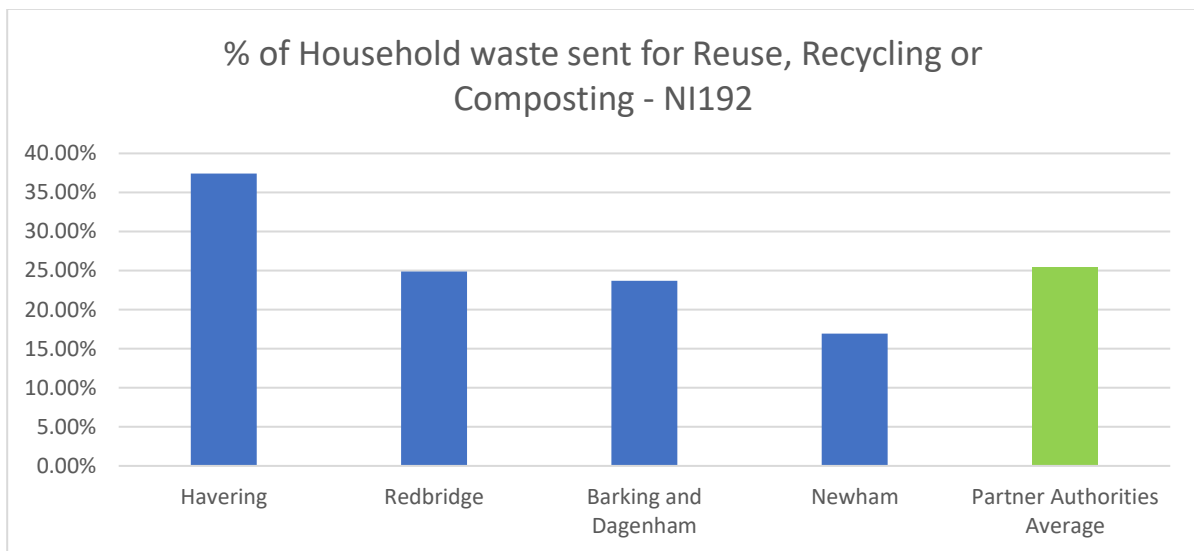
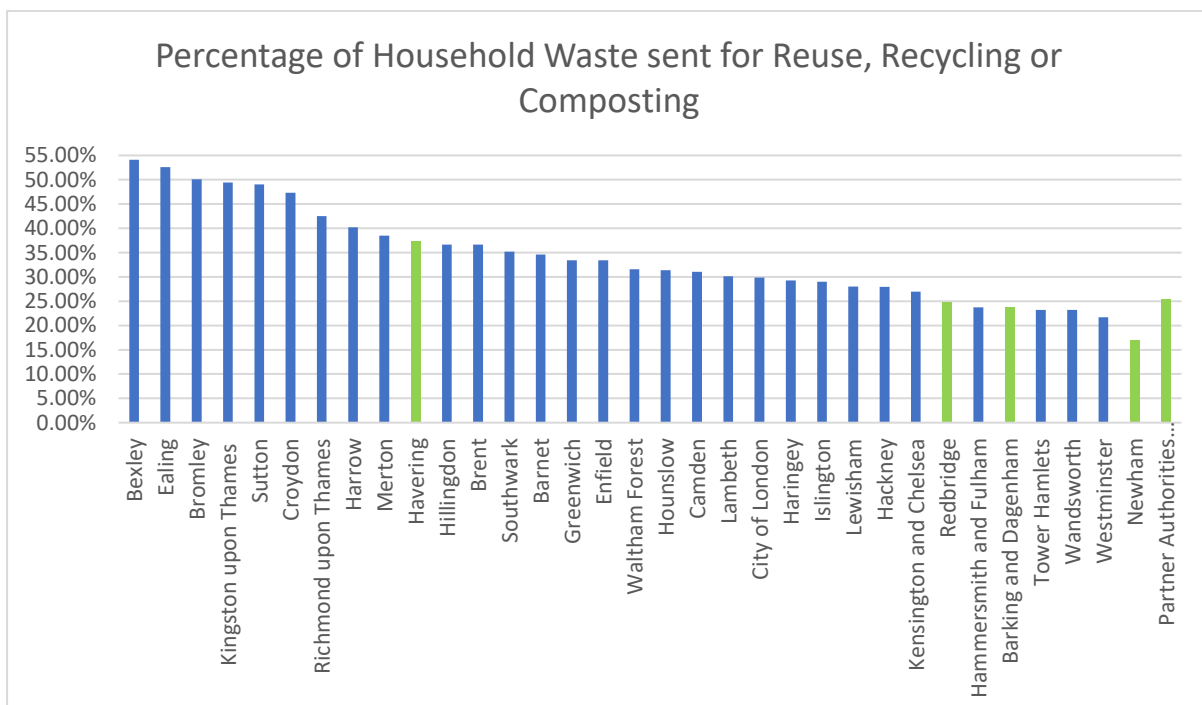


Figure 10: Percentage of household waste sent for reuse, recycling 2018/2019 – NI192 for all London Boroughs and the City of London



### 2.5.3 Waste Generation

The Partner Authorities' area has some of the highest levels of waste generation in London. The relatively low recycling rates also contribute to the larger amounts of residual waste collected in the area.

Figure 11 displays the total weight of all household waste per head of population, and Figure 12 displays the total weight of residual household waste per household, compared to the other London Boroughs and the City of London.

Figure 11: Total household waste per head (kilograms/head/year) 2018/2019 – for all London Boroughs and the City of London

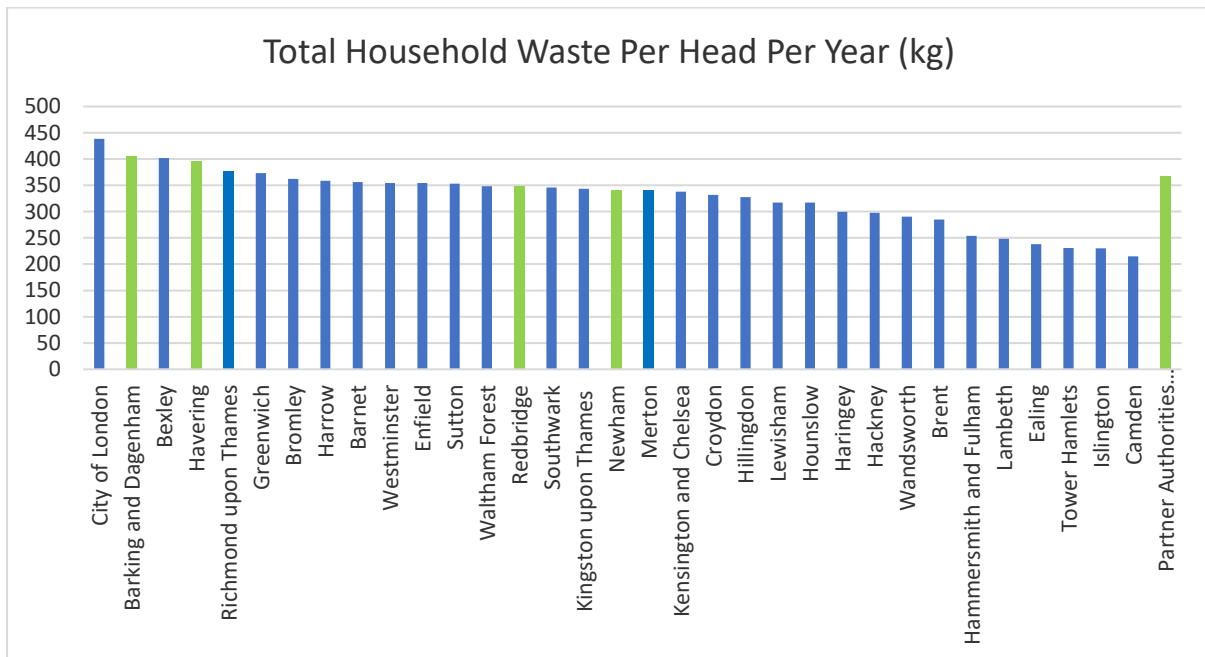
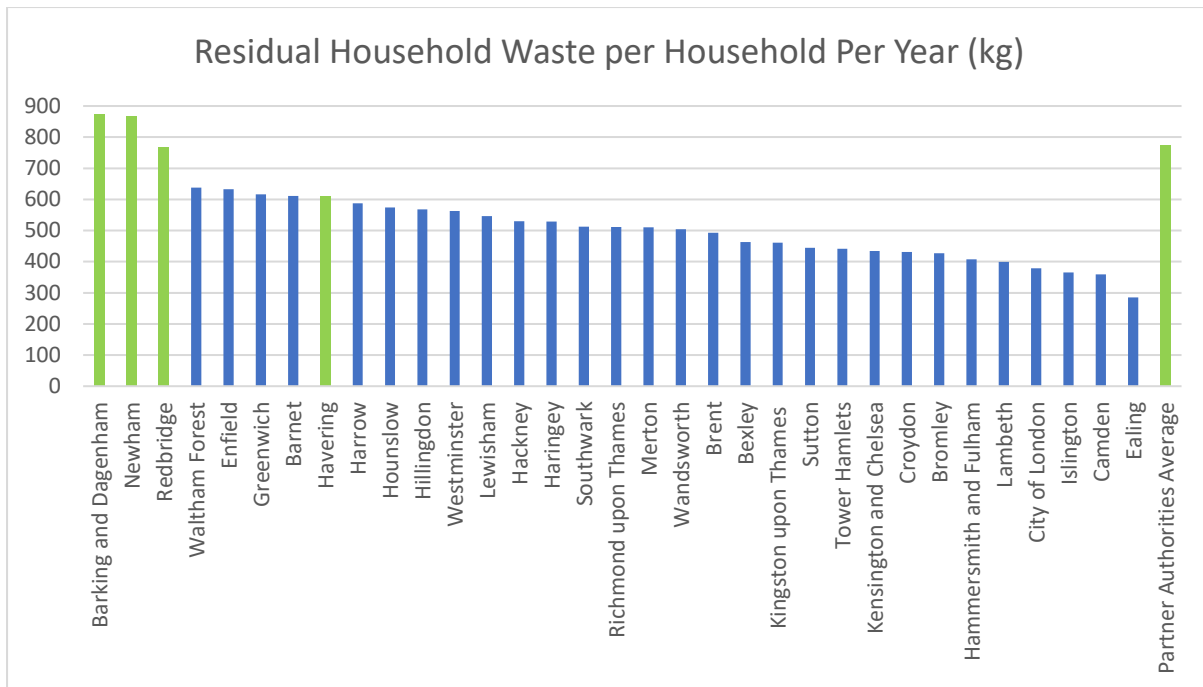


Figure 12: Residual waste per household (kilograms/household/year) 2018/2019 – NI191 for all London Boroughs and the City of London



### 2.5.4 Landfill Diversion

The Partner Authorities' area achieves a high rate of diversion of waste from landfill due, in large part, to the treatment of residual waste by the MBT facilities described above in section 2.2.2. Other items that may once have been more commonly sent to landfill, such as discarded furniture, are also now treated in a similar way to recover recyclable items and create a fuel from the remaining material. The performance in the baseline year for this Joint Strategy, landfill diversion was 92.4% compared to a London-wide average of 90.5%. However, this has since been increased to more than 99%. In recent years ELWA has been working closely with its contractor Renewi to improve the recovery of recyclable materials from the residual waste at the MBTs. Renewi has also worked hard to establish long-term arrangements for using the fuel it creates from the residual waste, which has resulted in great improvements in landfill diversion. Renewi is continuing to invest in its facilities to improve performance.

### 2.6 How We Are Improving

Although there are some considerable challenges to overcome, the Partner Authorities have been working for some time to improve performance on waste reduction, reuse and recycling.

The four Constituent Councils have each produced Reduction and Recycling Plans<sup>13</sup> (RRPs), which have been submitted to the Mayor of London. These explain how they will reduce waste, increase reuse and improve recycling, working with ELWA and other stakeholders, as part of contributing to the goals and targets in the London Environment Strategy.

In line with their RRP, Constituent Councils are exploring how to improve local recycling services before the end of the current waste treatment contract, including options for starting to collect a wider range of materials. in order to align more closely with the Mayor of London's

<sup>13</sup> [Waste Reduction and Recycling Plans – London Datastore](#)

minimum service standards<sup>1415</sup>. There are also projects planned or underway to try to get more residents to start recycling properly, separating more of their recyclable waste and reducing contamination.

### 2.6.1 Reduction and Reuse

There have been a number of projects and initiatives in East London to reduce waste and increase reuse. These include offers of discounted home composting bins for residents, discounts or promotions on reusable nappies, campaigns and workshops focused on reducing food waste, and 'give and take' days that enable residents to donate items they no longer need while also having the opportunity to find products that they would otherwise have to buy.

The work on waste reduction and reuse has now been developed into the Waste Prevention Programme, which is being delivered collectively by the Partner Authorities. This is focusing on some core materials, such as food waste, furniture, clothing, nappies and electronics, with a number of projects and new services being introduced to help residents reduce waste and save money.

### 2.6.2 Community Engagement

The Partner Authorities understand the importance of working with communities to reduce waste, increase reuse and improve recycling. There are teams dedicated to community engagement on waste and recycling, visiting residents at their homes, attending community meetings, and running events and roadshows. During the Covid-19 pandemic these teams have made use of online platforms (such as Zoom and Microsoft Teams) to continue this work, providing opportunities for residents to learn how to waste less and recycle more even during the most challenging times.

ELWA and the Constituent Councils also work closely with Renewi and Renewi's communications partner Keep Britain Tidy to deliver a programme of education in schools and community engagement on waste reduction, reuse and recycling.

The Partner Authorities have supported national and regional campaigns on waste reduction, reuse and recycling, including Recycle Week, Compost Awareness Week, Real Nappy Week, Recycle for London/London Recycles, and Love Food Hate Waste.

## 3 What Might the Future Look Like?

### 3.1 The Partner Authorities' Area in the Future

The Partner Authorities' area has been a focus for regeneration for several decades, and major new developments are planned or in progress across the region. The opening of new transport links in the late 1990s and the staging of the London Olympics in 2012 resulted in a rapid pace of new development in the west of the area particularly, whilst the imminent arrival of Crossrail is helping to drive similar changes elsewhere in the region.

The demand for new housing in London has put extra pressure on the land available, so most new housing being developed is in higher-density developments. New areas are being opened up for housing development for the first time, particularly along the River Thames and the region's major transport corridors, whilst new commercial zones are also coming forward. The area is a particular focus for new 'green industries' moving into the capital, spurred on by the excellent air, road, rail and water transport options.

### 3.2 Resources and Waste Management in the Future

As mentioned in Chapter 2, there are a number of policy drivers that will influence how the Partner Authorities manage resources and waste in the future. These are covered in more detail within this chapter.

#### 3.2.1 Policy Landscape

##### 3.2.1.1 Overview

In its **25 Year Environment Plan**<sup>16</sup> (Jan 2018), the Government set out its ambition to improve the environment within a generation. This included adopting policies within Government Strategies to use resources from nature more sustainably and efficiently, and managing pressures on the environment by minimising waste. Specifically, with relevance to this Strategy, it sets out the following policies:

- Maximising resource efficiency and minimising environmental impacts at end of life
- Achieving zero avoidable plastic waste by the end of 2042
- Reducing food supply chain emissions and waste
- Reducing litter and littering
- Improving management of residual waste
- Cracking down on fly-tippers and waste criminals

The Plan highlights the importance of taking a natural capital approach when developing and implementing policy.

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<sup>16</sup> [25 Year Environment Plan - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/672222/25-Year-Environment-Plan.pdf)



The 25 Year Environment Plan is supported by a number of strategies including:

- **Clean Growth Strategy**<sup>17</sup> – which commits to exploring new and innovative ways to manage emissions from landfill
- **Industrial Strategy**<sup>18</sup> – which looks at major projects and encouraging consumers to look at the whole life value of a product
- **Litter Strategy**<sup>19</sup> – which outlines how the Government will work with groups and businesses to reduce litter
- **Resources and Waste Strategy**<sup>20</sup> – which demonstrates the Government’s ambitions to move to a more circular economy
- **Waste Prevention Plan** – being consulted on in 2021<sup>21</sup>

The **Resources and Waste Strategy** (RWS, 2018) combines the Government’s pledges with the commitments it has made through the adoption of the EU Circular Economy Package<sup>22</sup>. The RWS is guided by two overarching objectives:

- To maximise the value of resource use; and
- To minimise waste and its impact on the environment.

The RWS will contribute to the delivery of five strategic ambitions:

- To work towards all plastic packaging placed on the market being recyclable, reusable or compostable by 2025;
- To work towards eliminating food waste to landfill by 2030;
- To eliminate avoidable plastic waste over the lifetime of the 25 Year Environment Plan;
- To double resource productivity by 2050; and
- To eliminate avoidable waste of all kinds by 2050.

### 3.2.1.2 What Does This Mean for the Partner Authorities’ Area?

The Environment Bill will bring into law a number of key policies set out in the RWS. At the time of writing this Joint Strategy the Environment Bill is still passing through parliament, and new consultations on three key policies from the RWS were launched in the spring of 2021. Although they are not fully defined, several have already been identified as being important for the Partner Authorities to consider:

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<sup>17</sup> [Clean Growth Strategy - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

<sup>18</sup> [The UK's Industrial Strategy - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

<sup>19</sup> [Litter Strategy for England - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

<sup>20</sup> [Our waste, our resources: a strategy for England \(publishing.service.gov.uk\)](http://publishing.service.gov.uk)

<sup>21</sup> Note that the London Environment Strategy also contains Waste Prevention objectives (7.1) and a plan for London is expected to follow the national plan.

- **The introduction of a Deposit Return Scheme (DRS) for drinks containers, to incentivise recycling.** Under the proposals consumers would pay a deposit for items like bottles and cans, which they could reclaim by returning these containers to shops or new 'Reverse Vending Machines' (RVMs) which would be located in supermarkets and other relevant locations.
- DRS systems increase recycling rates and can also reduce litter, but how the proposed system will interact with local authority collections, and whether the additional recycling can be counted towards performance locally, is unclear. There also remains a question about potential future revenue loss from the sale of these materials, if drinks containers are diverted from local authority collection systems.
- **Standardising recycling collections from businesses and households.** This will set requirements for local authorities to provide separate collections of food waste for composting and specify the range of materials to be included in recycling collections. These mirror the minimum standard requirements for household waste collection services set out in the London Mayor's Environment Strategy. Requirements on businesses to separate waste for recycling and composting are also proposed.
- Under the Consistency proposals all of the Constituent Councils will need to conduct assessments on the delivery of the required services and, notably, the degree to which materials should be collected separately from each other for recycling to satisfy tests set by Government.
- **Extended Producer Responsibility (EPR) for packaging.** This will require businesses in the packaging production and retail chain to pay for the costs of managing their waste packaging and includes a number of initiatives to make packaging more recyclable. EPR may provide an opportunity for additional funds for local authorities to support collection and recovery of packaging. This is to be consulted on by Government.

The Environment Bill as drafted enables DRS schemes and producer responsibility regimes for other materials to be brought forward by the Government in the future.

Other key provisions of the RWS relevant to this strategy include:

- **A tax on plastic packaging containing less than 30% recycled content** – In addition to the EPR and DRS proposals, which both include some focus on improving the management of plastic waste, the Government has introduced from April 2022, a tax on plastic packaging that contains less than 30% recycled plastic, and will use regulations to phase out single use unrecyclable packaging and place bans on the sale of other items such as drinking straws.
- **Ways of measuring performance beyond recycling rates** – The Government is exploring new ways to monitor the performance of resources and waste management systems, to try to better capture wider environmental impacts. This could include moving away from weight-based targets such as recycling rates, which can incentivise the recycling of heavier materials instead of those that offer greater environmental

benefits through recycling.

- The Partner Authorities will continue to measure performance using a range of metrics and will lobby Government to consult on the use of a carbon metric (and other proposed metrics). Further details on performance measurement can be found in Chapter 6.

### 3.2.2 Resource Efficiency and Scarcity

The natural resources we use are valuable, and as the population of the world increases, the demand for these resources will rise. This will put more pressure on the environment as new sources of these resources are explored, and will also increase the costs for using them.

With the harm we are doing to our environment becoming more severe, and increasing competition around the world for the natural resources we have already extracted, finding ways to use those resources more efficiently will continue to be an urgent priority. Reducing our overall consumption of resources is of the utmost importance, whilst ensuring that materials that are in circulation keep their value and continue to be used again and again will minimise the demand for extracting more from nature. Reducing our waste and reusing or recycling as much as possible are both vital to improving the efficiency of our use of natural resources.

Over time some of the resources we value will start to become scarce, as natural sources get depleted and the costs of finding more become prohibitive. Retaining resources we already have access to by reusing and recycling our waste will help to minimise the pressures that resource scarcity could create.

### 3.2.3 Greenhouse Gas Emissions

Climate change has become one of the most important concerns for governments and communities around the world, and the role that humans have played in causing it is now well understood. Taking action on climate change is an international priority, and is likely to continue to increase in importance as the effects of the global warming we are already seeing become more apparent. This strategy is being developed in the year that the 26th UN Climate Change Conference of the Parties (COP26) is being hosted in the UK (Glasgow).

The principal focus is on reducing the emissions of a range of 'greenhouse gases', such as carbon dioxide and methane, that are responsible for the rising global temperatures and subsequent disruptive effects on the climate and weather systems. The UK Government has set ambitious targets<sup>23</sup> to cut greenhouse gas emissions by 68% by 2030 (based on 1990 levels). This target is amongst the highest in the world, and commits the UK to cut emissions at the fastest rate of any major economy so far. Everyone has a role to play in achieving this target, and there are implications for all industry sectors. The national resources and waste policy aims to reduce carbon emissions and protect the wider environment by encouraging citizens to reduce consumption and subsequent waste, reuse what we can and recycle materials to retain the value.

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<sup>23</sup> [UK sets ambitious new climate target ahead of UN Summit - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/uk-sets-ambitious-new-climate-target-ahead-of-un-summit)

Reducing emissions is also a regional and local priority. The London Environment Strategy sets out a number of actions for reducing emissions through changes to our buildings, how we travel, the provision of parks and green spaces that can absorb some greenhouse gases, and how we consume and dispose of products. The Emissions Performance Standard (EPS) measures greenhouse gases released from London's local authority waste management activities and forms a core part of the Mayor's London Environment Strategy. The EPS aims to achieve significant carbon dioxide (CO<sub>2</sub>) emission savings from the management of London's local authority waste. The EPS focuses on treatment of waste with an emphasis on recovering materials which deliver greater CO<sub>2</sub> reductions. The EPS sets targets that London Boroughs are expected to contribute to through their RRP, and defines a Carbon Intensity Floor<sup>24</sup> (CIF) that residual waste solutions must meet. The Partner Authorities are all developing plans for cutting emissions arising from their own operations, as well as identifying ways that they can work with local communities to help residents play their part such as encouraging sustainable consumption.

In urban areas in particular, including East London, air quality is another important issue that is being tackled as the effects on human health of certain pollutants become clearer. Many of the activities that emit greenhouse gases are also the cause of local air pollution, so actions to adopt more sustainable lifestyles will help in tackling both problems. Some of the Partner Authorities have implemented air quality management areas, and all Partner Authorities are observing the London Environment Strategy requirements on emissions when planning for future vehicle fleets.

### 3.3 Preparing for the Future

The Partner Authorities have an aspiration to manage resources and waste more sustainably in the future, through a focus on reducing waste, increasing reuse and repair, and improving recycling.

Huge changes have happened to the types of waste that we have produced over previous decades, and this type of change is expected to continue. The Partner Authorities need to understand what the waste they collect and manage might look like in the future, covering a period that would match the lifespan of most kinds of large-scale waste treatment infrastructure. A period of 30 years from the end of the current long-term contract in 2027 has therefore been looked at, meaning predictions have been made to 2057. However, the Partner Authorities recognise that the accuracy of forecasts will reduce the further into the future they look, and as such will review the predictions every few years to determine whether anticipated growth, material changes and other factors have developed as expected.

Land use in the Partner Authorities' area will also change in the future, as new housing is built, transport links are improved, industries move in and out of the area, and major regeneration plans are developed and delivered. A changing local area will inevitably mean the amount and type of waste being generated also changes, and the Partner Authorities will need to be able to respond to this.

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<sup>24</sup> [Policy 5.17 Waste capacity | London City Hall](#)

### 3.3.1 How Did We Forecast?

A range of forecasting or 'horizon scanning' techniques were used to look at the factors which could influence the amount and type of waste that will be generated in the future.<sup>25</sup>

The first stage was to identify how much the amount and type of housing in the Partner Authorities' area might change, as this is likely to be the single biggest influence on the future generation of waste, and the interface between residents and their local waste and recycling collection services. The second stage was to predict how some of the proposals in the Resources and Waste Strategy might impact on future waste. Finally, an analysis was done of other political, economic, social, technological, legal and environmental (PESTLE) factors that might lead to changes to the types and quantities of products that are consumed and disposed of in the future (Figure 13). All of this analysis was based on research from around the world, as well as forecasting that other organisations or industries have done.

Examples of the types of forces considered include:

- Climate change making the UK warmer and wetter - increasing garden growth rates;
- Growth of online shopping and deliveries – cardboard;
- Smart Technology including smart home items (lights, speakers etc.) and wearable devices (glasses, wristbands, shoes etc.).

Figure 13: Overview of PESTLE Forces



<sup>25</sup> <https://eastlondonwaste.gov.uk/jointstrategy>

Three examples of future ‘worlds’ were created by grouping together different impacts:

**Green World** – this is a ‘best case’ scenario, where governments, communities and businesses all embrace the most environmentally conscious behaviours and lifestyles, leading to reductions in waste and the adoption of truly sustainable lifestyles.

**Current Trends** – in this scenario there continues to be improvements in legislation, product design and the adoption of sustainable lifestyles, but not to the extent as in the Green World scenario.

**Degraded World** – this is a very unlikely scenario, where even current environmental protections come to an end, and waste generation significantly increases.

In addition, to help provide some comparison with the current situation, current levels of waste generation per household were projected into the future using the forecasts for the amount of new housing that is expected to be built in the Partner Authorities’ area to understand how much waste there would be to manage with no other changes considered. This created a fourth ‘world’ known as Household Growth Only.

Figure 14: Example forces mapped against the three ‘worlds’

Forces	Potential outcomes 1 Green World	Potential outcomes 2 Current Trends	Potential outcomes 3 Degraded World
<b>Climate change making the UK warmer and wetter - increasing garden growth rates</b>	Increased rates of garden vegetation growth and further land dedicated to allotments. Increased levels of growing food at home. Increased consumption of salad and vegetables. Increased garden waste arisings and higher levels of participation in food waste collections.	Increased rates of garden vegetation growth. No new allotments. Slow take up of growing food at home. Some increase in consumption of salad and vegetables. No change in garden waste arisings. Food waste recycling collections are introduced.	Increased rates of garden vegetation growth. Reduced number of allotments due to housing developments. Slow take up of growing food at home. Some increase in consumption of salad and vegetables. No change in garden waste arisings. Food waste recycling collections are rejected by government.
<b>Growth of online shopping and deliveries - cardboard</b>	Increased switch to online shopping and deliveries (currently 15 - 20% of all consumer goods are sold online). Pro-environmental behaviours encourage reduced levels of consumption and high levels of recycling. Take back schemes embraced. Use of crates increases. New schemes enter the market in the medium term and refills increase.	Online consumption increases. Increased arisings of cardboard in the short term which is recycled (change in composition). Take back schemes in the longer term - embraced where compulsory (reduction in cardboard produced and recycled).	Online consumption increases. Increased arisings of cardboard in the short term which are not recycled. Take back schemes in the longer term - only used where compulsory.

Forces	Potential outcomes 1 Green World	Potential outcomes 2 Current Trends	Potential outcomes 3 Degraded World
<b>Smart Technology including smart home items (lights, shower, speakers etc.) and wearable devices (glasses, wristbands, shoes etc.)</b>	Increased levels of Waste Electrical and Electronic Equipment (WEEE) due to an increase of Internet of Things (IoT) and required sensors. Items that aren't considered WEEE currently will need to be re-categorised in the future. E.g. textiles. Comprehensive take back for WEEE items Extended Producer Responsibility (EPR) and widespread recycling options that are used.	Increased WEEE arisings due to an increase of IoT and required sensors. Items that aren't considered WEEE currently will need to be re-categorised in the future. E.g. textiles. Comprehensive take back for WEEE items (EPR) recycling increases in line with increased arisings.	Increased WEEE arisings due to an increase of IoT and required sensors. Items that aren't considered WEEE currently will need to be re-categorised in the future. E.g. textiles. Comprehensive take back for WEEE items (EPR) used when financially viable.

It was decided to base this Joint Strategy on the Current Trends world, which anticipates reductions in waste per household compared to the current situation but recognises that the transition to a comprehensively more sustainable economic model will take a considerable amount of time to achieve. However, if everyone makes a strong commitment to living more sustainably, the outcomes projected in the Green World scenario could be achieved. The Partner Authorities will ensure that future services are able to respond to the world changing in a different way than has been projected, and will support efforts across society to move towards a future that is as close as possible to the Green World.

### 3.3.2 Our Predictions for the Future

The Current Trends world considered a wide range of possibilities, and anticipated gradual increases in policy, legislation and social trends that will help to protect the environment. Many of the current barriers to more sustainable ways of life are expected to continue, but growing concern about the environment will lead to greater awareness and consideration of waste generation by individuals, organisations and governments.

The impacts of these predictions on materials vary, but notably the following types of waste are anticipated to increase:

- Waste electrical and electronic equipment
- Nappies and other absorbent hygiene products
- Plastic film

Recycling opportunities for plastic film and electronic equipment are expected to increase, as is the use of food waste for generating energy and making soil improvers. The use of paper is expected to continue to decrease, but this will be offset to some degree by the increasing use of cardboard for packaging and home deliveries.

### 3.3.3 Preparing for the Unforeseen

The process to forecast what the world may look like in the future was completed before the emergence of the Covid-19 pandemic in March 2020. Although local authorities plan for a number of events as part of managing risks, the size, severity and length of the Covid-19 outbreak was not foreseen.

At the time of writing this Joint Strategy, the pandemic is still ongoing and organisations across the resources and waste industry are continuing to manage its impacts. These have included more household waste being generated as many people started working from home, fluctuations in global material markets as international trade was disrupted, and large amounts of healthcare waste starting to be generated as testing and vaccination regimes got underway.

There are also a number of possible long-term impacts from the pandemic that are starting to be discussed at a local, regional, national and even international level. These range from relatively short-term economic downturns to fundamental shifts in how and where people live and work.

The Covid-19 pandemic has highlighted the need for greater resilience in how services are planned and delivered, but has also demonstrated how sudden events could set the world on a different path than had been predicted. The Partner Authorities will take the learning from this pandemic on board in the planning of future services, and will monitor the long-term changes that could come about to ensure that the forecasts of future waste types and quantities explained in this chapter remain relevant.



## 4 Where Do We Want To Be?

The Partner Authorities have high aspirations for increasing the sustainability of local resources and waste management in the future, as outlined in the aims and objectives for the Joint Strategy (see boxes below). This chapter sets out the Partner Authorities' priorities and aspirations for resources and waste management for the Joint Strategy period.

### Joint Strategy Aims

The aims of the Joint Strategy are:

- A1. to promote and implement sustainable municipal resources and wastes management policies in East London as part of transitioning to a Circular Economy;**
- A2. to minimise the overall environmental impacts of resources and wastes management;**
- A3. to engage residents, community groups, local business and any other interested parties in the development and implementation of the above resources and wastes management policies; and**
- A4. to provide customer-focused, cost-effective, best value services.**

### Joint Strategy Objectives

The objectives of the Joint Strategy are:

- O1. to minimise the amount of municipal wastes arising;**
- O2. to maximise reuse, recycling and composting rates;**
- O3. to maximise the diversion of resources and wastes from landfill, particularly organic materials that would produce greenhouse gases;**
- O4. to co-ordinate and continuously improve municipal wastes minimisation and management policies in East London;**
- O5. to manage municipal wastes in the most environmentally benign and economically efficient ways possible, including reducing greenhouse gas emissions, through the provision and co-ordination of appropriate resources and wastes management facilities and services;**
- O6. to ensure that services and information are fully accessible to all members of the community;**
- O7. to maximise all opportunities for local regeneration and increased social value benefits from waste and resource management, including employment, skills and wellbeing; and**
- O8. to ensure an equitable distribution of costs, so that those who produce or manage the waste pay for it.**

Priorities outlined in this chapter are based on extensive modelling, and provide realistic and appropriate steps that align to, and will contribute towards, London-wide and national policies and targets. Further details on the modelling work can be found in the Technical Reports<sup>26</sup> for this Joint Strategy.

As discussed in chapter 2, as the Partner Authorities move beyond the existing integrated waste management contract in 2027, there is scope to implement more flexible and ambitious waste management policies and an eagerness to do so. As set out in Chapter 3 it is difficult to predict the future and the Partner Authorities commit to review their aspirations as circumstances change in line with the aims and objectives of the Joint Strategy.

## 4.1 Waste Prevention

In line with the Waste Hierarchy, waste prevention provides the greatest environmental and cost benefits for the communities of East London, so is a top priority for the Partner Authorities.

An East London Waste Prevention Programme was approved in February 2021 so that the Partner Authorities can increase their role in preventing waste as soon as possible. The plan includes activities which specifically target key materials, and will facilitate simple ways that residents, businesses and other stakeholders can work together to reduce waste.

### Priority materials

Waste prevention activities will focus on a number of priority waste streams that reflect the:

- amount of material within the residual waste either at the kerbside or RRC;
- opportunities to reduce carbon emissions;
- opportunities to protect material scarcity; and
- imperative to minimise the use of plastic.

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<sup>26</sup> <https://eastlondonwaste.gov.uk/jointstrategy>

The following table sets out the Partner Authorities' priorities and actions on waste prevention:

**The Partner Authorities' waste prevention priorities:**

- Continue to work with residents and businesses to reduce waste growth and contribute to the London wide aspiration of becoming a 'zero waste city'
- Support the London wide target of reducing food waste by 50% by 2030 and will work with the Greater London Authority, ReLondon<sup>27</sup> and other authorities to do this
- Work to raise awareness of the individual, community and environmental benefits of reducing waste

**More specifically we will:**

- Develop waste prevention plans, Reduction and Recycling Plans, or other appropriate tools that outline the actions that will be taken to provide communications, engagement and access to services that help residents reduce waste and save money
- Support national and regional campaigns on waste prevention, and develop local campaigns to support projects and services
- Develop partnership arrangements with community organisations, housing associations local authorities, and other key stakeholders to enhance work on waste prevention
- Work with the Government, other local authorities and key stakeholders to promote higher standards of product design and manufacture, to prolong product lifecycles and reduce avoidable waste

**Objectives:** These priorities meet the following objectives of this Joint Strategy: O1, O2, O3, O4, O6, O7

## 4.2 Reuse and Repair

Increasing the amount of unwanted or broken items that are diverted for reuse or sent for repair will not only reduce the environmental impacts of waste management, but will also provide community benefits through support of local businesses and community organisations, enhancing job opportunities and training. Establishing a local circular economy will also improve access to reduced price goods for lower income families – a social value benefit.

The Partner Authorities will work to significantly increase reuse and repair activities within East London, and work with communities to encourage reuse and repair for both disposing of unwanted items and the purchase of new. Reuse and repair will form a significant part of the Waste Prevention Plan which will start in 2021.

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<sup>27</sup> Formally known as LWARB – the London Waste and Recycling Board

The following table sets out the Partner Authorities' priorities and actions on reuse and repair:

**The Partner Authorities' reuse and repair priorities:**

- Work to increase the amount of products that are kept in local circulation through reuse and repair services
- Seek to normalise reuse within our communities as a means of disposing of unwanted items
- Seek to promote the purchase of reused, refurbished and repaired products as a beneficial alternative to buying new
- Seek to advance local green economy job and training opportunities through supporting the development of reuse and repair services

**More specifically we will:**

- Explore options for providing or supporting existing and new reuse collection services from homes and businesses
- Investigate opportunities for increasing reuse provision at the Reuse and Recycling Centres, including on-site retail outlets where viable
- Work with reuse organisations to develop / expand existing valued partnerships, strengthen local offerings, and support increases in scope and capacity to enhance the services available to residents
- Raise awareness of repair options available within the Partner Authorities' area
- Participate in national, regional and sub-regional campaigns promoting reuse and repair, and undertake local promotion of the benefits and range of available services
- Work with the Government, other local authorities and key stakeholders to promote higher standards of product design and manufacture, to enhance opportunities for cost-effective reuse

**Objectives:** These priorities meet the following objectives of this Joint Strategy: O1, O2, O3, O4, O5, O6, O7

### 4.3 Recycling

The structure of the current long-term contract for waste treatment and the wider context in the Partner Authorities' area has made it more difficult for the Partner Authorities to keep up with other parts of the country in increasing recycling. However, when this contract ends in late 2027 and the policy landscape changes, there will be new opportunities to improve performance. The Constituent Councils have already identified ways that they will be working to increase recycling before the end of the contract through their RRP. As has been explained in previous chapters, the Partner Authorities' area also faces increasing challenges in achieving high recycling, notably because a larger proportion of high-density flats is being built across the area than in most other parts of the capital.

Another challenge relates to the current MBT processes which recover some materials for recycling, including glass, metals and dried food waste. The recycling of these recovered materials counts toward local recycling rates at present. However, at the time of writing this Joint Strategy, there are indications that the dried food waste may no longer be able to be

counted towards local recycling performance in the future because of some proposed changes to Government policy. This could mean up to a 5% reduction in current local recycling rates.

The Partner Authorities will work with the Government, other local authorities and waste industry bodies to try to reduce the impact of this proposed change, as the recovery of the dried food waste presents clear environmental benefits that should continue to be encouraged. However, if the proposed change does happen, targets set for the future will need to take the loss of the current (up to) 5% contribution into account.

#### 4.3.1 Modelling Future Performance

To understand what future recycling performance could look like, extensive modelling has been undertaken<sup>28</sup>. This has used the forecasts of future waste levels that were explained in the previous chapter, and has looked at how improvements to recycling services and investment in communications that the Partner Authorities could make would increase local recycling rates. The modelling has taken into account the large and increasing number of flats within the region and the challenges these properties face with recycling.

The modelling focused on the likely required household waste and recycling services that the Government has proposed through the “Consistent Recycling Collections” chapter of the national Resources and Waste Strategy. All collection options include a separate food waste collection service, along with the addition of glass and a wider range of plastics to recycling collections. The modelling of future performance includes assumptions on the likely impact of the proposed introductions of a Deposit Return Scheme (DRS) for drinks containers and an Extended Producer Responsibility (EPR) regime for packaging waste. The future types of waste treatment technology that will be used are currently unknown (see Section 4.4), so to help the Partner Authorities understand what levels of recycling they might be able to achieve if current industry-standard approaches to waste treatment were used after 2027, the modelling has assumed that there will be no contribution to local recycling rates from recovery of materials from the residual waste. The continuation of current arrangements for garden waste and provision of weekly rubbish collections for all residents are included in the modelling.

At the time of writing this Joint Strategy, the Government is still working on implementing the proposals within the Resources and Waste Strategy. The Partner Authorities support these proposals as they should result in many environmental benefits, a general increase in recycling across the country and a move towards the ‘polluter pays’ principle. The proposed DRS in particular could result in recyclable waste being collected by organisations other than local authorities. The Partner Authorities have assumed in the modelling that cans and bottles recycled through the DRS will still count towards local recycling rates. The Partner Authorities will monitor and engage with the forthcoming Government consultations to fully understand potential implications and will place the targets in the context of the new policy environment when it becomes clearer.

#### 4.3.2 Aspirations for Future Performance

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<sup>28</sup><https://eastlondonwaste.gov.uk/jointstrategy>

The modelling has revealed that a minimum **joint** recycling performance of 35% of Local Authority Collected Waste (LACW) by 2030 is realistic, given the above challenges. This assumes that current performance levels will reduce by as much as 5% in the intervening years because of the proposed change to how local recycling rates are calculated (as explained in 4.3).

The Partner Authorities aspire to jointly achieve considerably more than 35% recycling and composting of Local Authority Collected Waste, in order to help London meet the strategic ambition of 50% set in the London Environment Strategy.

Achieving higher levels of recycling will require everyone to play their part, reducing and reusing their waste as much as possible, separating items for recycling whenever and wherever they can while also being careful to correctly dispose of non-recyclable items. The Partner Authorities will work with local residents, businesses and other stakeholders to continuously educate on and promote recycling, and will focus particular efforts on reducing contamination and improving recycling performance in blocks of flats. The opportunities to increase local recycling rates through cost-effective recovery of more material from the residual waste will also be explored as part of a procurement plan, which is covered in the next section.

The Partner Authorities will work together as emerging national policy on resources and waste continues to evolve, in order to understand how best to provide services and maximise opportunities to further improve local recycling performance.

The individual borough contributions that make up the joint performance aspirations are set out in the table below.

**Table 1:** Borough Contributions to the Joint LACW Minimum Recycling Performance and Borough /LES Aspirations for 2030<sup>2930</sup>

<b>Borough</b>	<b>2030 LACW Minimum Performance</b>	<b>Borough / LES Aspiration</b>
Barking & Dagenham	35%	50%
Havering	45%	50%
Newham	28%	50%
Redbridge	35%	50%
<b>Joint Performance</b>	<b>35%</b>	<b>50%</b>

<sup>29</sup> Note: Recycling contributions from RRCs and residual treatment processes managed by ELWA are apportioned to individual Boroughs and form part of these performance figures

<sup>30</sup> The differences in performance contribution between the Partner Authorities relates to the factors that can challenge recycling performance, outlined in Chapter 2, such as proportion of flats and gardens.

### 4.3.3 Contribution to National and Regional Targets

The joint minimum performance and local aspirations proposed would allow the Partner Authorities to contribute to the targets set out in the Resources and Waste Strategy:

- 50% of household waste recycled or composted by 2025
- 65% of municipal waste (which includes waste from businesses that is similar to household waste, comprising materials like food, paper, plastic etc.) recycled or composted by 2035

A contribution would also be made to the targets the Mayor of London has set in the London Environment Strategy (which was completed shortly before the RWS was published):

- 50% of local authority waste recycled or composted by 2025
- 65% of municipal waste recycled or composted by 2030

The targets outlined within the RWS and LES are high, and it is acknowledged that nationally and across London there are many authorities with lower numbers of flats and greater levels of garden waste that will achieve and exceed the targets. The Partner Authorities have set a realistic joint minimum performance based on the local circumstances and future challenges that were explained earlier in this Joint Strategy, but will continue to work together and with the wider community to identify ways to increase recycling further and meet local aspirations for higher performance.

The following table sets out the Partner Authorities' priorities and actions on recycling:

#### **The Partner Authorities' recycling priorities:**

- We aspire to reach 50% recycling, and will work with local communities in this regard
- We aim to achieve a minimum joint reuse, recycling and composting performance of 35% of LACW by 2030
- We will work together to offer the Mayor's minimum level of household recycling service provision, providing residents with straightforward and easy-to-use recycling collection services
- We will improve the quality of recycling collected and reduce contamination
- We will improve recycling performance in houses and blocks of flats
- We will work alongside new policy commitments including DRS and the EPR regime for household packaging to maximise opportunities for increasing recycling

#### **More specifically we will:**

- Introduce separate food waste collections for street level properties and blocks of flats, in line with anticipated regulations and Government guidance
- Expand household collection services to allow residents to recycle a wider range of packaging and containers where relevant markets exist
- Continue to investigate opportunities to recycle even more materials, through collection services, public recycling facilities and the Reuse and Recycling Centres

- Work with In-house commercial waste services and private waste companies to ensure that businesses in East London are able to access cost-effective recycling services
- Work with our residents and businesses to increase awareness of recycling
- Provide feedback to residents and businesses on contamination, and highlight the need for material quality
- Identify opportunities to use the ReLondon 'Making Recycling Work for People in Flats toolkit'<sup>31</sup> or other suitable approaches to improve recycling performance in blocks of flats
- Work with the Government, other local authorities, producers and key stakeholders to develop better approaches to the planning and design of new developments to ensure residents are able to recycle easily
- Work together to identify opportunities to extract more recyclable material from bulky waste, street cleansing waste and fly tipped materials
- Explore opportunities to increase recycling through recovery of materials from other waste streams
- Support London Recycles messaging and campaigning to ensure that a consistent reduce, reuse, recycle message is delivered across London
- Work with the Government, other local authorities, producers and key stakeholders to promote standards of product design that enhance opportunities for cost-effective recycling

**Objectives:** These priorities meet the following objectives of this Joint Strategy: O2, O3, O4, O5, O6

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<sup>31</sup> [Report - Making recycling work for people in flats | ReLondon](#)



## 4.4 Supporting Improvements with Infrastructure

### 4.4.1 Why Do We Need New Infrastructure?

The end of the long-term integrated waste contract in 2027 will mean that ELWA needs to make new arrangements to manage the waste and recycling collected by the Partner Authorities. This is a process that can take several years to plan because of the large investments that may be needed in new infrastructure.

The end of this contract also provides an opportunity for improvements to be made to reuse and recycling services for households and businesses. It can take time to plan these types of improvements, particularly where investment in new contracts or vehicles are required, and there will be differing infrastructure needs to support these arrangements.

It is important for ELWA and the Constituent Councils to work together on planning future arrangements for managing resources and waste, so that the right types and sizes of waste and recycling treatment are available, and the best whole system solution is obtained.

### 4.4.2 What Are the Priorities for the Partner Authorities?

Due to the uncertainties around the detail of future policy and the capacity available for different types of infrastructure in 2027, it is not appropriate or possible to set out a prescribed solution for the reuse, recycling and waste treatment/disposal of waste handled by ELWA beyond 2027 at this stage.

ELWA will develop a procurement plan to support the delivery of future waste treatment capacity from 2027 onwards, and will work with the Constituent Councils to understand their infrastructure needs as they make plans for any future changes to waste and recycling collection services.

The following table sets out the Partner Authorities' priorities and actions for supporting local performance improvements with infrastructure:

#### **The Partner Authorities' infrastructure priorities:**

- We will contribute to national and regional targets on reducing waste sent to landfill
- We will secure access to waste treatment capacity in ways that support the Partner Authorities' priorities around reuse, repair and recycling
- We will establish resilient, responsive and flexible arrangements for future waste treatment, so that the Partner Authorities can continue to improve local services while remaining responsive to changes in global material markets and international policy
- We will seek to procure waste treatment services that provide local economic, environmental and social benefits
- We aim to support the Mayor's target of managing the equivalent of 100% of London's waste within the capital

**More specifically we will:**

- Maximise the use of, and value from, ELWA's existing waste treatment contract
- Develop a procurement plan for future waste treatment capacity, to support the aims and objectives of this Joint Strategy. A Strategic Environmental Assessment screening will form part of the procurement plan process
- Ensure effective and responsible future commissioning, considering issues such as flexibility, resilience, value for money, service quality, social value, and environmental impacts including greenhouse gas emissions
- Ensure that any future contracts commissioned will not impede the Partner Authorities' ability to improve recycling in line with aspirations to reach 50%
- Investigate options for supporting the development of appropriate new local infrastructure for reuse, repair and remanufacture, which provide opportunities for local regeneration
- Work with the Greater London Authority to deliver future infrastructure and waste treatment capacity solutions that align with the policies set out in the London Environment Strategy, and ensure compliance with the Mayor of London's Carbon Intensity Floor requirements<sup>32</sup> for any technology solutions considered that may include energy recovery (note: technologies will be considered as part of a procurement plan)
- Work with the Government, other local authorities and key stakeholders to encourage the development of local materials reprocessing capacity

**Objectives:** These priorities meet the following objectives of this Joint Strategy: O1, O3, O4, O5, O7

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<sup>32</sup> [London Environment Strategy - Policy 7.3.2.b](#)

## 5 How Do We Get There?

The Joint Strategy has so far set out a number of priorities and actions for improving performance on waste reduction, reuse and recycling, as well as delivering future waste treatment capacity. This chapter will focus on how the Partner Authorities will work together to achieve, and improve on, the targets and aspirations set out in the previous chapter.

### 5.1 Partnership Working and Progress Reporting

This Joint Strategy has been developed by the Partner Authorities. The continuation of joint working will be important in successfully delivering the aims and objectives the Partner Authorities have set out (Section 1.4), and the Partner Authorities will need to work collectively to monitor progress against these goals. Appropriate governance arrangements will be developed to do this, which could include a Joint Strategy board or formal committee, which is likely to undertake activities including:

- allowing the Partner Authorities to share information on local proposals for improving services;
- identifying opportunities for residents and other stakeholders to provide feedback on progress;
- tracking the development of the ELWA procurement plan;
- continuing to engage with the GLA and other key stakeholders on future procurement and other key plans; and
- discussing further changes to national or regional policy that may influence the management of resources and waste in the Partner Authorities' area including those linked to carbon emissions.

New partnerships will also be important to helping to improve performance on waste reduction, reuse and recycling. Where appropriate, formal arrangements will be set up with other key organisations, such as local charities providing reuse services. More informal partnership working will be developed with national, regional and local organisations that have common goals to reduce waste, increase reuse and repair, and improve recycling. These organisations could include other local authorities or organisations representing local government.

### 5.2 Delivering Improvement

The Partner Authorities have committed to improving performance on waste reduction, reuse and recycling, and have set a joint minimum performance of 35% reuse, recycling and composting of their collected wastes by 2030 with aspirations to contribute as much as possible towards the London-wide ambition of 50%.

The modelling that has been carried out to support the development of this Joint Strategy has provided the basis for setting performance aspirations through consideration of standard service models, and some anticipated service improvements have been highlighted. As discussed in section 4.3 the aspirations also take into consideration predicted changes to the way that recycling rates will be reported in the future which would mean a reduction in the current recycling rate.

Under the Government's Consistency proposals, all of the Partner Authorities will need to conduct assessments on the delivery of the required services and, and the degree to which materials should be collected separately from each other for recycling. This will require close coordination between the Constituent Councils and ELWA to ensure that the waste handling and treatment solutions driven by the collection services are deliverable in the context of the Partner Authorities' area. These review points will also provide an opportunity to ensure services are cost-effective, meet local needs, and are able to take full advantage of the opportunities that new national policies may bring.

The nature of the current long term waste treatment contract means that it may not be cost-effective for the Partner Authorities to make significant improvements to services before 2027. However, the Partner Authorities also recognise the importance of increasing local recycling rates as soon as possible and complying with emerging policy from the Resources and Waste Strategy, so will undertake analysis to determine the best times to make any changes that are planned during the transition process to new waste treatment arrangements. Service improvements will be set out in the Constituent Councils' Reduction and Recycling Plans. Work will also be undertaken to determine the most effective methods for equitably distributing the costs of future waste and recycling treatment services, in order to reduce barriers to improved performance and align with new policy and funding regimes such as those being developed by Government under the national Resources and Wastes Strategy.

### 5.3 Responding to Change

The Partner Authorities have identified a number of national and regional policies and initiatives that could affect how resources and waste are managed in the future, and have included estimated impacts within the forecasting and modelling work that underpins this Joint Strategy. This includes some of the proposals within the national Resources and Waste Strategy, for which experience and benchmarking from other European countries has been used to estimate what impact there could be in East London.

At the time of writing this Joint Strategy, the Covid-19 pandemic is causing significant change and disruption across the world. The immediate impacts of this pandemic on resources and waste management in the Partner Authorities' area are well understood, but there could be longer-term effects that cannot yet be predicted.

Over the period of the Joint Strategy there are also likely to be other issues that arise which may mean that there are changes to how resources and waste are managed. The extensive forecasting work that has been undertaken to support the development of this document has attempted to identify a large number of these, including housing growth, climate change and innovations in product design, with research being used to develop predictions about what effect they may have. However, there may be other issues that arise which have not been foreseen, particularly in the longer term. As mentioned previously, effective future commissioning will consider issues such as flexibility and resilience as well as value for money, service quality, social value, and environmental impacts including carbon emissions

The Partner Authorities will work together to review evolving national policy, so that the implications for local services and performance can be fully understood at the earliest opportunity. The Partner Authorities will also continue to work closely with one another to

understand how other issues are developing that may mean there needs to be fresh consideration of how resources and waste management could change in the future and the role that the Partner Authorities could play in mobilising a green economic recovery.

## 5.4 Reviewing the Joint Strategy

This Joint Strategy covers a 30-year period from the end of ELWA's current waste treatment contract in 2027.

Such a long-term strategy will require reviewing and updating to reflect how East London is changing, waste and recycling services are developing, performance is improving, and national and regional policy is evolving (including the London Environment Strategy, which has its own review periods<sup>33</sup>).

The Partner Authorities will commit to undertake a high-level review of this Joint Strategy to ensure the targets, priorities and aspirations are appropriate once new national policy has been implemented, and once future waste and recycling collection and treatment arrangements are better understood. The Partner Authorities will launch this review at the appropriate time, and will commit to this taking place by 2028. Reviews thereafter will be conducted at intervals of not more than 10 years, to ensure the Joint Strategy continues to drive improvement and enable the Partner Authorities to respond to evolving innovations and policies on resources and waste management.

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<sup>33</sup> [LES Implementation Plan](#)

## 6 Measuring Success

This Joint Strategy sets out the principles for a long-term approach to managing waste and resources. The Partner Authorities will carry out regular reviews and updates to make sure the approach continues to be relevant, appropriate and effective. This will include monitoring the contribution to all of the Mayor of London's targets in any future update of the London Environment Strategy.

In order to know whether the aims and objectives of the Joint Strategy are being met, it is important to establish, monitor and report on appropriate measures.

### 6.1 Current Performance Indicators

The key measures which are currently reported by the Partner Authorities to the GLA and the UK Government currently include:

- Total tonnage of residual (non-recycled) waste per household (NI 191)
- Percentage of household waste sent for reuse, recycling or composting (NI 192)
- Percentage of waste sent to landfill (NI 193)

### 6.2 Proposed Performance Indicators

This section identifies the performance indicators that the Partner Authorities will use to monitor progress against the aims and objectives of the Joint Strategy.

#### 6.2.1 Weight-Based Targets

##### **Residual waste per household (kilograms/household/year) (NI 191) and per head (kilogram/head/year)**

These will be core performance indicators for the Partner Authorities. They measure the amount of residual household waste that residents dispose of, either through their regular collection from home, at the Reuse and Recycling Centres, or through street litter bins. Positive performance is indicated by the figures reducing against the indicators, and this can be achieved not only by recycling, but also through reducing overall waste generation and diverting more unwanted or broken items for reuse or repair.

Evolving national policies may result in less recyclable waste being presented to local authorities to manage, with it instead being returned to producers through take-back schemes or a national Deposit Return Scheme. This would be a positive development, but it could be detrimental to the recycling performance that local authorities are able to report. However, the positive impacts of these types of scheme would still be captured through monitoring of these indicators, as the amount of residual waste that residents produce would be likely to reduce.

These measures will allow monitoring against the following objectives of this Joint Strategy:

O1, O2, O4, O5, O6

### **LACW reused, recycled or composted (%)**

This is an expansion of the existing NI 192 measure of reuse, recycling and composting performance, which takes into account all Local Authority Collected Waste (LACW). This includes household waste, as well as the commercial waste that local authorities collect from local businesses that choose to use the council's service. Use of this measure is in line with the London Environment Strategy, which has set reuse, recycling and composting targets for LACW, and this Joint Strategy has set a joint minimum performance against the LACW measure of 35% by 2030 with aspirations to reach 50%.

This measure will allow monitoring against the following objectives of this Joint Strategy:

O1, O2, O4, O5, O6

### **Percentage of waste sent to landfill (NI 193)**

This indicator will monitor how well the Joint Strategy is delivering against national and regional targets on reducing the use of landfill. Disposing of waste in landfill does not allow either the material or energy content to be recovered, so is considered to be the least desirable method of disposal.

This measure will allow monitoring against the following objectives of this Joint Strategy:

O3, O4, O5

In addition, the Partner Authorities will continue to report against the existing household waste-based reuse, recycling and composting indicator (NI 192), until such a time as it is reviewed by the Government. This indicator is no longer statutory, but continues to be used by local authorities for consistency and performance monitoring and so is useful for benchmarking.

### **6.2.2 Greenhouse Gas Emissions**

The consumption of goods and services, and the management of the resources and waste that arise from these activities, results in greenhouse gas emissions. These emissions can vary significantly according to how the waste materials are being managed, and it is important to consider the "whole system" of collections and treatment when comparing different approaches to resources and waste management.

It is common for the measurement of different greenhouse gas emissions to be standardised into 'carbon equivalent' emissions. This reflects that the various greenhouse gases (such as carbon dioxide and methane) have different impacts when released into the atmosphere, and allows for easier comparisons of the many types of activity that produce greenhouse gas emissions.

Carbon emissions will need to be monitored to help the Partner Authorities understand how the Joint Strategy is delivering against local, regional and national ambitions on reducing environmental impact and achieving 'net zero' carbon emissions.

At the time of writing this Joint Strategy, the Constituent Councils are developing local approaches for measuring, monitoring and reducing carbon emissions. The Partner Authorities will work together to develop suitable measuring and monitoring frameworks for

the Joint Strategy, so that the impacts of resources and waste management can be appropriately reported at a local level.

At a regional level, the GLA's Emissions Performance Standard will be used to monitor performance and model the impacts of proposed new services, and new waste treatment solutions will be assessed against the Carbon Intensity Floor<sup>34</sup> where applicable. The Partner Authorities will also feed into national reporting regimes as they are developed.

These approaches to monitoring greenhouse gas emissions associated with the management of East London's resources and waste will allow monitoring against the following objectives of this Joint Strategy:

O4, O5

### 6.2.3 Air Quality

Air quality is a top priority in many urban areas, including East London, and developing approaches to reducing pollution and improving the quality of the air we breathe requires a good understanding of the sources of pollution.

The collection and treatment of resources and waste needs to be considered as part of improving air quality. The Partner Authorities will work together to develop effective reduction, abatement, measuring and monitoring approaches for pollution emissions associated with local resources and waste management, feeding into regional work being taken forward to deliver on the air quality policies within the London Environment Strategy.

These approaches to monitoring air quality impacts associated with the management of East London's resources and waste will allow monitoring against the following objectives of this Joint Strategy:

O4, O5

### 6.2.4 Social Value

Increasingly, organisations are considering their activities holistically, taking account of the wider economic, social and environmental effects of their actions. Social Value serves as an umbrella term for these broader effects, and organisations which make a conscious effort to ensure that these effects are positive can be seen as adding social value by contributing to the long-term wellbeing and resilience of individuals, communities and society in general<sup>35</sup>. Local Authorities can take social value into account through their policy and spending decisions to maximise the benefit for the communities they serve.

There are established tools for understanding the social value that different services or contracts can bring, which can then be used to monitor the delivery of the anticipated social benefits. One example is the Social Value Portal, which a number of local authorities are now using as part of their procurement and contract management processes. The Partner Authorities will explore the options available for monitoring and reporting on social value, so

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<sup>34</sup> [London Environment Strategy - Policy 7.3.2.b](#)

<sup>35</sup> [What is Social Value? - Social Value Portal](#)



that opportunities to enhance local communities through this Joint Strategy and the development of future services are fully realised.

Monitoring the social value of local resources and waste management services will allow monitoring against the following objectives of this Joint Strategy:

O4, O5, O6, O7

### 6.3 New Performance Measures

In 2019 the Government consulted on proposals contained within the Resources and Waste Strategy to reduce waste, increase recycling and improve the quality of the recycling collected. As part of further consultations due to be released in 2021, the government is seeking views on introducing new national Key Performance Indicators and developing alternative methods for measuring performance on resources and waste management. Waste-related performance has traditionally been measured by weight, but the limitations of this approach are becoming clearer as it can result in a focus on collecting heavier recyclable materials (such as garden waste) rather than those which may offer the best overall environmental benefits through being recycled.

The Government has recognised that other methods of measuring waste and recycling performance are needed, such as looking at the impact on climate change.

As mentioned in Chapter 3.2.1, the Government is increasingly using a natural capital approach when developing and implementing policy. The importance of nature has also been emphasised in the recent publication, *The Economics of Biodiversity: The Dasgupta Review*<sup>36</sup>, which highlights the need to change how we think, act and measure success. It states that 'introducing natural capital into national accounting systems would be a critical step towards making inclusive wealth our measure of progress'. It is likely that over the life of the Joint Strategy new metrics will be introduced that place an emphasis on the value of nature including valuing our natural resources.

The Partner Authorities will continue to monitor the evolution of these proposals in addition to wider environmental proposals, and will adapt their monitoring and reporting approaches accordingly.

Developing new environmental performance measures in line with evolving national and regional policy will allow monitoring against the following objectives of this Joint Strategy:

O4, O5

### 6.4 New Funding Regimes

The Partner Authorities will review the way in which ELWA's costs are apportioned between the Constituent Councils so that, the Constituent Councils' pay equitably for the services they use. The most appropriate time to implement any changes is expected to be when successor services to ELWA's current long-term contract are put in place.

Such new financial arrangements will have to take account of new national regimes to be

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<sup>36</sup> [Final Report - The Economics of Biodiversity: The Dasgupta Review - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/92122/final-report-the-economics-of-biodiversity-the-dasgupta-review.pdf)

introduced under the Resources and Waste Strategy, once these have become clear. Similarly, any further new national regimes introduced during the term of this Joint Strategy may require a further review to ensure there continues to be an equitable distribution of costs.

The Partner Authorities should then all have both an environmental and a financial business case to improve services and reduce environmental impacts as much as possible.

Developing new financial arrangements locally will allow monitoring against the following objectives of this Joint Strategy

O8

## Glossary

Term	Definition
<b>Biodegradable Waste</b>	Biodegradable waste is any product that can be easily broken down naturally by water, oxygen, the sun's rays, radiation, or microorganisms. It includes most food and green garden waste, and can include some paper and card.
<b>Carbon Dioxide (CO<sub>2</sub>)</b>	Principal greenhouse gas related to climate change.
<b>Carbon Dioxide-Equivalent (CO<sub>2</sub>e)</b>	The universal unit of measurement used to indicate the global warming potential (GWP) of greenhouse gases. It is used to evaluate the impacts of releasing (or avoiding the release of) different greenhouse gases. For example, the GWP of methane is 21 times that of CO <sub>2</sub> , which has a GWP of 1. Sulphur hexafluoride has a GWP of 23,900. A CO <sub>2</sub> -equivalent figure is used to represent the warming impact of greenhouse gases.
<b>Carbon Footprint</b>	Total greenhouse gas emissions resulting from an activity or group of activities, including embodied carbon.
<b>Carbon Intensity Floor</b>	The CO <sub>2</sub> e emissions performance level set for electricity generated from London's municipal waste to achieve. The carbon intensity floor has been set at the level whereby any electricity generated from London's municipal waste is to be no more polluting in carbon terms than the electricity source it replaces. The carbon intensity floor sits within the Emissions Performance Standard that has been set for London's activities associated with the collection, treatment and final disposal of London's municipal waste to achieve.
<b>Circular Economy</b>	An economic model in which resources are kept in use at the highest level possible for as long as possible in order to maximise value and reduce waste, moving away from the traditional linear economic model of 'make, use, dispose'.
<b>Climate Change</b>	A large scale, long-term shift in the planet's weather patterns or average temperatures. Characterised by higher temperatures, sea level rise, changing rainfall, and more frequent and severe extreme weather.
<b>Commercially Collected Waste</b>	Waste from businesses in the possession or control of a body or organisation that is not a waste authority
<b>Composition Analysis</b>	An analysis of the different items present within waste. This can include the types and weight of items and materials.

Term	Definition
<b>GLA</b>	The Greater London Authority is the administrative body for Greater London. It comprises a directly elected Mayor and directly elected London Assembly.
<b>Greenhouse Gas (GHG)</b>	Any gas that induces the greenhouse effect, trapping heat within the atmosphere that would normally be lost to space, resulting in an increase in average atmospheric temperatures, contributing to climate change. Examples include carbon dioxide, methane and nitrous oxides.
<b>Household Waste</b>	All waste collected by Waste Collection Authorities under section 45(1) of the Environmental Protection Act 1990, plus all waste arising from Civic Amenity sites and waste collected by third parties for which collection or disposal credits are paid under Section 52 of the Environmental Protection Act 1990. Household waste includes waste from collection rounds of domestic properties (including separate rounds for the collection of recyclables), schools, public buildings, street cleansing and litter collection, beach cleansing, bulky household waste collections, hazardous household waste collections, household clinical waste collections, garden waste collections, Civic Amenity/Reuse and Recycling Centre wastes, drop-off/'bring' systems, clearance of fly-tipped wastes, weekend skip services and any other household waste collected by the waste authorities. Household waste accounts for approximately four fifths of London's municipal waste.
<b>Local Authority Collected Waste (LACW)</b>	All waste in the possession or control of waste authorities. This includes waste collected from households and businesses.
<b>Municipal Waste</b>	Household waste or business waste that is similar in composition irrespective of who collects or disposes of it.
<b>Natural Capital</b>	London's natural capital is the set of environmental resources (open land, air, water, wildlife) that provides services - such as flood protection or cleaner air. Natural capital benefits the wellbeing of Londoners and the city's economy. Alongside other forms of capital - such as human knowledge and skills, manufactured goods, buildings and products - natural capital is a valuable asset that must be managed sustainably to secure and improve these benefits.
<b>Net Zero</b>	'Net zero' refers to achieving an overall balance between emissions produced and emissions taken out of the atmosphere.
<b>Polluter Pays Principle</b>	The 'polluter pays' principle is the commonly accepted practice that those who produce pollution should bear the costs of managing it to prevent damage to human health or the environment.

Term	Definition
<b>Recycling</b>	Waste Framework Directive: 'any recovery operation by which waste materials are reprocessed into products, materials or substances whether for the original or other purposes. It includes the reprocessing of organic material but does not include energy recovery and the reprocessing into materials that are to be used as fuels or for backfilling operations'
<b>Responsible Procurement</b>	Socially, environmentally and economically sustainable procurement to deliver an improved quality of life and better value for money. It involves working across London to provide sustained employment opportunities and improve working conditions. It means opening up access to contract opportunities for London's diverse businesses, and voluntary and community sector organisations, encouraging improved practices with suppliers and promoting greater environmental sustainability to make London a better place to live and work.
<b>Residual Waste</b>	Waste that is left once recyclable waste or reusable items have been separated.
<b>Reuse</b>	Waste Framework Directive: 'any operation by which products or components that are not waste are used again for the same purpose for which they were conceived' The processes contribute to sustainable development and can save raw materials, energy and transport costs.
<b>Social Value</b>	<p>Increasingly, organisations are considering their activities holistically, taking account of the wider economic, social and environmental effects of their actions.</p> <p>Social Value serves as an umbrella term for these broader effects, and organisations which make a conscious effort to ensure that these effects are positive can be seen as adding social value by contributing to the long-term wellbeing and resilience of individuals, communities and society in general.</p> <p>The United Nations Sustainable Development Goals are, in effect, a social value charter for the planet.</p> <p>Public sector bodies can take social value into account through their policy and spending decisions to maximise the benefit for the communities they serve. Businesses can make decisions both about what they do and how they do it in ways that add social value.</p>
<b>Waste</b>	Any substance or object which the holder discards, intends to discard or is required to discard.

Term	Definition
<b>Waste Authority</b>	A Waste Collection Authority and a Waste Disposal Authority. It includes London's 33 waste collection authorities (all 32 boroughs and the City of London), those 12 authorities that are "unitary" waste authorities (combined collection and disposal) and the 4 statutory waste disposal authorities.
<b>Waste Collection Authority</b>	The authority responsible for arranging the collection of household waste in their area (in London this is on a borough-wide basis) and commercial or industrial waste on request.
<b>Waste Disposal Authority</b>	The authority responsible for arranging for the disposal of waste collected in their area by the Waste Collection Authority. They also provide sites where householders can deposit waste free of charge (Reuse and Recycling Centres).
<b>Waste Prevention</b>	<p>Waste Framework Directive: 'measures taken before a substance, material or product has become waste, that reduce:</p> <ul style="list-style-type: none"> <li>(a) the quantity of waste, including through the re-use of products or the extension of the life span of products;</li> <li>(b) the adverse impacts of the generated waste on the environment and human health;</li> <li>(c) the content of harmful substances in materials and products.</li> </ul>

## APPENDIX B

### East London Joint Resources and Waste Strategy Consultation Plan

This document sets out the consultation plan for the East London Joint Resources and Waste Strategy (the 'Joint Strategy').

There will be a process of consulting with statutory organisations, which will take place at the same time as a public consultation. All consultation activities will be managed by the East London Waste Authority (ELWA), with the public consultation being delivered through the existing contract for consultancy support with Ricardo Energy & Environment (Ricardo).

The aim of the public consultation will be to provide all users of the waste/recycling collection, treatment and disposal services provided by the Partner Authorities (all residents and any business users), any other interested parties, and any statutory consultees, the opportunity to comment on the draft proposals within the Joint Strategy. To facilitate this, a blended approach of online survey (with paper copies available), focus group and question and answer session will be undertaken. This paper provides detail on the methods proposed, how they will be delivered and who will be involved.

#### When will the consultation take place?

The consultation period is planned to run for six to eight weeks in total during summer 2021. This time-period may cross a traditional holiday time (August), but the proposed focus group will take place early in the consultation period, will be timetabled early evening or weekends to encourage ease of attendance.

Appendix B (Spreadsheet) provides an overview of the consultation timetable, which includes preparation time, delivery of activities, and analysis, review and reporting of results and feedback once the consultation has concluded. A report detailing the outputs of the consultation will be delivered in autumn and the Joint Strategy will be updated during November 2021.

#### How will the consultation be delivered?

##### Statutory consultees

As part of the development of the Joint Strategy, a screening process will be undertaken to determine whether a Strategic Environmental Assessment (SEA) is required. The screening report (with the Joint Strategy), will be sent to statutory consultees (Environment Agency, Historic England and Natural England) at the start of the consultation period, providing them with a planned period of around six to eight weeks in which to respond.

The Joint Strategy will also be sent to the Greater London Authority for formal consultation as part of testing general conformity with the London Environment Strategy on municipal waste.

##### Public consultation – online survey

An online survey will be developed that will be available to anyone with access to the internet (configured for mobile or computer). A paper copy survey will be available in libraries (where possible) across the Partner Authorities' area and upon request for those that cannot complete the survey online. Guidance will be provided to library staff on completing the survey so that they can signpost it to library users. Advice will be taken from Borough Officers / Consultation leads regarding potential numbers of paper copies required and any additional accessibility requirements. The proposed survey questions are included at Appendix A.

The online survey will be hosted using a specialist online tool (Survey Monkey), with the link being placed on a dedicated consultation page on the ELWA website. That webpage will host all supporting documents, including the draft Joint Strategy, technical appendices, screening report and Equalities Impact Assessment. A dedicated [consultation@eastlondonwaste.gov.uk](mailto:consultation@eastlondonwaste.gov.uk) email will be set up for any enquiries.

Ricardo will develop the questions and introduction to the online survey (a draft structure is suggested at Appendix A) and will load them into the Survey Monkey tool. ELWA will develop the webpage and set up and monitor the email address.

Ricardo will develop suggested accompanying text for social media feeds and emails to be used as a template for Borough Officers. This text could be tailored by Officers to suit individual requirements and Borough communication protocols.

#### *Sampling – online survey*

The target population for the consultation will be residents and businesses (preferably users of Borough waste services) in the Partner Authorities' area. Other parties with an interest may also respond to the survey.

For a web-based survey, 'stratified random sampling' is the recommended approach to monitor whether a representative sample of the population has responded. This means that the population is divided into groups (strata) based on specific characteristics of the population.

Should a specific stratum be lacking in the responses received then a number of different methods could be used to encourage more people to respond including:

- An email from Borough officers to specific local groups highlighting the survey and encouraging responses (where permitted by GDPR)
- Promotion of the survey on Borough social media feeds including targeted advertising via sites such as NextDoor that have a hyperlocal focus on different neighbourhoods.

#### *Response rates – online survey*

A good response rate will be encouraged, but it is recognised that actual response rates may vary. An online survey that is aligned to a strong area of interest may attract response rates of 10-15% of the population it is targeted towards. A survey on waste and resources that is not connected with services that residents are immediately familiar with e.g. collections, litter, fly-tipping, and which requires a long term view may not attract as large a response rate. Target numbers acceptable would be around 200 per Borough, with 400 per Borough suggested as an upper limit. A total response of around 800 results would have a +/- 5% precision rate (see figures below).

- **1,100** responses will provide a +/- 3% precision rate, so we could say that for a result of 50% of residents responding that they are in favour of a proposal the figure would be 47% - 53%
- **400** responses will provide a +/- 5% precision rate, so we could say that for a result of 50% of residents responding that they are in favour of a proposal the figure would be 45% - 55%
- **100** responses will provide a +/-10% precision rate, so we could say that for a result of 50% of residents responding that they are in favour of a proposal the figure would be 40% - 60%

The survey questions developed are a mix of open and closed questions.

#### *Reporting – online survey*

The Survey Monkey tool provides detailed analytics that will allow the Ricardo team to monitor progress including response rates, rate of completion and defined population characteristics (socio-



demographic information, Borough etc) throughout the time that the survey is open. Standard reports can be extracted from the tool and will be used to provide data to inform a consultation response report which will detail the results from each question asked. The number of responses for each question will also be provided so that a completion rate can be noted.

Commentary will be provided on the results gained, and free-text responses (open questions) will be detailed. Any responses provided in paper format will also be included within a survey report. Any paper response forms provided will include a stamped addressed (ELWA office) envelope to facilitate a free postal response, and a process will be investigated to see if they could also be returned to a local library.

#### Public consultation – focus group

A focus group is a research method that involves several participants (usually between six and ten) and a facilitator/moderator. It is a way of getting much deeper insight into issues compared with a survey. It is a form of group interview where a specific topic is discussed in detail, and it is the group interaction that distinguishes it from other research methods. Focus groups are particularly useful for ‘hard-to-reach’ areas where people tend not to respond to surveys. Views expressed in focus groups cannot be generalised to a wider population but are useful for in-depth insight.

A focus group will be run as part of the consultation process, to gain in-depth insight into thoughts and views on the Joint Strategy.

#### *Sampling – focus group*

The focus group will be delivered by Ricardo. A specialist market research organisation, MEL Insights, will be used for recruitment of the participants, who will be a group representative of local residents and businesses within the Partner Authorities’ area.

Ricardo will engage with Borough consultation leads on appropriate methods to incentivise participation in the focus group.

#### *Delivery – focus group*

The session will be delivered by a specialist facilitator from Ricardo who has not been involved in the development of the Joint Strategy and can thus remain independent.

Notes will be taken, and with permission a recording made of the session solely for the purpose of enabling the Ricardo team to fully capture all comments made (the recording would not be made public, or retained for any other uses once a full set of notes has been made). Comments will not be attributable to individuals.

The focus group is planned to take place early in the consultation period. There remains uncertainty regarding Covid-19 safety requirements for this period so it will be planned as a virtual event.

The session will be 1.5 hours maximum, which tends to be the maximum that is feasible before participants’ interest starts to decrease. This will allow the session to be broken into approximately 15min sections which relate to the themes of the consultation survey.

A facilitator will run the session, supported by a note taker. Observers from the project team may be permitted to attend, but will be expected to refrain from taking part in the discussions during the main session.

For issues raised outside of the Joint Strategy discussion a ‘parking lot’ approach will be used where questions/comments can be addressed either at the end of the session (after the allotted time) or separately via email/call.

### *Topic guide – focus group*

A topic guide will be developed prior to the event, and will use the themes from the online survey as its basis. Time will be spent reviewing the priorities set out in the Joint Strategy, identifying any gaps that participants feel there may be, and gathering thoughts on the overall Joint Strategy. Different practical or online exercises will be used to maintain interest and provide everyone with an equal opportunity to contribute. A copy of the Joint Strategy will be provided to participants as part of the invitation, but it cannot be assumed that participants will have read the Joint Strategy prior to the session so there will be a short overview of each section prior to the corresponding facilitated discussion.

### Public consultation – Question and Answer Session

An online Question and Answer (Q&A) session will take place around the middle of the consultation period. The format of the session will be a short presentation which covers the structure of the Joint Strategy, key themes and priorities, followed by Q&A. It will provide participants the opportunity to speak to one of the project team and ask questions on the Joint Strategy or any of the supporting reports. Feedback on the Joint Strategy will also be taken from those participating, and included in the analysis and reporting on the response to the public consultation.

The session will be 1.5 hours long and will be facilitated by a member of the Ricardo team with appropriate support from the project team. The session will be open to anyone and the date and time of the session (likely to be early evening) will be advertised on the ELWA website and in any publicity connected with the consultation. Ricardo staff will liaise with borough officers to identify potential groups and individuals that may be interested in the session. Participants may include individuals with a keen interest in the Joint Strategy such as members of environmental groups. People wishing to attend will be able to sign up via a webform on the ELWA website. Should the session be oversubscribed then either additional sessions may be run or a breakout room format used during the virtual session that will allow smaller groups to discuss issues.

Notes will be taken during the Q&A session, and with permission a recording made of the session solely for the purpose of enabling the Ricardo team to fully capture all comments made (the recording would not be made public, or retained for any other uses once a full set of notes has been made). Comments will not be attributable to individuals.

### Consultation results reporting

A report combining all the findings of the public consultation (including the online survey and the focus group and Q&A session) will be developed. It will include any recommendations for changes to be considered and incorporated within the final Joint Strategy. The consultation report will be available as an appendix to the final Joint Strategy document.

## APPENDIX A

This is the proposed online survey for the public consultation.

Please note that information on data capture and use as per GDPR, as well as any other required information e.g. equalities monitoring, or disclaimers, will be included at the start of the survey. This text will be agreed with consultation leads from each of the boroughs.

Once the questions are uploaded to Survey Monkey, additional functionality will be provided to enhance the user experience e.g. use of drop down boxes, and a mobile-friendly user interface.

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### Joint Resources and Waste Strategy Consultation

We'd like to gain your feedback on our draft Joint Strategy.

The draft Joint Strategy sets out the strategic aims and ambitions for resources and waste management of the five Partner Authorities, namely the [East London Waste Authority](#) (ELWA) and the London Boroughs of [Barking and Dagenham](#), [Havering](#), [Newham](#) and [Redbridge](#). The Partner Authorities work together to manage resources (the materials we recycle and donate for reuse) and waste within their boundaries.

It is important that the environment is left in a better condition for the next generation. The draft Joint Strategy sets out how the Partner Authorities will preserve resources by minimising waste, promoting resource efficiency and moving towards a circular economy, all of which will help to protect the natural environment and reduce carbon emissions.

The draft Joint Strategy starts in 2027, which is when the existing long-term contract for treating the waste and recycling from the local area comes to an end. The Joint Strategy has forecast future waste generation to 2057, so that the Partner Authorities can understand how best to source future waste treatment infrastructure (which is often built for 25-30 year lifespans). However, the document will be reviewed regularly, and the priorities and actions set out within it are for mainly the early part of the 30 year period of the Joint Strategy.

We're keen to hear from you if you live or work in the Partner Authority areas, or you have an interest in resources and waste management or wider environmental issues.

This consultation is structured in 6 parts:

- Waste Prevention
- Reuse and Repair
- Recycling
- Supporting Improvements with Infrastructure

### Chapters Five and Six

Chapters Five and Six outline the journey of implementing the draft Joint Strategy, setting up mechanisms to monitor progress, respond to change, and the metrics against which success will be measured.

#### 1. Do you have any comments on Chapters Five and Six?

- Comments – Please state
- No Comment

•

- A little bit about you

The consultation will take approximately **X** minutes to complete and has 29 questions in total.

Please note, this consultation is focussed on the draft Joint Strategy. If you have any issues or suggestions you'd like to raise about the current waste and recycling services in your local area, please contact your local Council. Details have been provided at the end of the survey.

**2. Do you**

- Live in the area
- Work in the area
- Live and work in the area
- Other (please state)

**3. Are you responding to the survey on behalf of a business?**

- Yes
- No

**4. What's your home postcode? Please provide your work postcode if responding on behalf of a business**

- Please state

## Chapters One and Two

Chapters One and Two of the draft Joint Strategy provide the purpose of the document, detail the key drivers for producing a Joint Strategy, and outline the current situation within the Partner Authorities' area including performance and barriers to recycling.

**5. Do you have any comments on Chapters One and Two?**

- Comments – Please state
- No Comment

## Chapter Three

Chapter Three provides a summary of the forecasting work that has been conducted, including future policy, potential changes we may see to how people consume goods and services, and advances in technology. Details of the work conducted to model future recycling performance including the quantity and composition of future waste streams is also included.

**6. Do you have any comments on Chapter Three?**

- Comments – Please state
- No Comment

## Chapter Four

Chapter Four of the draft Joint Strategy sets out the Partner Authorities' priorities and ambitions for resources and waste management for the Joint Strategy period of 2027 to 2057. These focus on the themes of Waste Prevention, Reuse and Repair, Recycling, and Supporting Improvements with Infrastructure.

We'd like to gather your thoughts on the priorities we have identified.

## Waste Prevention

### The Partner Authorities' waste prevention priorities:

1. Continue to work with residents and businesses to reduce waste growth and contribute to the London wide aspiration of becoming a 'zero waste city'
2. Support the London wide target of reducing food waste by 50% by 2030 and will work with the Greater London Authority, ReLondon1 and other authorities to do this
3. Work to raise awareness of the individual, community and environmental benefits of reducing waste

### More specifically we will:

- a) Develop waste prevention plans, Reduction and Recycling Plans, or other appropriate tools that outline the actions that will be taken to provide communications, engagement and access to services that help residents reduce waste and save money
- b) Support national and regional campaigns on waste prevention, and develop local campaigns to support projects and services
- c) Develop partnership arrangements with community organisations, housing associations local authorities, and other key stakeholders to enhance work on waste prevention
- d) Work with the Government, other local authorities and key stakeholders to promote higher standards of product design and manufacture, to prolong product lifecycles and reduce avoidable waste

**7. Do you support the waste prevention priorities outlined**

- Yes – I support all of the priorities
- Yes – I generally support the priorities but would like to propose a change
- No – I don't support the priorities listed

**8. Are there any additions that you would make to the priorities identified?**

- Yes – I'd like to suggest the following additions (please state)
- No changes

**9. Is there one priority that is more important than the others?**

- Yes - Please state
- No
- Other (please state)

**10. Do you have any other comments on the Waste Prevention priorities?**

- Yes – Please state
- No

---

<sup>1</sup> Formally known as LWARB – the London Waste and Recycling Board

## Reuse and Repair

### The Partner Authorities' reuse and repair priorities:

1. Work to increase the amount of products that are kept in local circulation through reuse and repair services
2. Seek to normalise reuse within our communities as a means of disposing of unwanted items
3. Seek to promote the purchase of reused, refurbished and repaired products as a beneficial alternative to buying new
4. Seek to advance local green economy job and training opportunities through supporting the development of reuse and repair services

### More specifically we will:

- a) Explore options for providing or supporting existing and new reuse collection services from homes and businesses
- b) Investigate opportunities for increasing reuse provision at the Reuse and Recycling Centres, including on-site retail outlets where viable
- c) Work with reuse organisations to develop / expand existing valued partnerships, strengthen local offerings, and support increases in scope and capacity to enhance the services available to residents
- d) Raise awareness of repair options available within the Partner Authorities' area
- e) Participate in national, regional and sub-regional campaigns promoting reuse and repair, and undertake local promotion of the benefits and range of available services
- f) Work with the Government, other local authorities and key stakeholders to promote higher standards of product design and manufacture, to enhance opportunities for cost-effective reuse

### 11. Do you support the reuse and repair priorities outlined?

- Yes – I support all of the priorities
- Yes – I generally support the priorities but would like to propose a change
- No – I don't support the priorities listed

### 12. Are there any additions that you would make to the priorities identified?

- Yes – I'd like to suggest the following additions (please state)
- No changes

### 13. Is there one priority that is more important than the others?

- Yes - Please state
- No
- Other (please state)

### 14. Do you have any other comments on the reuse and repair priorities?

- Yes – please state
- No

## Recycling

### **The Partner Authorities' recycling priorities:**

1. We aspire to reach 50% recycling, and will work with local communities in this regard
2. We aim to achieve a minimum joint reuse, recycling and composting performance of 35% of LACW by 2030
3. We will work together to offer the Mayor's minimum level of household recycling service provision, providing residents with straightforward and easy-to-use recycling collection services
4. We will improve the quality of recycling collected and reduce contamination
5. We will improve recycling performance in houses and blocks of flats
6. We will work alongside new policy commitments including DRS and the EPR regime for household packaging to maximise opportunities for increasing recycling

### **More specifically we will:**

- a) Introduce separate food waste collections for street level properties and blocks of flats, in line with anticipated regulations and Government guidance
- b) Expand household collection services to allow residents to recycle a wider range of packaging and containers where relevant markets exist
- c) Continue to investigate opportunities to recycle even more materials, through collection services, public recycling facilities and the Reuse and Recycling Centres
- d) Work with In-house commercial waste services and private waste companies to ensure that businesses in East London are able to access cost-effective recycling services
- e) Work with our residents and businesses to increase awareness of recycling
- f) Provide feedback to residents and businesses on contamination, and highlight the need for material quality
- g) Identify opportunities to use the ReLondon 'Making Recycling Work for People in Flats toolkit<sup>2</sup> or other suitable approaches to improve recycling performance in blocks of flats
- h) Work with the Government, other local authorities, producers and key stakeholders to develop better approaches to the planning and design of new developments to ensure residents are able to recycle easily
- i) Work together to identify opportunities to extract more recyclable material from bulky waste, street cleansing waste and fly tipped materials
- j) Explore opportunities to increase recycling through recovery of materials from other waste

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<sup>2</sup> [Report - Making recycling work for people in flats | ReLondon](#)

streams

- k) Support London Recycles messaging and campaigning to ensure that a consistent reduce, reuse, recycle message is delivered across London
- l) Work with the Government, other local authorities, producers and key stakeholders to promote standards of product design that enhance opportunities for cost-effective recycling

**15. Do you support the recycling priorities outlined?**

- Yes – I support all of the priorities
- Yes – I generally support the priorities but would like to propose a change
- No – I don't support the priorities listed

**16. Are there any additions that you would make to the priorities identified?**

- Yes – I'd like to suggest the following additions (please state)
- No changes

**17. Is there one priority that is more important than the others?**

- Yes - Please state
- No
- Other (please state)

**18. Do you have any other comments on the recycling priorities?**

- Yes – please state
- No



## Supporting Improvements with Infrastructure

### **The Partner Authorities' infrastructure priorities:**

1. We will contribute to national and regional targets on reducing waste sent to landfill
2. We will secure access to waste treatment capacity in ways that support the Partner Authorities' priorities around reuse, repair and recycling
3. We will establish resilient, responsive and flexible arrangements for future waste treatment, so that the Partner Authorities can continue to improve local services while remaining responsive to changes in global material markets and international policy
4. We will seek to procure waste treatment services that provide local economic, environmental and social benefits
5. We aim to support the Mayor's target of managing the equivalent of 100% of London's waste within the capital

### **More specifically we will:**

- a) Maximise the use of, and value from, ELWA's existing waste treatment contract
- b) Develop a procurement plan for future waste treatment capacity, to support the aims and objectives of this Joint Strategy. A Strategic Environmental Assessment screening will form part of the procurement plan process
- c) Ensure effective and responsible future commissioning, considering issues such as flexibility, resilience, value for money, service quality, social value, and environmental impacts including greenhouse gas emissions
- d) Ensure that any future contracts commissioned will not impede the Partner Authorities' ability to improve recycling in line with aspirations to reach 50%
- e) Investigate options for supporting the development of appropriate new local infrastructure for reuse, repair and remanufacture, which provide opportunities for local regeneration
- f) Work with the Greater London Authority to deliver future infrastructure and waste treatment capacity solutions that align with the policies set out in the London Environment Strategy, and ensure compliance with the Mayor of London's Carbon Intensity Floor requirements<sup>3</sup> for any technology solutions considered that may include energy recovery (note: technologies will be considered as part of a procurement plan)
- g) Work with the Government, other local authorities and key stakeholders to encourage the development of local materials reprocessing capacity

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<sup>3</sup> [London Environment Strategy - Policy 7.3.2.b](#)

**19. Do you support the recycling priorities outlined?**

- Yes – I support all of the priorities
- Yes – I generally support the priorities but would like to propose a change
- No – I don't support the priorities listed

**20. Are there any additions that would you make to the priorities identified?**

- Yes – I'd like to suggest the following additions (please state)
- No changes

**21. Is there one priority that is more important than the others?**

- Yes - Please state
- No
- Other (please state)

**22. Do you have any other comments on the recycling priorities?**

- Yes – please state
- No

## Chapters Five and Six

Chapters Five and Six outline the journey of implementing the draft Joint Strategy, setting up mechanisms to monitor progress, respond to change, and the metrics against which success will be measured.

**23. Do you have any comments on Chapters Five and Six?**

- Comments – Please state
- No Comment

**24. Do you have any other feedback on the Joint Strategy? Please note, if you have any local issues to report you should contact your Council directly using the details provided at the end of this consultation survey**

- Yes - Please state
- No

## A little bit about you

**[NOTE: Content and structure of the equalities monitoring questions would be confirmed with consultation leads from the Constituent Councils.]**

**Documents available for review on the website would include the full draft joint strategy, technical reports, Strategic Environmental Assessment screening report and the Equalities Impact Assessment.]**

We'd like to find out a little bit more about you to support our equalities monitoring.

25. What is your gender?
- Male
  - Female
  - Other
26. What is your age?
- Under 18
  - 18-24
  - 25-34
  - 35-44
  - 45-54
  - 55-64
  - 65 or above
27. What is your ethnicity?
- White British
  - White Irish
  - Other White background
  - Indian or Indian British
  - Pakistani or Pakistani British
  - Bangladeshi or Bangladeshi British
  - Chinese or Chinese British
  - Other Asian background
  - Black Caribbean
  - Black African
  - Other Black background
  - White and Black Caribbean
  - White and Black African
  - White and Asian
  - Other mixed background
  - Arab
  - Gypsy or Irish Traveller
  - Other
28. What is your religion or belief?
- Buddhist
  - Christian
  - Hindu
  - Jewish
  - Muslim
  - Sikh

- No religious belief
  - Other
29. What is your sexual orientation?
- Heterosexual/straight
  - Homosexual/gay/lesbian
  - Bisexual
  - Other
30. Do you have a long term physical or mental impairment, which greatly impacts your ability to carry out normal day-to-day activities and you are likely to be considered disabled under the Equality Act 2010?
- Yes
  - No



Ricardo  
Energy & Environment



## Strategic Environmental Assessment - Draft Screening Statement

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Report for the East London Waste Partner Authorities  
ED13247



**Customer:****East London Waste Authority****Customer reference:**ED13247 ELWA East London Joint Resources  
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27 May 2021

**Ricardo Energy & Environment reference:**

Ref: ED13247- Issue Number 2

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# 1 Introduction

## 1.1 This Document

This document forms the Strategic Environmental Assessment (SEA) screening statement for the Joint Strategy for Resources and Waste Management in East London 2027-2057.

## 1.2 Purpose of the Joint Strategy

The Joint Strategy sets out the strategic aims and ambitions for resources and waste management of the five Partner Authorities, namely the East London Waste Authority (ELWA) and the London Boroughs of Barking and Dagenham, Havering, Newham and Redbridge and outlines how the Partner Authorities will work together to manage resources and waste within their boundaries between 2027 and 2057, after the end of the long-term contract for waste treatment services.

The Partner Authorities will commit to undertake a high-level review of the Joint Strategy by 2028, to ensure the targets, priorities and ambitions are appropriate once future waste and recycling collection and treatment arrangements are better understood. Reviews thereafter will be conducted at intervals of not more than 10 years.

The previous strategy was originally drafted in 1996 and reviewed in 2006 and set the framework for performance for the 25-year waste management contract to 2027. The contract operator (Renewi) has developed a number of five-year and annual budget and service delivery plans, which review progress and outline future performance standards<sup>1</sup> and the Partner Authorities have prepared Reduction and Recycling Plans (RRPs) that set out how they will develop their services and local performance to work towards the targets and service standards within the London Environment Strategy<sup>2</sup>. The Partner Authorities Plans will also be updated as proposals for future service and performance improvement on waste reduction, reuse and recycling evolve.

The Joint Strategy does not cover local issues such as the collection of litter, street cleansing and fly-tipping, and also does not set out specific details on how each Borough will develop its household waste and recycling collection services in the future. The Joint Strategy focuses on the longer-term targets and ambitions of the Partner Authorities, and the general principles by which the Partner Authorities will work together to achieve them.

## 1.3 The Joint Strategy and the SEA Screening Process

The objective of SEA is to provide a high level of protection of the environment and to contribute to the integration of environmental considerations into the preparation and adoption of plans with a view to promoting sustainable development.

The requirement for SEA was brought into legislation by the SEA Regulations<sup>3</sup>. These regulations

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<sup>1</sup> [Renewi-FYSDP-Report-web-res.pdf \(eastlondonwaste.gov.uk\)](#)

<sup>2</sup> [London Environment Strategy](#)

<sup>3</sup> The Environmental Assessment of Plans and Programmes Regulations 2004 (Statutory Instrument 2004 No. 1633) apply to any plan or programme which relates solely or in part to England.



transposed the requirements of EU Directive 2001/42/EC (the SEA Directive) into English legislation. Following Brexit, minor amendments, to correct deficiencies and terminology, were made to the SEA Regulations through the Environmental Assessments and Miscellaneous Planning (Amendment) (EU Exit) Regulations 2018.

This SEA screening has been prepared in accordance with the requirements of the SEA Regulations. The Practical Guide to SEA<sup>4</sup> has also been taken into account.

The screening consultation has been prepared to enable the Consultation Bodies as specified in section 4 of the SEA Regulations to provide comment on the appropriateness of the screening process and its conclusion for this draft strategy. Those bodies are Natural England, Historic England and the Environment Agency. Other bodies that have specifically been invited to comment are the Greater London Authority and the Partner Authorities.

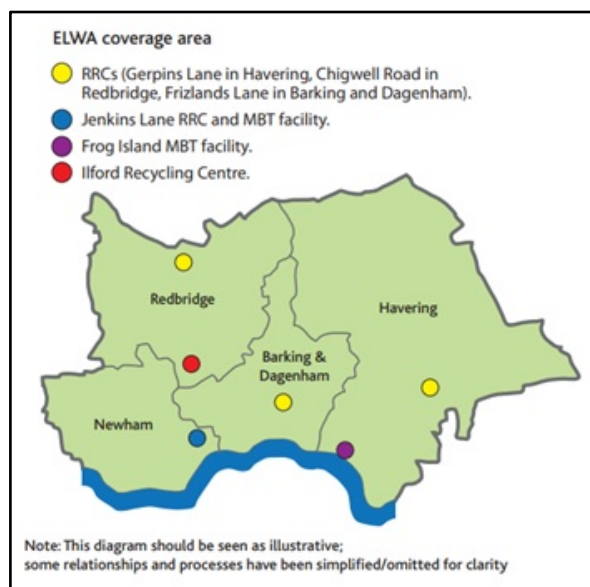
The consultation period will be from **19<sup>th</sup> July 2021 to 10<sup>th</sup> September 2021**. Any comments are invited to be made in writing and returned to the Team at:

Email: [consultation@eastlondonwaste.gov.uk](mailto:consultation@eastlondonwaste.gov.uk)

Postal Address: **to be confirmed**.

Once responses to this screening statement have been received, a statement of determination will be produced indicating that the SEA screening process has been conducted in accordance with the SEA Regulations and available guidance and a determination has been made on the likely 'significant environmental effects' of the Strategy. In accordance with the SEA Regulations the conclusions on the determination will also be made available to the public.

## 1.4 The Strategy Area



The area covered by the ELWA is shown in Figure 1. The London Boroughs of Barking and Dagenham, Havering, Newham and Redbridge cover an area of 93 square miles, bordering the historic East End, the edges of Epping Forest, rural Essex and the River Thames. The 1.1 million residents live in 425,000 households, spread over a diverse mix of districts including large housing estates, dense terraces, detached suburban streets, and small villages. There are also significant pockets of commercial land, active farms, and large industrial zones.

**Figure 1: Map of the East London Partner Authorities**

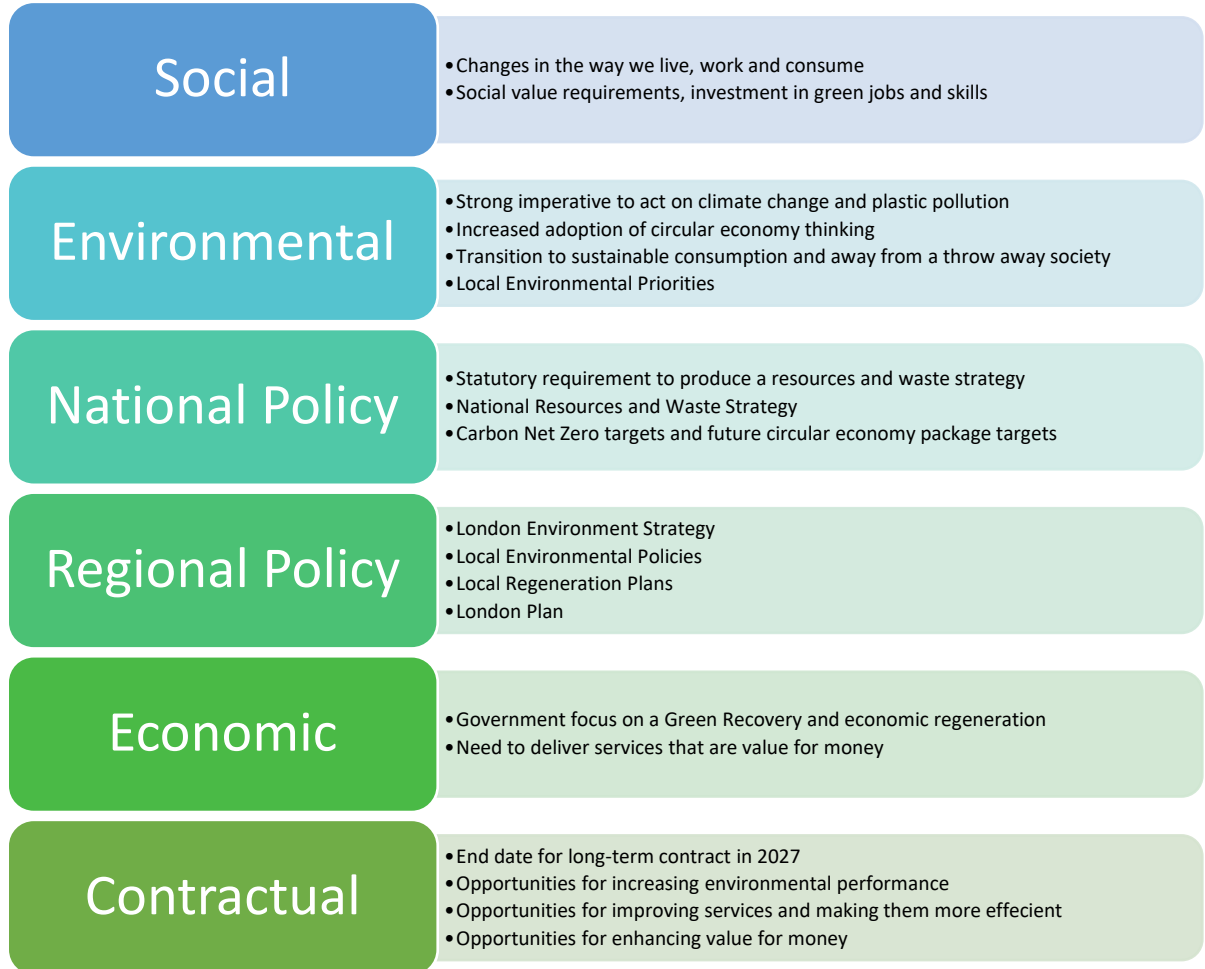
<sup>4</sup> A Practical Guide to the Strategic Environmental Assessment Directive: Practical Guidance on Applying European Directive 2001/42/EC', Office of the Deputy Prime Minister, 2005.

## 1.5 Context of the Strategy

This Joint Strategy is needed to help the Partner Authorities start to plan for the end of the long-term 25-year contract (2002-2027) for waste treatment, while meeting the new requirements that will be arising from national and regional policy changes, and economic, environmental and societal drivers. The Partner Authorities also recognise the imperative to manage resources better in the future, to enhance resource efficiency and minimise greenhouse gas emissions.

Development of a joint strategy is a statutory requirement for waste authorities in two-tier areas<sup>5</sup>. Furthermore, development of the Joint Strategy provides an opportunity to ensure that future strategy, procurement proposals and targets align as closely as possible with London’s overall strategic ambitions, as set out in the London Environment Strategy. The summary of the key drivers of the Joint Strategy is shown in **Figure 2**.

**Figure 2: Summary of the Key Drivers**



<sup>5</sup> [Waste and Emissions Trading Act 2003 \(legislation.gov.uk\)](https://legislation.gov.uk)

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## 1.6 The Structure of the Joint Strategy

The structure of the Joint Strategy is as follows:

- **Chapter One** – sets the context for the Joint Strategy;
- **Chapter Two** - describes how resources and waste are currently managed in the Partner Authorities' area, and provides detail on some of the opportunities, challenges and existing performance levels;
- **Chapter Three** - describes what changes the Partner Authorities expect to see in the future, both in terms of how the area will change, what impacts national and regional policy may have on the types and quantities of waste being generated, and some of the other factors which may also play a role in how consumers buy, use and dispose of products that will have an effect on resources and waste management;
- **Chapter Four** – sets out the vision for how the Partner Authorities will work together and with the community to help reduce waste and divert more items for repair and reuse. Four aims and eight objectives have been developed by the Partner Authorities to provide a clear outline of what is to be achieved and priorities for the future. This chapter also sets out priorities around Waste Prevention, Reuse and Repair, Recycling and Supporting improvements with infrastructure;
- **Chapter Five** – outlines how the Partner Authorities will work together to achieve the aims and ambitions set out in the Joint Strategy; and
- **Chapter Six** – describes what performance measures will be used to measure success.

## 1.7 Responsibilities of the Partner Authorities

The four Constituent Councils, namely the London Boroughs of Barking & Dagenham, Havering, Newham and Redbridge, are responsible as 'waste collection authorities' for arranging the collection of household waste and recycling, as well as undertaking waste and recycling collections from local businesses that choose to use their commercial waste services. The Constituent Councils also manage street cleansing, fly-tipping removal, and management of litter from local parks and open spaces, which all generate waste.

ELWA is the 'joint waste disposal authority' for the region and is responsible for providing treatment and disposal services for the waste and recycling collected by the Constituent Councils. ELWA also operates four Reuse and Recycling Centres (RRCs) where residents can deposit a wide range of materials for reuse, recycling and disposal.

## 2 The SEA Screening Process

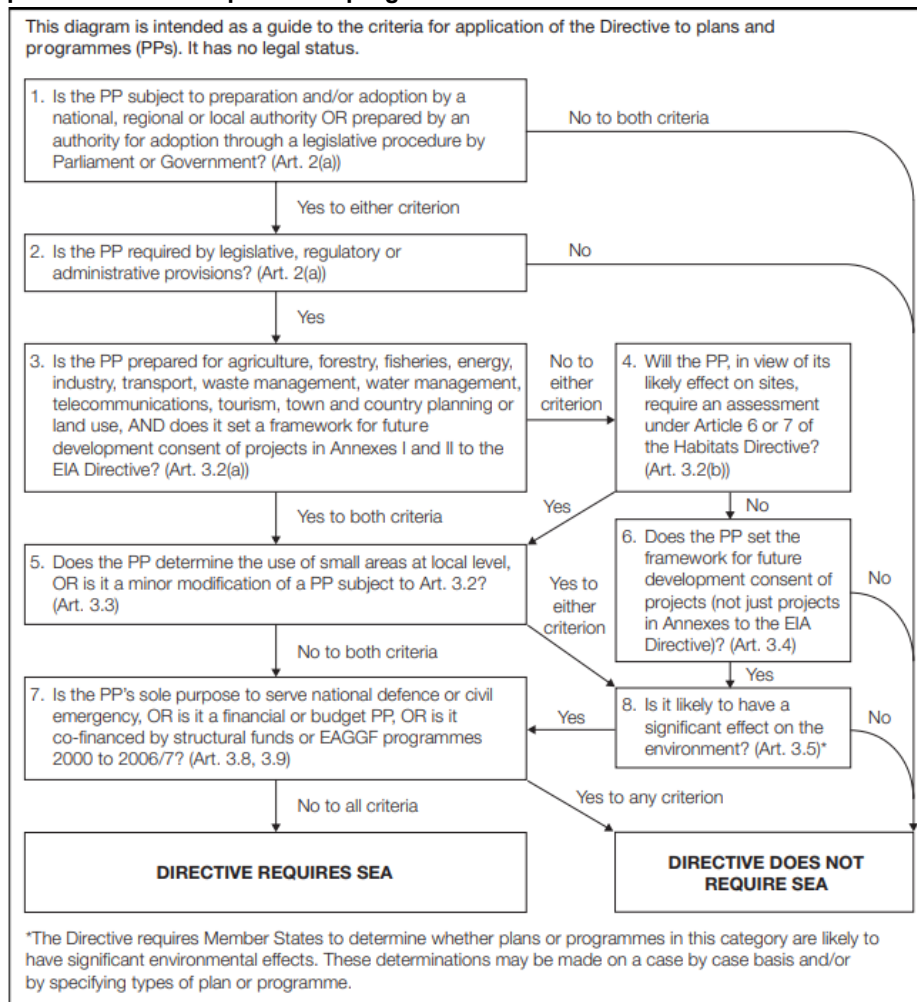
### 2.1 The Requirement for SEA

As stated in the SEA Regulations, the requirement for SEA applies to waste management plans, programmes and strategies. An SEA is only required if the Strategy is likely to have 'significant environmental effects' as detailed in Regulation 9(3):

*“Where the responsible authority determines that the plan, programme or modification is unlikely to have significant environmental effects (and, accordingly, does not require an environmental assessment), it shall prepare a statement of its reasons for the determination.”*

The screening process forms the first stage of SEA and determines whether an SEA is required for a plan or programme. The Practical Guide to SEA<sup>6</sup> provides a framework for determination of the requirement for SEA (the screening process) in a staged flow-diagram (see **Figure 3**).

**Figure 3: Application of SEA to plans and programmes**



In accordance with **Figure 3**, the Practical Guide to SEA sets out eight criteria that should be considered when screening a plan, programme or strategy to determine whether it will require SEA. These are set out in **Table 1**.

<sup>6</sup> A Practical Guide to the Strategic Environmental Assessment Directive: Practical Guidance on Applying European Directive 2001/42/EC', Office of the Deputy Prime Minister, 2005.

**Table 1: ODPM Assessment**

Screening Question		Screening Assessment
1	Is the strategy subject to preparation and/or adoption by a national, regional or local authority OR prepared by an authority through legislative procedure by Parliament or Government?	<b>Yes</b> This Joint Strategy sets out how the five Partner Authorities, namely ELWA and the London Boroughs of Barking and Dagenham, Havering, Newham and Redbridge, will work together to preserve resources by minimising waste, promoting resource efficiency and moving towards a circular economy.
2	Is the strategy required by legislative, regulatory or administrative provisions?	<b>Yes</b> The development of a joint strategy is a statutory requirement for waste authorities in two-tier areas <sup>7</sup> . The strategy will also be publicly available, has been prepared in a formal way and will involve consultation with interested parties.
3	Is the strategy prepared for agricultural, forestry, fisheries, energy, industry, transport or waste management, telecommunications, tourism, town and country planning or land-use, AND does it set a framework for future development consent of projects in Annexes I and II to the EIA Directive?	<b>No</b> Whilst the Joint Strategy is prepared for waste management it does NOT set a framework for future development consent of projects.
4	Will the strategy, in view of its likely effects on sites, require an assessment under Article 6 or 7 of the Habitats Directive	<b>No</b> The implementation of this Joint Strategy will not have any likely effects on sites.
5	Does the strategy determine the use of small areas at local level, OR is it a minor modification of a plan subject to Article 3.2?	<b>No</b> The Joint Strategy covers the administrative areas of the London Boroughs of Barking and Dagenham, Havering, Newham and Redbridge
6	Does the strategy set the framework for future development consent of projects (not just projects in Annexes to the EIA Directive)?	<b>No</b> The Joint Strategy does not set the framework for future development consent of projects.
7	Is the strategy sole purpose to serve the national defence or civil emergency, OR is it a financial or budget plan, OR is it co-financed by structural funds or EAGGF programmes 2000-2006/7?	<b>No</b> The purpose of the Joint Strategy is not to serve national defence or a civil emergency and is not a financial or budget plan.
8	Is it likely to have a significant effect on the environment?	<b>No</b> This Joint Strategy sets out the strategic aims and ambitions for resources and waste management of the five Partner Authorities, and outlines how the Partner Authorities will work together to manage resources and waste within their boundaries between 2027 and 2057, after the end of the long-term contract for waste treatment services. The strategy encourages environmental performance and sets some aims and objectives to help set priorities for the future. Specific actions, will be decided later by the Partner Authorities.

<sup>7</sup> [Waste and Emissions Trading Act 2003 \(legislation.gov.uk\)](http://www.legislation.gov.uk)

## 2.2 Determination of Significance

In accordance with SEA Regulations the likely significance of all changes to the Joint Strategy have been considered with the relevant SEA Screening criteria and are presented in **Table 2**.

**Table 2: Consideration of significant environmental effects of the Joint Strategy**

SEA Screening Criteria	Summary of Predicted Environmental Effects	Significant Environmental Effect?
<b>1. The characteristics of plans and programmes, having regard, in particular, to-</b>		
<b>(a) the degree to which the plan or programme sets a framework for projects and other activities, either with regard to the location, nature, size and operating conditions or by allocating resources;</b>	<p>The Joint Strategy will not provide a policy framework or allocate resources. Instead it provides the evidence base for local needs as well as the context and priorities of national and regional waste and resources policy for the local area. The Joint Strategy prescribes no alterations to the location, nature, size or operating conditions of potential facilities related to waste management.</p> <p>The Joint Strategy seeks to explore and investigate options in collaboration with wider organisations as well as promoting initiatives to the community. In terms of specific changes to the waste and recycling services that are already in place across East London, the Joint Strategy seeks to introduce separate waste food collections in line with anticipated regulations and Government guidance, and expand household collection services to allow residents to recycle a wider range of packaging and containers where markets exist.</p> <p>These are not considered to entail a significant environmental effect.</p>	No
<b>b) the degree to which the plan or programme influences other plans and programmes including those in a hierarchy;</b>	<p>The Joint Strategy is a strategic framework document in the local context that sets out the high level aspirations for waste and resource management. The Joint Strategy is influenced by a number of plans and programmes, nationally and regionally, within which there are a number of policy drivers that will influence how the Partner Authorities manage resources and waste in the future. This includes the Environment Bill which will bring into law key policies set out in the Government's Resources and Waste Strategy which have been identified as being important for the Partner Authorities to consider. These include the introduction of a Deposit Return Scheme for drinks containers, to incentivise recycling; standardising recycling collections from businesses and households and Extended Producer Responsibility for packaging.</p>	No

SEA Screening Criteria	Summary of Predicted Environmental Effects	Significant Environmental Effect?
	<p>East London will also contribute towards reuse and recycling targets set out in the national and regional strategies.</p> <p>The Joint Strategy itself has limited direct influence over other plans and programmes and therefore, it is not considered to entail a significant environmental effect.</p>	
<p><b>(c) the relevance of the plan or programme for the integration of environmental considerations in particular with a view to promoting sustainable development;</b></p>	<p>The Joint Strategy is relevant for the integration of environmental considerations to minimise waste arising and maximise waste reuse, repair and recycling.</p> <p>The London Plan and the Constituent Councils' Local Plans set the policies for sustainable development. The objectives in the Joint Strategy will not change Local Plan policy.</p>	No
<p><b>(d) environmental problems relevant to the plan or programme;</b></p>	<p>The Joint Strategy promotes waste prevention, and increase in reuse, repair and recycling in accordance with the waste hierarchy and moving towards a circular economy. The objectives in the Joint Strategy will not introduce or exacerbate any environmental problems. The guidance in the Joint Strategy supplements and supports Local Plan policy.</p>	No
<p><b>(e) the relevance of the plan or programme for the implementation of Community legislation on the environment (for example, plans and programmes linked to waste management or water protection).</b></p>	<p>The Joint Strategy supports targets for recycling and landfill diversion. The Joint Strategy also contains aims, objectives, and priorities to facilitate treatment of waste in line with the waste hierarchy.</p> <p>The Joint Strategy will supplement Local Plan policies and is not relevant to the implementation of Community legislation on the environment.</p>	No
<p><b>2. Characteristics of the effects and of the area likely to be affected, having regard, in particular, to (i.e. will the environmental effects be significant when consideration is given to:)</b></p>		
<p><b>(a) the probability, duration, frequency and reversibility of the effects;</b></p>	<p>It is not envisaged that the implementation of the Joint Strategy is likely to have any significant negative environmental effects. The Joint Strategy sets out local priorities and aspirations. Whilst it does not set out any specific needs or locations a number of the objectives and priorities proposed aim to deliver</p>	No

SEA Screening Criteria	Summary of Predicted Environmental Effects	Significant Environmental Effect?
	improved performance in line with wider regional and national targets.	
<b>(b) the cumulative nature of the effects;</b>	The Joint Strategy is designed to improve environmental protection/performance, and therefore there are no negative cumulative environmental effects envisaged for the strategy. The Joint Strategy is consistent with the waste hierarchy and therefore will promote that waste is treated increasingly in a more sustainable and environmentally friendly manner, meaning pollution and other negative environmental impacts are reduced over the life of the Joint Strategy.	No
<b>(c) the transboundary nature of the effects;</b>	The Joint Strategy will not provide a policy framework or allocate resources. Instead it provides the evidence base for local needs as well as the context and priorities of national and regional waste and resources policy for the local area. The Joint Strategy does not set out any specific needs or locations. The Joint Strategy intends those changes in waste treatment should move waste up the Waste Hierarchy where possible, and therefore any potential effects of service changes will entail an environmental performance improvement within the boundaries of the ELWA area.	No
<b>(d) the risks to human health or the environment (for example, due to accidents);</b>	<p>There are no expected additional risks to human health and/or the environment arising from the implementation of the strategy.</p> <p>Two of the key Joint Strategy aims are to promote and implement sustainable municipal resources and wastes management policies and to minimise the overall environmental impact of resources and wastes management. This would potentially reduce materials handling that can give risk to potential health concerns.</p>	No
<b>(e) the magnitude and spatial extent of the effects (geographical area and size of the population likely to be affected);</b>	The spatial extent of the Joint Strategy is contained within the Constituent Councils' Local Plan areas. The Joint Strategy does not seek to expand current waste management operations in the area. It seeks to reduce waste growth, increase reuse, repair and recycling. The Joint Strategy seeks to improve waste management which is considered to have positive effects in the ELWA area.	No
<b>(f) the value and vulnerability of the</b>	The Joint Strategy is not site specific and has been considered alongside sustainability issues as	No



SEA Screening Criteria	Summary of Predicted Environmental Effects	Significant Environmental Effect?
<p><b>area likely to be affected due to-</b>  <b>(i) special natural characteristics or cultural heritage;</b>  <b>(ii) exceeded environmental quality standards or limit values; or</b>  <b>(iii) intensive land-use;</b></p>	<p>described in criteria 1(d). Furthermore, the implementation of the Joint Strategy will not remove protection for any such areas and therefore there are no significant effects associated with the Joint Strategy.</p>	
<p><b>(g) the effects on areas or landscapes which have a recognised national, Community or international protection status.</b></p>	<p>The Joint Strategy will not remove any protection for areas with a recognised community or international protection status. The strategy will encourage improved environmental performance. It is anticipated that the supplementary guidance in the Joint Strategy will have negligible impact on protected areas.</p>	<p>No</p>

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## 3 Conclusion

The scope of the East London Joint Strategy has been considered against the criteria from the Practical Guide to SEA<sup>8</sup> and the SEA Regulations.

It is considered that the East London Joint Strategy will not set a framework for future development consent of projects. Also, the aims, objectives and priorities set out in the Joint Strategy are focussed on exploring ways to work together and in partnership with the local community and other organisations to deliver sustainable systems for managing resources and waste in accordance with wider established targets and evolving legislation. The Partner Authorities will be exploring how to do this within their own services. For these reasons it is considered that the East London Joint Strategy is not likely to have any significant environmental effects and a SEA is not required.

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<sup>8</sup> A Practical Guide to the Strategic Environmental Assessment Directive: Practical Guidance on Applying European Directive 2001/42/EC', Office of the Deputy Prime Minister, 2005.



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**CABINET****13 July 2021**

<b>Title:</b> Reside Business Plan 2021-26	
<b>Report of the Cabinet Member for Finance, Performance and Core Services</b>	
<b>Open Report with Exempt Appendix A</b> (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972)	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
<b>Report Author:</b> Hilary Morris, Commercial Director	<b>Contact Details:</b> Tel: 020 8227 3017 E-mail: hilary.morris@lbbd.gov.uk
<b>Accountable Strategic Director:</b> Claire Symonds, Managing Director	
<p><b>Summary</b></p> <p>This report seeks Cabinet approval of the Barking and Dagenham Reside Regeneration Ltd Co No: 09512728 (Reside) 2021-26 Business Plan, in line with the requirements of their Shareholder Agreement. Approval of the plan is subject to certain conditions which are set out in the Recommendations below. This Business Plan has been scrutinised by the Shareholder Panel, the advisory body created to monitor and to report to Cabinet on the performance of Companies that the Council has a shareholding interest in. Reside is the company which manages the Reside group of companies.</p> <p>Importantly, this Business Plan has been developed while still operating in a COVID-19 environment and it is possible that there are further impacts on the Company's ability to deliver business plan outcomes which are not known at this stage. Performance against this plan will be monitored through the Shareholder Panel.</p> <p>The coming five years are ones of expected significant growth in the number of homes which will be managed by Reside. It is essential that the strategy to scale up operations, to enable successful delivery of affordable homes to working households is robust and fit for purpose.</p> <p>The Business Plan is contained at Appendix A which is in the exempt section of the agenda as it contains commercially confidential information (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <p>(i) Approve the Barking and Dagenham Reside Regeneration Ltd (Co No (09512728) Business Plan 2021-26 at Appendix A to the report, subject to the conditions set out below; and</p>	

- (ii) Authorise the Council's Managing Director, in consultation with the Shareholder Panel, to:
- (a) approve the final detailed operational model and any costs associated with delivering the Property Management functions and any associated legal or contractual documentation.
  - (b) approve the strategy for reviewing and updating the Reside Group structure to ensure it is in the best possible position to achieve its strategic outcomes and to fulfil its legal obligations.
  - (c) take all necessary action to enable Reside to carry out its proposals under the Business Plan and to agree any variations to the business plan or shareholder agreement and enter any agreements or warranties necessary.
  - (d) take all necessary action to wind up or otherwise repurpose any companies in the structure on behalf of the Council as shareholder and apply for all necessary consents to do so.

**Reason(s)**

To assist the Council with delivering the Inclusive Growth Strategy and delivering a well-run organisation. This proposal is in line with Recommendation 8 of the independent Growth Commission's report published in February 2016 and is therefore aligned to the Council's 'Inclusive Growth' priorities.

**1. Introduction and Background**

- 1.1 The approval of the Reside business plan is reserved to the Council as shareholder under a shareholder agreement entered into with Reside in 2020. This is an executive function exercised by the Cabinet on behalf of the Council as shareholder. In line with that agreement this Business Plan has been produced for Cabinet approval as outlined in the recommendations. This Business Plan is a consolidation of financial and other commitments across a portfolio of multiple legal entities within the Reside Group structure.
- 1.2 The Business Plans were approved by Reside Board on 20th May 2021; Corporate Strategy Group on 17th June 2021 and have been scrutinised by the Shareholder Panel 21st June 2021 and subject to final revisions recommended for approval to Cabinet on 24th June 2021 subject to the conditions listed in the Recommendations section of this Cabinet report.
- 1.3 This report highlights the key objectives to be delivered and the period by which the returns are expected in the exempt Appendices.

**2. Reside Group performance highlights in 2020/21**

- 2.1 The 2020/21 year has been very challenging with impacts being felt on the construction industry resulting in delays to practical completions on some of the Reside schemes, as well as difficulties in rent collection and securing of sales. Despite these challenges, Reside's end of year 2020/21 financial return to the Council is forecasted to be only a 1% negative variance against the 2020-25 Business Plan target.

2.2 Despite these challenges Reside have reported achievement of several of their 20/25 Business Plan commitments, highlights of which include;

- Making improvements to governance and business planning, which have created the foundations for future success and help to mitigate Reside and the Council from risk.
- Put in place a suite of key policies, procedures, rules and delegations (financial and contractual), and set out a timetable for review.
- Undertaking a Strategic Options Appraisal to support the development of a new Target Operating Model to ensure Reside is set up to succeed and support growth.
- Developing a Target Operating Model framework and approach to take forward future requirements in a strategic and planned way, based on best practice. The outcome of this work and the implementation of any activities required to complete this is a key commitment for the 21/22 financial year.
- Supporting the bringing in-house of legal services relating to leasing structure and sales, reducing costs and improving both the quality of service and commissioning oversight.
- Reviewed and refreshed the Reside brand, including their vision and values and the creation of a new website.

2.3 However, there are a number of areas where further work is required to detail the mix of functions and roles required to deliver Property Management Agreement in the future, hence why the detailed operating model is being reserved for once that exercise has been completed. As such, this plan is another interim business plan until a finalised operating structure and model is agreed.

2.4 It is also acknowledged that due to the complexity of the Reside Group structure, one of the 2020-25 business plan commitments which was to review and refine the structure to ensure it is robust, both from a governance perspective and to optimise Business Plan outcomes is not yet complete. Further work is needed in this area in the coming year to bring this commitment to completion.

### 3. Reside Business Plan Commitments 2021-26

3.1 The Reside Business Plan identifies some of the activities undertaken in 2020/21 and further activities required in the coming year to scale up operations, in conjunction with expected growth of homes being managed by Reside in the coming five years and it gives a summary outline of the anticipated resources likely to be required in the future, albeit these are subject to approval as part of the detailed operating model.

3.2 The table below shows the projected growth in number of homes planned to be allocated to Reside during the 2021-26 Plan period.

Year	Number of homes
2021/22	1,057
2022/23	1,435
2023/24	2,361
2024/25	3,109
2025/26	3,495

- 3.3 Reside have set out an intention to deliver services in accordance with organisation values including being resident focused, caring and providing quality services with integrity. These describe the ways Reside will work, inform its desired culture and guide its behaviour in the workplace for the benefit of residents and colleagues.
- 3.4 Within that values framework Reside have set out a number of commitments for the 21/22 financial year including;
- Reviewing and refreshing its service offer delivered to residents which will include developing an asset strategy based on the costed 30-year stock maintenance programme Reside initiated and developed during 20/21. This is intended to help deliver quality, forecast spend more effectively and ensure Resides properties remain in good condition and lettable for many years to come.
  - Reviewing the void specification for existing homes and refreshing the specifications and commissioning arrangements for responsive repairs and voids
  - Developing a different service offer for new-build private rented homes so Reside can become the landlord of choice for Private Rented Sector residents. This will include a bespoke responsive maintenance and void works contract which will increase accountability, provide cost transparency, and deliver better services to residents.
  - Agreeing the detailed operating model for services delivered under the Property Management Agreement, including the transfer of any agreed functions and resources to Reside
  - Re-designing the Finance function to increase capacity and capability within Reside which may include transferring functions and resources from the Council.
- 3.5 Reside have indicated that at this pivotal development in their transformation journey, additional interim transformation resource is needed to deliver the commitments listed above and which have been factored into the financial model. Identification of further permanent resources will be considered and approved as part of the detailed operating model.
- 3.6 The Plan outlines at a high level a commitment to implement communications and marketing strategies in the coming year and identified that a communication and engagement manager will be required to develop Resides own marketing and engagement strategy. Further detail and an associated timeline still need to be confirmed.

#### **4. Consultation**

- 4.1 The Reside Business Plan has undergone the following consultation:
- Endorsed subject by Corporate Strategy Group in June 2021
  - Endorsed by the Shareholder Panel on 24 June 2021
  - Commissioner for Inclusive Growth
  - LBBD Legal
  - Finance Director
  - Director of My Place
  - Commercial Director



## 5. Financial implications

Implications completed by: David Dickinson, Investment Fund Manager

5.1 The Reside Business plan includes a 5-year financial plan, which includes forecast returns based on existing homes and sites being developed by the Council / Be First which are expected to go into Reside. This income will form part of, but not all, of the Council's Investment and Acquisitions Strategy (IAS) income target, which also includes net treasury returns and commercial income that is not received from Reside. The Reside contribution to the IAS is the net of:

- the forecast Reside return (the expected profit in the Reside accounts) and
- the loan principal repayments that start two years after a site has handed over (5 years for Gascoigne phase one) and act as a proxy for the minimum revenue contribution required in the Council's accounts;
- capital receipts from Shared Ownership sales; and
- lease payments.

The net contribution to the MTFS, excluding any interest margin, and the number of homes managed by Reside is below:

<b>Forecast Reside Income</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Surplus Rents Payable to the Council (after costs)	£637,000	£1,387,000	£1,287,000	£2,905,000	£2,446,000
Number of homes	1,057	1,435	2,361	3,109	3,495

The MTFS surplus decreases in 2025/26 when loan principal repayments / MRP is required for all the pipeline sites.

5.2 The Reside business plan sets out several financial risks that could potentially impact the return forecast. These forecasts, both for the surplus and for the number of homes being built are subject to several assumptions and risks including:

- (i) That Be First can build the pipeline sites at the cost and to the deadlines assumed in their scheme viability assessments. As with any building project there is a risk that costs and / or timescales will change, especially given the additional safety requirements emerging following the Hackitt review. If costs are higher or development takes longer than forecast, then Reside will not be able to deliver the returns shown below.
- (ii) Financial allowances for planned and cyclical repairs for the pipeline sites (lifecycle costs). There is a risk that assumptions are either insufficient or the timing of the payments is incorrect, and returns will be lower than forecast. Bespoke lifecycle cost modelling has been completed for a number of the schemes and this is now reflected in the Reside assumptions.
- (iii) The financial return is sensitive to changes to rent assumptions, if rent increases or the market rents used as a basis for the affordable rented homes are lower than assumed then the return will be lower than forecast. Reside have amended

the rent assumptions (these are included in the report and repeated below). The rent assumptions are more prudent but are still a challenging target to meet. Specifically, the rent assumptions are:

- for existing homes (save for Reside Ltd) rise at CPI+1% for 5 years before reverting to CPI.
- for Reside Ltd's 477 homes there is a "special" assumption of RPI+ ½% based on the assumptions made in the original model. The core assumption for Reside Ltd rent increases has been modelled as RPI+1/2% for 5 years with RPI thereafter (noting RPI and CPI are assumed to converge in 2030).
- for affordable and market rented homes in the development pipeline, as these rents assume an element of "new home" premium these have been frozen at present values until 2023 or for affordable rents handover if this is earlier.
- Affordable (80%) rents increase in the first year after handover at CPI+1%, with this rate of increase continuing until 1st April 2026 when increases revert to CPI.
- Market rents are frozen until 1st April 2023, then then increase at CPI+1% each year until 1st April 2026 when they revert to CPI increases (so allowing for some market catch-up before reverting to a long-term CPI increase)
- Rents have been based on the most recent market appraisal received from Savills, note these are not Red Book valuation.

(iv) Reside is working with Be First to receive regular updated rental valuations for pipeline schemes to ensure any issues with income are highlighted promptly and any adjustments to the assumptions are made.

(v) The numbers are sensitive to changes in sales values for shared ownership homes. Sales values are affected by the housing market in London and other macro-economic factors. Any reduction in sales values both reduces the initial surplus / increases the loss made on the initial shared ownership sale and the amount of rent charged on the retained equity.

(vi) The financial returns have been modelled based on the existing management costs charged to Reside by MyPlace and BDMS. There is a risk real costs maybe lower or higher than these recharges and an accurate understanding of the real cost of delivering these services in the future to Reside is required to ensure the Council fully understands and maximises returns.

5.3 Covid has resulted in greater uncertainty within the rental market, especially around inner-city flats, although the market has continued to grow in and around LBBD. As the country, hopefully, returns to a new normal, a better understanding of both the short- and medium-term impact on the strategy will be known and may require adjustments to the underlying assumptions. Reside have already made the adjustments to the rental assumptions but have also increased the short-term bad debt assumptions. Should these assumptions prove to be overly prudent then there is potentially higher surpluses to the Council but if the level of bad debts does increase significantly, then part of this increase has been factored into the Reside returns.

## 5.4 Interest Surplus

- 5.4.1 As each scheme complete, the Council retains the freehold / head lease and leases the homes, predominately on 130-year leases to the relevant Reside vehicle. The leases include debt repayment over between 52 and 55 years and a market interest rate, which can vary depending on the tenure type the lease is against. As the interest rate is a market rate, there is a surplus between the cost the Council incurs from borrowing and the return it receives from lending to Reside. This surplus can vary depending on the Council's weighted average cost of borrowing.
- 5.4.2 The Council's weighted average cost of borrowing has steadily decreased over time as new borrowing made over the past two years has been lower than the council's average borrowing costs. As a result, the interest margin has also steadily increased, resulting in a greater surplus potentially being paid back to the Council.
- 5.4.3 The rent surplus, while potentially providing additional income to the Council, also provides protection to the Council should returns from Reside be lower than forecast.
- 5.5 2021/22 and into 2022/23 will see a large increase in properties being managed by Reside and work is being carried out by the Council, Be First and Reside to ensure the handover of these properties is completed in a professional and timely manner to ensure that the properties are fully let or sold within the current model assumptions. In addition, work is being carried out to increase the resources for property management and progressing an asset management strategy. These changes, if fully implemented, should result in Reside providing a more complete and professional Landlord Service and, in turn, this could lead to improved financial performance of the assets.
- 5.6 The report also covers the management of Private Rent Sector Schemes (PRS), which is a new asset category for Reside. This requires a more focused and commercial approach to letting and work is being carried out with specialists to ensure that Reside is able to compete with more established competitors in this market. It is essential that PRS is managed professionally as they do provide additional surpluses to schemes that support the provision of more social housing but also the market for these types of property is more competitive but also more risky than the provision of social housing.

## 6. Legal Implications

Implications completed by: Dr. Paul Feild, Senior Governance Lawyer and Ian Chisnell, Major Projects Solicitor

- 6.1 The Council has a number of relevant powers concerning the formation of trading companies, borrowing and investment activities. Cabinet is requested to:
- a) Approve the Business Plan for Reside;
  - b) Delegate authority to the Managing Director to approve any changes.
- 6.2 Section 1 of the Localism Act 2011, the general power of competence ("GPC") empowers local authorities to do anything that an individual can lawfully do provided that the activity is not expressly prohibited by other legislation. Activities authorised

by the GPC can include investment, trading or charging decisions which may be undertaken through commercial (corporate) vehicles with the primary aim of benefiting the authority, its financial management, its area or its local communities. The power is wide and provided that the specific activity is not expressly restricted or proscribed by other legislative provisions, it will be within the parameters of the GPC power. Caution should be exercised in making decisions to ensure that any investments or loans financed with borrowing further the functions of the Council and are consistent with the prudent management of the Council's financial affairs and associated prudential guidance.

- 6.3 Reside is a 100% owned company owned by the Council and it manages the other companies in that group. On creation it was a special form of company called a Teckal company which meant it enjoyed a special status within the Council under the Public Contract Regulations 2015 as if it were a department of the Council and dealings between it and the Council are not subject to the UK procurement regime. This status remains post the UK leaving the EU last year.
- 6.4 The company and the Council have entered into a shareholders agreement. These reserves certain decision making to the Council as shareholder rather than with the directors of the company. That agreement also controls the activities of the other companies.
- 6.5 Resides business is predominately that of a housing landlord which returns an income to the Council on its investments. That is to say the Council retains the freehold interest and grants a lessor interest to Reside who then in turn grant leases to tenants. The asset including the shares in Reside are within the General Fund of the Council and are to provide a positive rate of return indeed it is a requirement it does so as the Council must not be providing a subsidy (previously called "state aid").
- 6.6 The business plan is the road map for Reside to deliver its objectives which are set by the Council as shareholder.

## **7. Other Implications**

- 7.1 **Contractual Issues** - Development of Business Plans is a contractual commitment for all of the Companies and is designed to set the framework by which the strategic direction of each Company is considered and approved or endorsed by the Council as either a major or minor Shareholder.
- 7.2 **Health Issues** - The proposed Business Plans will have a positive impact on the local community in terms of affordable housing to working households.

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

### **List of appendices:**

- Appendix A: Reside Business Plan 2021-2026 (exempt document)

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**CABINET****13 July 2021**

<b>Title:</b> BDTP Business Plan 2021-26	
<b>Report of the Cabinet Member for Finance, Performance and Core Services</b>	
<b>Open Report with Exempt Appendix A</b> (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972)	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
<b>Report Author:</b> Hilary Morris, Commercial Director	<b>Contact Details:</b> Tel: 020 8227 3017 E-mail: hilary.morris@lbbd.gov.uk
<b>Accountable Strategic Director:</b> Claire Symonds, Managing Director	
<p><b>Summary</b></p> <p>This report seeks Cabinet approval of the Barking and Dagenham Trading Partnership (BDTP) Interim 2021-24 Business Plan, in line with the requirements of their Shareholder Agreement. This Business Plan has been scrutinised by the Shareholder Panel, the advisory body created to monitor and to report to Cabinet on the performance of Companies that the Council has a shareholding interest in.</p> <p>Importantly, this Business Plan has been developed while still operating in a COVID-19 environment and it is possible that there are further impacts on the Company's ability to deliver business plan outcomes which are not known at this stage. Performance against this plan will be monitored through the Shareholder Panel. Approval of the plan is subject to certain conditions which are set out in the Recommendations below.</p> <p>Given the current operating conditions it is imperative that BDTP develop robust plans to increase their ability to win new work to ensure long term sustainability. Within the period of this interim business plan they will need to ensure they are able to demonstrate a focused delivery plan which is sustainable and deliverable despite working in a post covid-19 environment.</p> <p>The substantive Business Plan is contained within Appendix A which is in the exempt section of the agenda as it contains commercially confidential information (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	
<p><b>Recommendation(s)</b></p> <p>The Cabinet is recommended to:</p> <p>(i) Approve the BDTP Business Plan 2021-26 at Appendix A to the report, subject to the conditions set out below; and:</p>	

- (ii) Authorise the Council's Managing Director, in consultation with the Shareholder Panel, to:
- (a) Approve the outcome of the Service Improvement Plan, including the approval of any contractual variations required as a result of that programme;
  - (b) Approve the request for the Council to issue up to £5m for working capital loan and agree all loan documentation or any documentation required to approve the utilisation of funds from the realisation of profit at LEUK, subject to due diligence and ensuring there is no breach of subsidy;
  - (c) Approve expenditure of £1.6m to remove any backlog repairs works and allocate the remainder of the £3.5m business improvement investment;
  - (d) Take all necessary action to enable BDTP to carry out its proposals as set out within the Business Plan, except those reserved by these recommendations, and to agree any variations to the business plan.

**Reason(s)**

To assist the Council with delivering the Inclusive Growth Strategy and delivering a well-run organisation. This proposal is in line with Recommendation 8 of the independent Growth Commission's report published in February 2016 and is therefore aligned to the Council's 'Inclusive Growth' priorities.

**1. Introduction and Background**

- 1.1 The approval of the BDTP business plan is reserved to the Council as shareholder under a shareholder agreement entered into with BDTP in 2018. This is an executive function exercised by the Cabinet on behalf of the Council as shareholder. In line with that agreement this Business Plan has been produced for Cabinet approval as outlined in the recommendations.
- 1.2 The Business Plans were approved by BDTP Board, Corporate Strategy Group on 17 June 2021 and has been scrutinised by the Shareholder Panel on 21 June 2021 and recommended for approval to Cabinet following several revisions, subject to the conditions listed in the recommendations section of this Cabinet report.
- 1.3 This report highlights the key objectives to be delivered and the period by which the returns are expected in the exempt Appendices.

**2. BDTP Performance Summary 2020/21**

- 2.1 As was the case for many organisations, 2020 was very challenging for BDTP. There has been a downward trend in the financial position as the commissioned work and revenue was lower than forecasted - a large proportion resulting from the Covid-19 pandemic. The report therefore sets out a deterioration in the financial position overall and is showing a projected Operating Net Loss in 2021/22 of £0.815m rather than the forecasted £2.1m surplus.
- 2.2 As noted, the BD Managed Services area of the business was restricted to providing emergency repairs only for the majority of the past financial year resulting in a backlog of works. Part of this Business Plan outlines an intention to invest £1.6m to remove the backlog over the coming year. The effect on the financial and

operational performance of the business in 2020/21 as set out above has been substantial.

- 2.3 In addition to the challenges presented by the pandemic, it became clear during 2020/21 that there were performance issues within BD Management Services which were having an impact on the Companies contractual performance to the Council under its Services Management Agreement. During the third quarter of 2020/21 the Company undertook to develop a detailed Service Improvement Plan (appended within the plan), recognising that some of the issues identified across the organisation related to organisational culture as well as weaknesses in the core infrastructure within the Company. Delivery of the Service Improvement Plan is the main focus of the BD Management Services subsidiary during the period of this business plan.
- 2.4 The Business Plan is not forecasting to return to profit until 2022/23 and no payment of a dividend to the Council until 2023/24 at the earliest, with that assessment dependent on achieving ambitious growth targets for the next two successive years.

### **3. BDTP Business Plan Commitments 2021-26**

- 3.1 The company are forecasting the retention of current levels of revenue from schools following retention of catering contracts along with the growth of cleaning provision. BDTP have also provided an assessment of the potential growth of external business in multiple sectors for the subsequent two years which indicates BDTP would need to secure 5% of the external market share to achieve the revenue targets set out for external growth and achievement of these will be monitored through the financial year. The company are optimistic that this will be achieved but the drop in revenue forecasts for 2021/22 and the clear reliance on the Council to retain the Company's financial return highlights the importance of the Company's growth strategy to long term success. As a result, the Company has invested in a business development team to maximise the opportunities for growth, which is a critical part of the roadmap for this financial year.
- 3.2 The Business Plan addresses some of the weaknesses identified within the Company's core infrastructure by proposing the interim recruitment of and then subsequent permanent recruitment of a number of new roles within the business including into the Human Resources, business development, executive support and transformation functions. The funding of interim posts and recruitment of permanent posts is anticipated to cost the Company just over £1.4m in this financial year in addition to costs associated with clearing the growing backlog of works caused by the pandemic which are anticipated to require one off funding of £1.6m.
- 3.3 These costs are currently proposed to be funded partly from the capital receipt from the sale of Plot 3 at LEUK for the film studio development in addition to being funded via a working capital loan provided by the Council. Overall £8m is likely to be required to fund shortfalls in BDTP during 2020/21 and 2021/22 however the funding split between a working capital loan and utilisation of capital receipt for the 21/22 losses and investment is still to be agreed between the Council and the Company. The requirement for additional funding during 2021/22 – whether capital utilisation or working capital injection - is expected to be c£5m.

- 3.4 Although the sale of parts of the LEUK land have helped to fund the shortfalls during 2020/21 investment in, and revenue at, LEUK has suffered albeit a proportion of this will be due to the impact of COVID of rent sums. The Business Plan anticipates that new tenants are forecasted to be gradually taken on board at LEUK from September 2021 onwards and notes that two new tenants have been signed during April 2021 but a comprehensive strategy for the site at LEUK will need to be agreed between the Council and BDTP during the course of 2021/22. A masterplan has been commissioned by the Council to inform future decisions at this strategic site.
- 3.5 The Business Plan highlights some achievements made by BDTP towards supporting delivery of the Council's strategic priorities through the pandemic with some highlights including;
- Working in collaboration with LBBB Education and LBBB Community Solutions to support the delivery of 25,000 food hampers during the pandemic.
  - Created a central distribution hub to support LBBB Community Solutions deliver food / supplies to non-school locations.
  - Supporting LBBB's delivery of the Holiday Activity Fund, working alongside a wide variety of community focussed activity providers for instance Arts and Sports organisations.
- 3.6 The Business Plan also highlights some activities undertaken against its social capital objectives. Some of the activities undertaken include:
- BDTP held its first local recruitment day at LEUK on 8 June for catering and cleaning role and are currently considering whether this approach can be extended to support broader Borough recruitment priorities.
  - Through implementation of a revised approach to procurement and in collaboration with the LBBB Social Value Team, BDTP have created a fund to support LBBB in delivery of their social value themes (primarily employment theme at this stage) and BDTP are also supporting the creation of an employment pathway for disadvantaged and vulnerable adults in the Borough.
- 3.7 BDTP report limited success with it's voluntary literacy and numeracy programme which was developed in collaboration with B&D College and developing a clear strategy to progress this important commitment will need to be progressed during 21/22

#### **4. Consultation**

- 4.1 The BDTP Business Plan has undergone the following consultations:
- Endorsed by Corporate Strategy Group in June 2021
  - Endorsed by the Shareholder Panel on 21 and 24 June 2021

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

Implications completed by: Philip Gregory, Chief Finance Officer

- 5.1 The structure was previously set up to allow post-tax profits to be paid to the Council as dividends. Given the pandemic impact, the plan has been updated to



ensure BDTP recovers and to explore certain options. The intention is still to deliver savings to the Housing Revenue Account over the next few years and to resume dividend payment as soon as practically possible. This will be reflected in the Council's Medium Term Financial Strategy in the next update.

- 5.2 It is important to note that the company is also delivering savings to the Council HRA through the continued improvement in their operational delivery as well as delivering dividend returns.

## 6. Legal Implications

Implications completed by: Ian Chisnell, Interim Major Projects Solicitor.

- 6.1 Cabinet is requested to approve a Business Plans for BDTP a company wholly owned by the Council and is therefore a Regulated Company under the Local Government and Housing Act 1989.
- 6.2 This decision is taken by the Council as shareholder in the company.
- 6.3 The Council has a number of relevant powers regarding its involvement in such companies. Section 1 of the Localism Act 2011, the general power of competence ("GPC") empowers local authorities to do anything that an individual can lawfully do provided that the activity is not expressly prohibited by other legislation. Activities authorised by the GPC can include investment, trading or charging decisions which may be undertaken through commercial (corporate) vehicles with the primary aim of benefiting the authority, its financial management, its area or its local communities. The power is wide and provided that the specific activity is not expressly restricted or proscribed by other legislative provisions, approval will be within the parameters of the GPC power.
- 6.4 Under s4 of the Localism Act 2011, if the Council is trading services then this must be done through a company.
- 6.5 In terms of procurement, If BDTP falls with in Regulation 12 of the Public Contracts Regulations, the company can contract with the Council and vice versa without the need to tender contracts over the threshold in those Regulations, However if it is not and it is carrying out Council functions then it will need to comply with those Regulations.
- 6.6 As a public body, the Council cannot provide state resources or other forms of support on a selective basis to any organisations or body in a manner that could potentially distort competition and trade in the European Union. This principle is binding in law on the Council.

## 7. Other Implications

- 7.1 **Contractual Issues** - Development of Business Plans is a contractual commitment for all of the Companies and is designed to set the framework by which the strategic direction of each Company is considered and approved or endorsed by the Council as either a major or minor Shareholder.

7.2 **Health Issues** - The proposed Business Plans will have a positive impact on the local community in terms of affordable housing to working households.

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

**List of appendices:**

- **Appendix A:** BDTP Business Plan 2021-2026 (exempt document)

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## CABINET

13 July 2021

<b>Title:</b> Delivery of Barking Riverside Health and Wellbeing Hub	
<b>Report of the Cabinet Members for Regeneration and Economic Development and Social Care and Health Integration</b>	
<b>Open Report with Exempt Appendix 3</b> (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972)	<b>For Decision</b>
<b>Wards Affected:</b> Thames	<b>Key Decision:</b> Yes
<b>Report Author:</b> David Harley, Head of Regeneration, Be First Rebecca Nunn, Consultant in Public Health – Inclusive Growth, People & Resilience	<b>Contact Details:</b> Tel: 07870 278181 E-mail: david.harley@befirst.london
<b>Accountable Director:</b> Ed Skeates, Director of Development, Be First; and Matthew Cole, Director of Public Health	
<b>Accountable Strategic Leadership Director:</b> Claire Symonds, Managing Director; and Elaine Allegretti, Strategic Director, Children and Adults	
<b>Summary</b>	
<p>Barking Riverside is one of the largest regeneration schemes in the Borough delivering a new community of over 10,000 homes with associated facilities on 2km of River Thames frontage. The London Overground extension is currently under construction which will provide an approx. 6-minute journey to Barking Town centre. The station forms a key part of the proposed District Centre at the heart of the development.</p> <p>Barking Riverside has been identified as one of the NHS's Healthy New Towns showcasing how new development can embed improved health and wellbeing from the outset. A key feature of the District Centre is a proposed Health and Wellbeing hub combining a new leisure centre with pool together with health and community facilities. Co-location of these facilities aims to embed the Healthy New Town principles encouraging physical activity and social interaction with others as key preventative measures encouraging healthy lives. This would be a new citizen focussed model of care for the local community. The hub will be a central point for the community to come together, maximise their wellbeing, and access a range of care and support services when they need them. The New Model of Care will see statutory and community partners working together to empower residents and facilitate activation of the Barking Riverside community, alongside making sure services are accessible and appropriate for maximising health outcomes for residents.</p> <p>As part of the outline planning permission, the Section 106 agreement sets out a number of obligations and commitments. At the time a combined facility was not envisaged therefore the S106 refers separately to leisure, health and community facilities. One obligation on Barking Riverside Limited (BRL) was to carry out a 'Leisure Centre Feasibility Study' prior to the occupation of 2000 homes to design and determine whether a facility is viable and if so enabling a financial contribution to be made.</p>	

A team of consultants appointed by BRL, working with a steering group including the Clinical Commissioning Group (CCG) and the Council, have produced the feasibility study in draft with the design worked up in consultation with a group of residents. As well as offering an innovative mix of uses, the hub will provide facilities that are not available elsewhere in the region (a “destinational” facility).

The proposed hub would be a centre piece of a new district centre attracting people to this hidden part of the borough and benefitting all residents in the Borough through a range of new facilities. Appendix 1 shows the site location in relation to the new station, the Riverside school, the jetty and the rest of the District Centre.

The feasibility study shows that the hub cannot be built by BRL for just the S106 funding available. There is an option for the Council to lead on the delivery and management of the hub borrowing to address the funding gap with repayment via the rental income. The Council would take a long lease (999 years) of the serviced plot from Barking Riverside at nil cost together with a total BRL contribution (including S106 obligations) of £22,253,328. This would be paid on completion of the hub.

As part of the Council’s procurement of [the leisure centre management], the option of the winning bidder (Everyone Active) to manage a future Barking Riverside Leisure Centre was included. Everyone Active are keen to manage the leisure element of the hub and have been involved in the design and demand assessments producing a business plan showing a guaranteed rent (Covid exemption). Their figures have been independently assessed. The Council would sublet the health space to NELFT at a market rent set by the District Valuer. The community space would be let at a peppercorn rent to the Barking Riverside Community Interest Company (if fully established by Practical completion, if not then temporarily then to BRL).

Separately the CCG have requested loan funding for the fit-out costs of the health space which would be repaid via an enhanced rent.

### **Recommendation(s)**

The Cabinet is recommended to:

- (i) Approve the development by the Council of the Barking Riverside Health and Wellbeing Hub on the terms set out in the report, which include the Council taking a long leasehold interest of the site shown edged red in Appendix 1 to the report at nil cost and entering into a Land and Works agreement with Barking Riverside Limited for the development;
- (ii) Approve the borrowing of up to £39.95m within the General Fund, subject to satisfactory due diligence and receiving confirmation of BRL’s contribution of £22.253m, as detailed in paragraph 2.2 of the report, being paid to the Council on Practical Completion;
- (iii) Support the proposed variation of the current Section 106 Agreement with relevant parties in respect of the Barking Riverside Development to reflect the changing circumstances and delivery of the Health and Wellbeing Hub, which shall be subject to the necessary approvals via the planning regime; and

- (iv) Delegate authority to the Managing Director, in consultation with the Strategic Director, Law and Governance, to agree and execute any agreements and contract documents to fully implement the project.

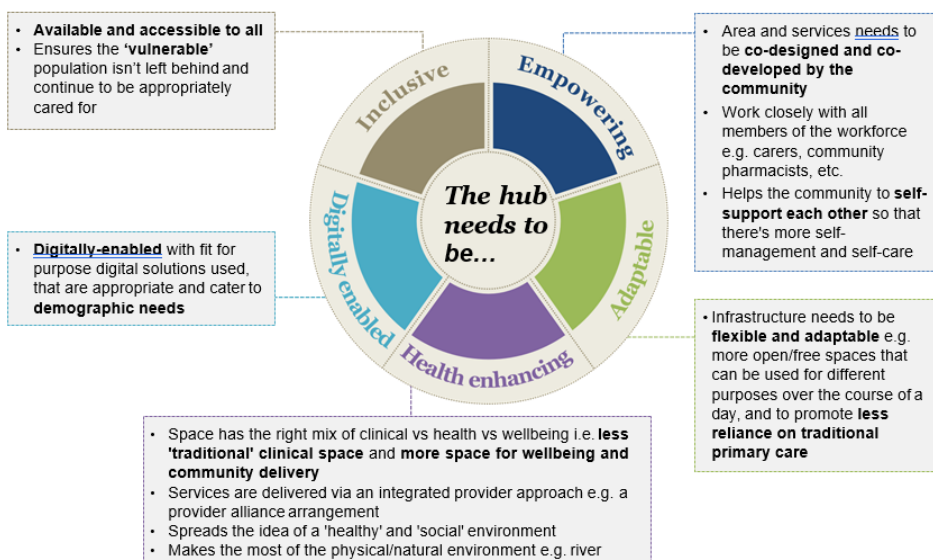
**Reason(s)**

Barking Riverside is a key part of the Borough's growth agenda and this proposal aligns to numerous Borough Manifesto objectives.

## **1. Introduction and Background**

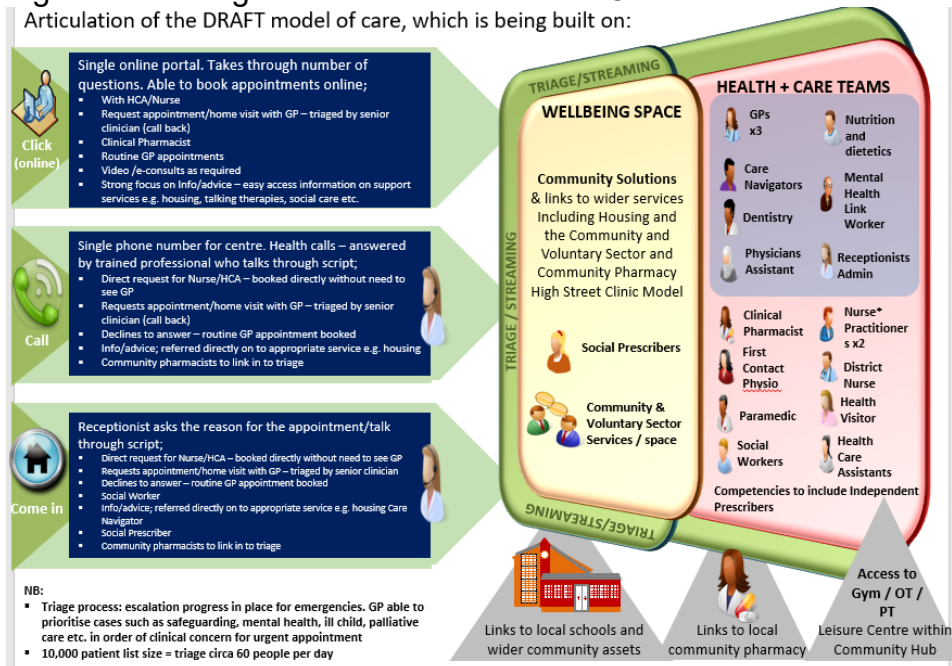
- 1.1 Barking Riverside is one of the largest regeneration schemes in the Borough, planning delivery of over 10,000 homes as part of a new community. This will bring around 30,000 people into the area (a population about the size of Windsor). The London Overground extension is under construction and will provide an approx. 6-minute journey time to Barking Town Centre once the line is operational next year. The station forms a key part of the proposed District Centre for Barking Riverside including a jetty for Thames Clipper Services. A key element of the District Centre is a proposed hub where leisure, health and community facilities are combined into a single building helping deliver the 'Healthy New Town' aspirations of the development.
- 1.2 Barking Riverside is the only site in a London borough to be selected as an NHS 'Healthy New Town'. The Healthy New Towns programme worked with 10 demonstrator sites across England to explore how the development of new places could create healthier and connected communities with integrated and high-quality services. This sought to address the so called 'social determinants of health' (the circumstances in which people are born, grow, live, work, and age) to improve health outcomes for these communities by addressing the following objectives: planning and designing a healthier built environment; enabling strong, connected communities; and creating new ways of providing integrated health and care services. As part of the Healthy New Towns journey, 10 principles were drawn up in Barking and Dagenham (Appendix 2).
- 1.3 Barking Riverside is situated in Thames Ward – one of the most deprived wards in the borough. Access to services (especially health services) is low and health outcomes are poor. Thames Ward has a higher rate of deaths from respiratory diseases, cancer, coronary heart disease and preventable diseases than the England average. Thames Ward also has high levels of domestic abuse and childhood obesity, high crime rates, and lower male and female healthy life expectancies than the borough average.
- 1.4 Thames Ward Locality has a relatively young population, even compared to the rest of the borough, with the highest proportion of under 16s in the borough and a higher birth rate than the borough average. Three quarters of the residents are from black, minority and ethnic groups, compared to the borough average of 63.6%. Thames Ward is a community with high social, health and financial needs – it is one of the 10% most deprived wards in England and has the second highest rate of unemployment in Barking and Dagenham (which has the highest rate in London). Financial deprivation is high in Thames Ward and this, along with language barriers are cited by residents as two of the main barriers to accessing the opportunities and support.

- 1.5 In relation to barriers to housing and services, Thames Ward is the most deprived Ward in England according to the Index of Multiple Deprivation 2019 (a series of statistics produced to measure multiple forms of deprivation at the small spatial scale). The Barriers to Housing and Services Domain measures the physical and financial accessibility of housing and local services, looking at 'geographical barriers', relating to the physical proximity of local services such as a supermarket, a GP surgery or a primary school, and 'wider barriers' including issues relating to access to housing, such as overcrowding, homelessness affordability. It is an area cut off from rest of borough by a main road (the A13), with very little service provision in the area, and challenges with public transport to reach other services in the borough. Thames ward has seen significant population increases in recent years with the construction of Barking Riverside. This influx of new residents brings new challenges for residents and services, and the need for residents to build connections in their new community.
- 1.6 Thames Ward is currently served by one medical centre – Thames View Medical Centre. By 2023 it is estimated that the resident population will have grown by 45.1%, and by 2033 it will have grown by 240.1% (the 2nd largest growth projection in London). This means that Thames View Medical centre will no longer have capacity to serve the whole population. The agreement with BRL was therefore that a new health facility would be provided as part of the new development to service the health needs of the new residents. This agreement was secured through the section 106 agreement linked to the development. The aspiration is to go beyond just providing a stand-alone health facility, and provide a facility which embodies the Healthy New Town principles, including using innovative models of healthcare, encouraging community participation and social inclusion, and promoting community participation in design to reduce health inequalities.
- 1.7 The aspiration for a combined health, leisure and community facility is underpinned by many of the Health New Towns principles, which have been incorporated into the aspirations visualised in Figure 1 below. The CCG, LBB and BRL have committed to these principles and have been working towards integrating them into the design of the built environment, and design and improvement of projects and services in Thames Ward (and beyond). They have also been incorporated into the emerging Local Plan and draft new Section 106 Supplementary Planning Documents.



- 1.8 The Clinical Commissioning Group (CCG) and the London Borough of Barking and Dagenham (LBBB) and Barking Riverside (BRL) have spent over two years developing a bespoke integrated model of care specifically targeted to improve the health outcomes for people living in Thames Ward. The model relies on the principle of integrating health, leisure and community services into one facility to build a holistic, future proofed model of wellbeing. It is agreed that the continued use of separate facilities will continue to promote reactive, siloed care whereas an integrated facility would provide collaborative and innovative delivery models focussed on prevention. The combined facility is referred to as the Health and Leisure Hub.
- 1.9 A New Model of Care for Barking Riverside been developed, led by the CCG and supported by LBBB, other NHS providers, the community and voluntary sector, local residents, and other local providers. This model of care puts care back into the heart of the community, aspires to empower the community to be part of care delivery, and puts strong emphasis on prevention of illness and promotion of wellbeing. The combined facility is central to this New Model of Care.

Figure 2: Barking Riverside New Model of Care



- 1.10 Much work is already underway in Thames View to pilot aspects of this New Model of Care, ahead of the Health and Wellbeing Hub being built. This work centres around activating the community and local assets to be key parts of the wellbeing journey for residents.
- 1.11 The intention is that the Barking Riverside hub will be the ‘community hub’ for Barking Riverside residents. This aligns with the ‘community hubs’ programme being led by ComSol, and discussions will be held as this project develops about how the council’s programme can integrate with the new facility. The CIC will co-ordinate a programme of activities and events and make space available for local groups to use the space.

## 2. Proposal and Issues

2.1 As part of the Barking Riverside Section 106 there was an obligation on Barking Riverside Limited to carry out a 'Leisure Centre Feasibility Study' prior to the occupation of 2,000 homes. A Leisure Centre contribution of £13.5m was identified towards the cost provided that the feasibility study confirmed the centre was viable for construction and operation with all funding secured. Barking Riverside Limited has produced a draft Feasibility study following extensive public and stakeholder engagement. The design team included consultants with experience of health and leisure facilities. The study was required to set out an initial design concept and estimated cost. After various reiterations which sought to reduce the construction costs, the final study cost exceeded £35m. This means BRL are not able to proceed with delivering the hub. The Council shares BRL's and the CCG's vision for the site and is proposing to take on delivery of the hub. This been assessed as a project for delivery by Be First.

2.2 LBBD would take a 999 year lease of the remediated, serviced, 0.88 acre site (shown in appendix 1) from BRL at nil cost and construct the facility. The BRL financial contribution, to be paid at Practical Completion (as per initial plan this will be towards the end of 2024), consists of:

Leisure Centre S106 contribution (less c.£55K spent on the feasibility study)	£13,433,046
Health Centre S106 contribution	£5,375,000
Community facilities S106 contribution	£2,100,000
Further monies for CIC space	£545,282
Further sum (subject to BRL Board approval July 21)	£800,000
<b>TOTAL</b>	<b>£22,253,328</b>

2.3 Appendix 3 sets out a financial appraisal of the scheme utilising these figures (this document is in the exempt section of the agenda as it contains commercially confidential information (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information). The first three years make a loss but as the 20-year cashflow shows the cumulative surplus builds across the period.

2.4 As part of the Barking Riverside Section 106, a Community Interest Company (CIC) with community leadership will manage community space across the development. The BR CIC would be offered a 125-year lease at peppercorn rent for the community space – if the BR CIC is not in place by practical completion BRL would maintain an end user position until it is. The Council would lease the leisure space to Everyone Active via the existing contract with its 5-year extension and lease the health space to NELFT for a minimum of 25 years with a market rent set by the District Valuer. The headline accommodation schedule the Council would need to deliver is as follows:

Community	572 m2 (inc café)
Health	1,756 m2
Leisure	4,128 m2
Toilets	63 m2
Plant	77 m2

- 2.5 A key feature of the leisure centre element is making the facility a destination which attracts people and secures regular visitors. The Council will need to agree with BRL a definition of 'destinational' facility. This is achieved by delivering something which is not available sub-regionally. Whilst this costs more it is essential to drive usage numbers especially whilst Barking Riverside is only in its initial phases.
- 2.6 In short, the proposal aims to appeal to the widest range of potential users across the day/week and critically to encourage regular return visits. It does this through the innovative use of technology and the facilities. The former includes digital walls/ceiling (projections) where images and themes change to suit different times of day, seasons, celebrations/festivals, audiences and trends compared to a set theme/look which limits the offer considerably. The latter consists of a range of slides, flumes, rides, splash desk, hydrosphere waterpark as well as standard swimming space again in order to maximise the number of people wanting to use the centre including provision for all ages. Everyone Active have produced an assessment which has been independently reviewed. This includes a guarantee rent (covid exemption) which has been included in the financial model. Everyone Active are in the fourth year of the 10 year agreement which has the option of extending for a further 5 years which would be beneficial for this scheme.
- 2.7 The Waterpark Design aspirations are:
- Thoughtful innovative design – seamless integration of architecture, landscape and water.
  - Variety of high calibre rides and activities – thrills, speed and competitive challenges.
  - Water based leisure with friends and family, floating, lounging, relaxing, social interaction.
  - Cater for all demographics, create memorable moments, unforgettable experiences.
  - Innovative, imaginative, creative interactive, latest technology and next breakthrough.
- 2.8 As well as extensive swimming provision, the leisure element will include a fitness suite (gym) with external views and views over the pool. Level 2 will have two studios which can be joined to create a combined event space – again with internal and external views. The facility will include a community garden for activities like yoga and an activity terrace with planting and potentially food/herb growing. The community facilities will include a large hall. The café has been designed to have a 'dry side' and 'wetside' which will help increase dwell time and capture spend from all the different uses as well as being a focal point.
- 2.9 Leisure and health facilities by the nature of the plant and equipment required are complicated schemes. Be First asked Wilmott Dixon (one of Be First's framework contractors) who have extensive experience of delivering leisure and health facilities (including Abbey Leisure Centre) to review the designs and costings carried out to date. They have made sensible recommendations but broadly think the facility could be delivered in line with the budget set out. Clearly more detailed design through a PCSA is required. Subject to Cabinet approval this would follow standard Investment Panel approval whereby at Gateway 4 a confirmed contract price would be agreed.

- 2.10 Various design ‘red lines’ have been set by BRL and the CCG following the design process and public engagement. These largely follow principles which are not a problem and are supported by the Council. A change management process will be established which will give BRL and the CCG some control over changes that materially impact on the Employers requirements. Given the importance of the building as a focal point of the new District Centre, it is important that its external appearance reflects the investment made – this is shared across the parties.
- 2.11 Barking Riverside Limited are due to provide a detailed pack of information about the plot and the servicing. This is not available yet but BRL have confirmed “BRL will provide a serviced plot prepared and remediated in accordance with the remediation strategy approved by the Council under the Outline Planning Consent. The land pack will include ground investigation reports, interim verification reports and other documentation, such as utilities plans, in support of this. This is consistent with the information provided for other serviced land plots across the site.” There is a change of levels across the site - which generates threats but also opportunities - but it will be important to understand any retaining wall requirements and impact on construction cost. BRL have also highlighted the potential for a fee-free licence for a site compound to facilitate construction given the development utilised the whole of the development site. The Council would enter into a Land and Works agreement setting out the standard BRL expect from contractors within Barking Riverside – this should fall within Be First’s standards.
- 2.12 Service charges would be shared between the leisure use and health use – no service charge will be levied on the community facilities. The service charge would recover the full costs of the facility with no further revenue from the Council required.
- 2.13 In relation to Planning, BRL are responsible for submitting the District Centre Sub Framework Plan (SFP) and discharge of associated conditions. Be First/LBBD would lead on the RIBA Stage 3 planning approval process and submit a Reserved Matters planning application for the hub and for the discharge of conditions. Given the S106 agreement did not fully envisage the proposed recommendation there will be a requirement to seek an amendment/Deed of Variation to the S106 to reflect the revised arrangement, which could also include confirmation of the revised funding arrangements.
- 2.14 Legal advice will be required on Stamp Duty Land Tax and State Aid implications to confirm there are no problems with the recommendation.
- 2.15 The building will link into the District Heating network being established by L&Q Energy at Barking Riverside.

### **3. Options Appraisal**

- 3.1 **Do Nothing** - The Council is not obliged to do anything. If the recommendations were not agreed, it would likely result in Barking Riverside Limited submitting the feasibility study confirming the hub could not be built for the available S106 funding. This would mean the £13.4m contribution would not be made. It would mean that the opportunity for a trail blazing health/leisure/community facility would be lost.
- 3.2 **A Reduced cost facility** - Part of the reason for higher construction costs relates to the enhanced leisure centre offer however this is identified as critical to achieving



the usage required to generate the rental income so reducing construction costs may not result in improved viability if rental levels decreased.

- 3.3 **Separate uses** - Whilst there are some additional costs due to collocation of facilities, there are also some savings. Whilst in theory health and community uses could form part of other Barking Riverside buildings, this would fail to deliver the benefits of an integrated facility reflecting the Healthy New Town principles and how the health agenda will increasingly focus on encouraging physical and social activity to prevent poor health.
- 3.4 **Recommended** – The option of the Council building the Health and Wellbeing hub. This option is recommended as it maximises the use of the BRL financial and land contribution to facilitate delivery of a facility which will be an innovative mix of uses delivering a wide range of Council priorities and securing a ‘destinational’ facility at the heart of the District Centre.

#### 4. Consultation

- 4.1 Consultation regarding the outline planning approval identified support for the different facilities and work on the Healthy New Towns has generated support for co-located facilities. There has been active engagement with a group of 7 local residents in the design process for the hub – this will continue as part of the process.
- 4.2 There will be more detailed public consultation as part of a Reserved matters planning application for the facility.

#### 5. Commissioning Implications

Implications completed by: Darren Mackin, Head of Commissioning and Place, Inclusive Growth

- 5.1 The Council’s corporate plan sets out our approach to commitment to delivering inclusive growth in Barking and Dagenham. The most critical aspect of our approach is that growth in the borough must benefit those who live here and make an impact on a range of outcomes for residents, which we know are not where we need them to be. The proposal set out in this paper for the Council, via Be First to intervene to enable and accelerate the delivery of this innovative project exemplifies these aims.
- 5.2 As the paper sets out not only is the community in Thames ward growing community, it is also one that faces similar, if not more complex challenges, to those experienced in other parts of the borough. The delivery of this facility in this part of the borough will provide residents with access to a high-quality facility that will enable them to access services, as well as a comprehensive health and fitness offer, in the heart of their community.
- 5.3 The Council, BRL and the CCG have worked alongside the community in developing these proposals. We have committed to continuing this dialogue with the community as the detailed plans for the centre develop over the coming year.

## 6. Financial Implications

Implications completed by: David Dickinson, Investment Fund Manager

- 6.1 The report covers the delivery of the Barking Riverside Health and Wellbeing hub. The hub will include a leisure centre and pool and will be part funded from a Section 106 agreement.
- 6.2 The detailed financial information is set out at **Appendix 3**, which is in the exempt section of the agenda as it contains commercially confidential information (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 6.3 Whilst Barking Riverside Limited have committed to the contributions set out in paragraph 2.2 (subject to a July Board approval) given these will be paid at Practical Completion it will be important to ensure the variations to the S106 give the Council strong leverage to ensure payment.

## 7. Commercial Implications

Implications completed by: Hilary Morris, Commercial Director

- 7.1 As set out in the report, in order to progress delivery of the health and leisure hub as part of the vision for Barking Riverside to be an NHS 'Healthy New Town', this proposal is requesting permission for the Council to take a long leasehold interest in the new district centre at nil cost, facilitate the delivery of the build via Be First and then subsequently sub-lease the site at practical completion.
- 7.2 The Council is in advance discussions with the Clinical Commissioning Group and Everyone Active, with whom the Council has an existing contractual relationship, to ensure the proposals for the design and fit out of the facility will meet their respective needs and provide the site with facilities that are not available within the sub-region to enhance its attractiveness to visitors. It is worth noting that Barking and Dagenham has some of the highest rates of attendance at swim lessons in the Country and the opportunity to add capacity for additional swimming provision within the Borough is positive.
- 7.3 As part of discussions Everyone Active have proposed a financial model that is based on a number of assumptions including; the number of people within Everyone Active's existing London customer base which will be the main target market, swim lesson take-up is based on the size of the pool and benchmarked on other single tank pools in the Everyone Active portfolio and standard assumptions have been input around maturity level of usage for new sites. These assumptions have been independently verified by an external leisure consultant, but they are assumptions and actual usage and financial performance cannot be guaranteed.
- 7.4 The potential for new leisure facilities to be developed was anticipated within the procurement of our leisure operator and therefore subject to approval of this proposal it would be intended to formalise the legal agreements with the respective parties.

## 8. Legal Implications

Implications completed by: Dr Paul Feild, Senior Governance & Standards Lawyer

- 8.1 As set out in the main body of the report the section 106 Town and Country Planning Act Agreement for the Barking Riverside development obligations envisaged that the Developer BRL would provide the leisure and health hub.
- 8.2 For reasons set out in the report it appears the BRL are not able to finance the delivery as their calculations lead them to believe the cost would be in excess of their ability to fund.
- 8.3 Instead a proposed option is that the Council would take over the delivery of the leisure and health hub and with the funding it is understood would be forthcoming from BRL then it would be feasible. At present the agreement does not cater for this arrangement so a deed of variation to the section 106 agreement would need to be executed to reflect the Councils lead in the delivery and ensure that BRL would provide the funding. As these agreements are binding on the land and a requirement for the planning permission an application will need to be made to the Local Planning Authority for agreement to a deed of variation.
- 8.4 The Council has the power to enter an agreement for the construction of the health and leisure hub by virtue of the general power of competence under section 1 of the Localism Act 2011, which provides the Council with the power to do anything that individuals generally may do. Section 1(5) of the Localism Act provides that the general power of competence under section 1 is not limited by the existence of any other power of the authority which (to any extent) overlaps with the general power of competence. The use of the power in section 1 of the Localism Act 2011 is, akin to the use of any other powers, subject to Wednesbury reasonableness constraints and must be used for a proper purpose.
- 8.5 Notably, the purpose of this proposal is to drive regeneration, further support is available under Section 111 of the Local Government Act 1972 (1972 Act) which enables the Council to do anything which is calculated to facilitate, or is conducive to or incidental to, the discharge of any of its functions, whether or not involving expenditure, borrowing or lending money, or the acquisition or disposal of any rights or property.
- 8.6 The Council has capacity under section 120 the Local Government Act 1972 to acquire the interest in land for the benefit improvement an development of its area and in due course under section 123 of said Act to grant a lease to the Heath and Leisure Services Occupiers.
- 8.7 Since the UK has left the EU and signed the Trade and Cooperation Agreement, and the European Union (Future Relationship) Act 2020 legislation has been passed. It has not liberalised abilities for Local Authorities to set favourable loans or support enterprises. The final regime at time of writing has yet to emerge. The UK still has World Trade Organisation obligations. Nevertheless, until there is a general enabling power for the public sector to provide assistance, the existing principle that to avoid challenges of "State Aid" or subsidies, then transactions should be at market and economic operator terms still applies. Thus, any loan or finance passed to the project must be at market terms. Furthermore, even if there were latitude, there remains an overriding principle of fiduciary duty on the Council in its

stewardship of its assets and to manages its finances prudently and obtain best consideration in its endeavours. In the present case the preferred option is to deliver the hub rather than to benefit BRL.

- 8.8 This arrangement will be on a commercial footing and the current indication is that the contract award is over the threshold for works contracts under the Public Contracts Regulations 2015 (PCR) and is thus subject to the requirements regarding tendering and transparency of award.
- 8.9 Taking account of the site's history (near the River Thames) there will be the imperative to ensure that all land, development and environmental risks are identified and managed through feasibility studies to ensure the preferred development option is deliverable before significant expenditure, and mitigation strategies put in place. Potential risk arising include, but are not limited to, any third-party rights or restrictions or incumbrances which may frustrate or prevent the development of the land. Also, care will be needed to ensure understanding of the risks of and presence of historical land contamination and potentially as being close to the Thames the presence of live WW2 ordinance. If so, any remedial action and the costs of such remediation would need to be factored into the feasibility and viability considerations to ensure that the site is suitable for the construction of the development that any contamination is capable of being remedied and that BRL do carry the necessary remedial works.
- 8.10 As there are no persons detrimentally affected by the development such as existing residents that would be displaced there are no specific human rights issues. Nevertheless, the situation will be monitored and should any points or issues occur they will be addressed.

## 9. Other Implications

9.1 **Risk Management** - A detailed Risk Register has been established and will be a key part of the project delivery moving forward. It is clear that BRL's contribution is capped at the figure in paragraph 2.2 and that the Council would be taking on the construction risks. Key risks include:

- Materials prices – These have risen considerably in the last 6 months due to increased global demand and are expected to remain high throughout the rest of the year. It is anticipated that prices will fall as of 2022 but this needs to be monitored.
- Material delays – Due to the above, lead in times have increased for several elements which again is expected to improve in 2022.
- Remediated site – The site is to be handed over serviced and remediated by BRL. The correct warranties will need to be in place before a main contractor takes possession.
- Proximity to Railway – New Overground extension due to commence August 2022. Use of Cranes, etc may be restricted.
- Pool Design – Careful design and placement of backwash and balance tanks to ensure scheme stays within cost parameters.

9.2 **Contractual Issues** - It is proposed to utilise Be First's Contractors framework to appoint the principal contractor.

- 9.3 **Staffing Issues** – Given the cross-cutting nature of the project a number of Council officers have been involved in the development of the project. They will continue to have oversight whilst the delivery stage will be managed by Be First funded through the project capital costs in the same way as other Council investment projects.
- 9.4 **Corporate Policy and Equality Impact** – The scheme aligns to a significant number of Council priorities including cross cutting themes. An EQIA has been produced and will be developed as the project moves through the planning and design stages.
- 9.5 **Safeguarding Adults and Children** - The proposal will improve the wellbeing of children and vulnerable adults in the borough and reduce inequalities through the provision of a wider range of leisure/health and community facilities in an integrated manner.
- 9.6 **Health Issues** – This scheme is critical to a new model of health – a key feature of the Healthy New Town as set out in the body of the report.
- 9.7 **Crime and Disorder Issues** - Providing a wide range of facilities at Barking Riverside will increase activity and help deter crime and ASB. As part of the planning process crime and disorder issues will be specifically considered.
- 9.8 **Property / Asset Issues** – The proposal will result in the council gaining a long lease of the site and subsequent building. As set out in the report there will be a number of shorter leases to partners for different elements of the space.

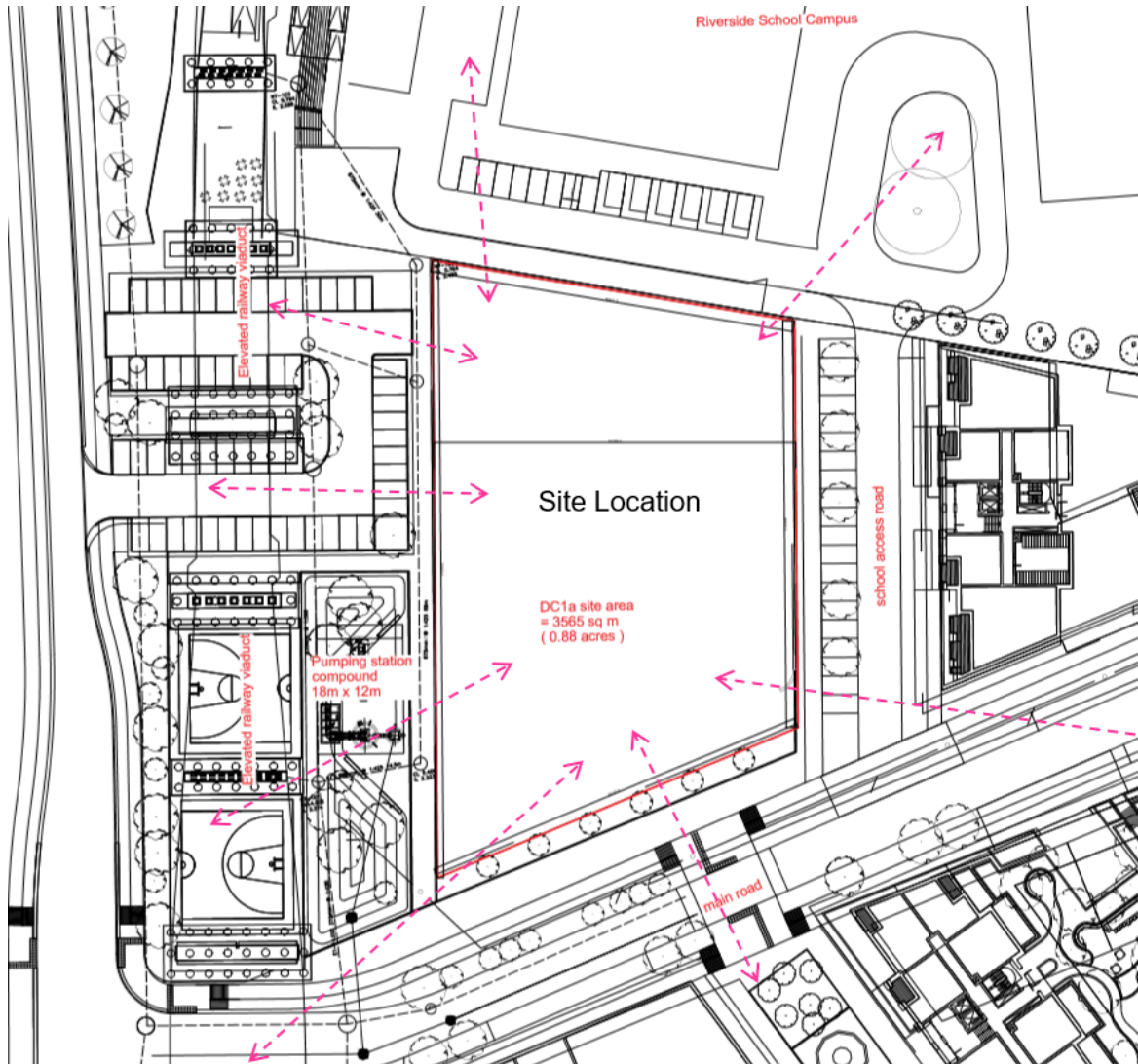
**Public Background Papers Used in the Preparation of the Report:** None.

**List of appendices:**

- Appendix 1: Plan of site for Health and Wellbeing hub  
Appendix 2: Healthy New Town Principles  
Appendix 3: Financial Summary (exempt document)

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# Appendix 1 : Site Location



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### **Our healthy new town principles are:**

1. Actively promoting and enabling community leadership and participation in planning, design and management of buildings, facilities and the surrounding environment and infrastructure to improve health and reduce health inequalities.
2. Reducing health inequalities through addressing wider determinants of health such as the promotion of good quality local employment, affordable housing, environmental sustainability and education and skill development.
3. Providing convenient and equitable access to innovative models of local healthcare services and social infrastructure, with the promotion of self care and prevention of ill health.
4. Providing convenient and equitable access to a range of interesting and stimulating open spaces and natural environments ("green" and "blue" spaces) providing informal and formal recreation opportunities for all age groups.
5. Ensuring the development embodies the principles of lifetime neighbourhoods and promotes independent living.
6. Promoting access to fresh, healthy and locally sourced food (e.g. community gardens, local enterprise) and managing the type and quantity of fast-food outlets
7. Encouraging active travel, ensuring cycling and walking is a safer and more convenient alternative to the car for journeys within and without the development and providing interesting and stimulating cycle/footpaths.
8. Creating safe, convenient, accessible, well designed built environment and interesting public spaces and social infrastructure that encourages community participation and social inclusion for all population groups including: older people, vulnerable adults, low income groups and children.
9. Embracing the Smart Cities agenda by incorporating and future-proofing for new technology and innovation that improves health outcomes across a range of areas both at an individual level and also within the public realm.
10. Ensuring workplaces, schools, indoor and outdoor sports and leisure facilities, the public realm and open spaces are well designed in ways which promote an active and healthy lifestyle, including regular physical activity, healthy diet and positive mental health.

As an important first step, 10 'healthy new town principles' have been incorporated into the 'Section 106' planning agreement between the developers and the borough. These are based on existing borough policies combined with evidence of what works in healthy place-making. The principles will be put into practice alongside other local strategies, such as transport and the sustainable environment, and reflected in all subsequent Sub-planning Frameworks (SPFs) for Barking Riverside such as the Infrastructure SPF which is being drafted in Autumn 2016.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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## CABINET

13 July 2021

<b>Title:</b> Proposed Purchase of 62 Residential Units at Town Quay Wharf, Barking	
<b>Report of the Cabinet Member for Regeneration and Economic Development</b>	
<b>Open Report with Exempt Appendices 2 and 3</b> (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972)	<b>For Decision</b>
<b>Wards Affected:</b> Abbey	<b>Key Decision:</b> Yes
<b>Report Author:</b> Daniel Brooks, Be First	<b>Contact Details:</b> E-mail: <a href="mailto:daniel.brooks@befirst.london">daniel.brooks@befirst.london</a>
<b>Accountable Director:</b> Ed Skeates, Development Director, Be First	
<b>Accountable Strategic Leadership Director:</b> Claire Symonds, Managing Director	
<p><b>Summary,</b></p> <p>A development opportunity has been offered to Be First and the Council by Weston Home Plc to purchase 62 new homes delivering affordable homes and help Be First accelerate delivery of affordable housing within the borough.</p> <p>Weston Homes has secured planning permission to redevelop Town Quay Wharf and provide 147 new homes (35% affordable), new ground floor commercial space and a central public area on the River Roding. An opportunity has been offered to the Council to work with Weston Homes to deliver this development scheme across both the Weston Homes owned land (green) and the LBBB owned land (blue) as shown in the image below. The development also includes other public land as shown below (red) which will need to be transferred to Weston Homes to facilitate the development. As part of this arrangement LBBB would transfer over the land to Weston Homes to facilitate the development and would then purchase the affordable housing units on the site (62 homes) for a discounted price of approx. £236k per unit.</p> <p>The redevelopment of the site also includes making adjustments to the Town Quay road to make better use of the land and river frontage.</p> <p>Be First, on behalf of the Council would manage the transaction and monitor the development process to practical completion estimated in 2024/25. The scheme would then be held and operated by BD Reside as part of their residential portfolio with any financial surplus made being paid back to the Council.</p> <p>The land has limited value due to being isolated and would be difficult to develop in isolation. The discount value of the units equates to £12,500 - 22,500 per unit (ie up to £1.395m for the 62 units) and is considered to reflect a good price for the land and its marriage value to Weston Homes.</p> <p>Weston Homes is one of the country's largest housebuilders. They have been operating for over 30 years in the South East of England. The Company Accounts for 2019,</p>	

published in 2019 shows the company has an operating profit of £20m after tax, and net assets of £100m.

This proposal provides several benefits to the Council; including:

- Affordable housing delivery – As the council owns part of the land involved in this development, it cannot come forwards without LBBB involvement
- Value for money - Buying the scheme from an integrated developer contractor also enables the Council to acquire units at a price below that at which we could construct them c.£236k unit versus £250k average unit.
- Helps achieve the Council's Inclusive Growth aims by accelerating the delivery of much needed homes, supporting social and economic regeneration and working in partnership with the private sector.
- Regeneration – this development will support the regeneration of the River Roding and provide a new destination in Barking town area, contributing to the delivery of the Barking Town Centre strategy.
- Helps achieve the Councils Investment & Acquisition Strategy objectives and generating a return on investment through the ownership of 62 new homes.

### **Recommendation(s)**

The Cabinet is recommended to:

- (i) Approve the purchase of 62 affordable tenure homes from Weston Homes on a turnkey basis for the price of £14,635,162. (c.£236k per unit);
- (ii) Agree to the transfer of LBBB land at Town Quay Wharf to Weston Homes PLC to facilitate the Town Quay redevelopment proposal as a consideration contribution towards the acquisition of the 62 affordable tenure homes;
- (iii) Agree the borrowing of up to £11,295,534 (net development cost) within the General Fund from the Public Works Loan Board to finance the entire development subject to satisfactory due diligence;
- (iv) Approve in principle to enter into a Development Agreement with Weston Homes to deliver 62 units for a total development cost £16,331,251 for expected completion in 2024 subject to satisfactory due diligence, including acceptable parent company and SPV checks and security arrangements;
- (v) Agree the scheme meets the Investment & Acquisition Strategy financial performance metrics delivering a positive net present value of £3.5m;
- (vi) Approve the appointment of relevant technical due diligence and legal advisors and to manage the transaction on behalf of Be First and the Council;
- (vii) Agree to the use of an existing or the establishment of a Special Purpose Vehicle(s) as required within the Barking & Dagenham Reside structure to develop, own, let, sale and manage and maintain the homes in accordance with the funding terms in a loan agreement between the Council and Special Purpose Vehicle;

- (viii) Agree to allocate £924,000 GLA Shared Ownership grant funding, subject to a successful bid, to support the financial viability of the shared ownership tenure;
- (ix) Agree to allocate £2,900,000 GLA LAR grant funding, subject to a successful bid, to support the financial viability of the LAR tenure;
- (x) Agree the 2.5% Be First fee of £422,862 to act as Development Manager and Construction manager on behalf of the Council;
- (xi) Agree to set up a Capital code with the required budget of £16,331,251 to deliver the project;
- (xii) Agree to transfer £20,000 of pre-Gateway 2 costs incurred by Be First to date to the Capital code;
- (xiii) Delegate authority to the Managing Director, in consultation with the Strategic Director, Law and Governance, to agree and execute any legal agreements and contract documents to fully implement the project; and
- (xiv) Delegate authority to the Finance Director, in consultation with the Managing Director and Cabinet Member for Finance, Performance and Core Services, to agree the funding and finance arrangements to fully implement the project.

**Reason(s)**

This project primarily helps deliver on the objectives of Inclusive Growth and A New Kind of Council:

- Building affordable housing and sustainable communities
- Support the social and economic regeneration of the area
- Contribute to growing the Council's residential portfolio
- Deliver a financial return to the council through a long-term income stream

**1. Introduction & Case for Action**

- 1.1 The council has an ambitious vision for regenerating the borough, and delivering up to 50,000 new homes over the next twenty years. While developments will happen across the borough, Barking Town Centre, where this development is situated, is a key focus for this housing growth. Plans are in place to deliver 8,000 homes in the town centre, a mixture of delivery by private developers and through the council's own new build programme which are being delivered by Be First.
- 1.2 The delivery of high quality and affordable housing is also a key element of the ambitious strategy which the council has agreed for the future of Barking town centre. The development which has been offered to Be First and the Council forms part of a wider number of schemes which have been delivered by the Abbey Green and the River Roding. These developments not only provide new housing, but contribute to the wider strategic aims the council has to more explicitly link this part of the town centre with East street and the station.
- 1.3 The Town Quay development opportunity has been offered to Be First and the Council by Weston Homes (Registered No: 02133568) as a 62-home turnkey

scheme to help the Council accelerate delivery of housing within the borough and take a long-term ownership stake in a large scale development on the edge of Barking Town Centre.

1.4 Weston Homes is one of the country's largest housebuilders. They have been operating for over 30 years in the South East of England. The Company Accounts for 2019, published in 2019 shows the company has an operating profit of £20m after tax, and net assets of £100m.

1.5 The turnkey solution provides several other benefits to the Council, including:

- Lower risk – this turn-key scheme presents a lower risk delivery option for the Council, with the Developer taking all planning and construction cost risk, in lieu of an agreed fixed price. The risk of non-delivery or delay will be managed through step in rights, agreed milestones and long-stop dates and penalties in the legal agreement.
- Asset value growth – given the scale of regeneration along the river, this scheme has the potential for capital and rental growth, subject to wider regeneration plans being implemented.

## 2. Proposal and Issues

2.1. This report is seeking approval in principle to enter into a development agreement with Weston Homes, which involves the Council transferring the LBBB owned land, and the subsequent acquisition of the freehold of the affordable tenure block shown below (blue). This proposal allows the council to achieve best value in terms of housing delivery and commercial return by working with adjacent landowner.





- 2.2. The proposed development site (**Appendix 1**) is located on the eastern bank of the River Roding and adjacent to the Abbey Green (to the east).
- 2.3. Head of Terms have been discussed with Weston Homes. Payment terms are subject to agreement, but will include a deposit upon entering into contract, a golden brick payment and accumulated work value up to that point, followed by a monthly drawdown for the duration of the development linked to agreed milestones and the value of the works undertaken. The draft Heads of Terms are set out at **Appendix 2**, which is in the exempt section of the agenda as it contains commercially confidential information (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 2.4. Appropriate security measures are to be included to safeguard the council's interest including charges, guarantees and step-in rights with the contractor. Liquidated and Ascertained Damages (LADs) will form part of the package with the developer.
- 2.5. There will be step in rights in the development agreement to grant provision for the Council to complete the development should the developer fail, and a full suite of warranties will be provided from all designers and sub-contractors who have design input into the scheme.
- 2.6. Town Quay Wharf is included in the Be First Business Plan 2021 list of potential sites that form the Council's Investment Programme as a potential pipeline scheme. The scheme is forecast to be delivered in 2024/25 with 62 affordable units.
- 2.7. Subject to Cabinet approval, final due diligence will be undertaken by Be First prior to the Council signing the Development Agreement. The cost of undertaking this work has been included in the Total Scheme Costs.

### **Design, Tenure and unit mix**

- 2.8. The tenure and unit mix are set out in the table below. The mix includes a good proportion of 2 bed, four person homes and a number of the LAR homes are 3 beds which helps meet housing need.

<b>Tenure</b>	<b>No.</b>	<b>Type (Beds/Person)</b>
London Affordable Rent	12	1B2P
London Affordable Rent	5	2B3P
London Affordable Rent	4	2B4P
London Affordable Rent	4	3B4P
London Affordable Rent	4	3B5P
<b>Sub Total</b>	<b>29</b>	
Shared Ownership	18	1B2P
Shared Ownership	6	2B3P
Shared Ownership	3	2B4P
Shared Ownership	3	3B4P
Shared Ownership	3	3B5P
<b>Sub Total</b>	<b>33</b>	
Parking Spaces	5	(All Wheelchair)

- 2.9. All units are London Plan internal space standards compliant.
- 2.10. The specification will be agreed between Weston Homes and Be First, who will liaise closely with the Council and Reside who would have final approval of any divergences from the Council's Employer's Requirements. This will ensure that the properties acquired meet the standards of other properties Be First are delivering.
- 2.11. Due to the proximity to the town centre and high PTAL level, these units are to be car free except for blue badge spaces in lines with planning policy. The report that has been provided by Savills reflect that the units are car free and have been valued to reflect.

### **3. Options Appraisal**

- 3.1. Do nothing – without including the LBBB land in the redevelopment this project would not be able to move forward. As a result, it is unlikely that any significant redevelopment would be able to come forwards on this site.
- 3.2. Sell the land to neighbouring landowners – This may achieve regeneration and some amount of financial outcome. However, this would mean that LBBB lose the amount of control over the delivery of this site and the long term ownership of units on the River Roding.
- 3.3. Be First direct delivery – The size and nature of the site means that development opportunity on this site is very low and without combining the land with the neighbouring sites. This would result in a more “piecemeal” redevelopment, and would harm the regeneration of the area.

### **4. Consultation**

- 4.1 The development has planning consent and has therefore been subject to community consultation through the planning process.
- 4.2 The detailed proposals in this report were considered and endorsed by the Investment Panel in May 2021.

### **5. Commissioning Implications**

Implications completed by: Darren Mackin, Head of Commissioning and Place, Inclusive Growth

- 5.1 This proposal set out here to enter into this development agreement with Weston Homes is a good opportunity to help deliver both our affordable housing and regeneration aspirations. The scheme sits as part of Barking Town centre, and will support the opening up of the River Roding towards the town centre. It forms part of a wider cluster of development in the area.
- 5.2 Given the location of the properties and their good accessibility, the proposed tenure mix, which includes Shared Ownership properties is deemed acceptable. Reside will need to develop a comprehensive marketing strategy for these properties, particularly as a number of developments are coming forward in the area in the

coming years. However assuming the properties are priced competitively they are likely to be an attractive offer for local residents who are looking to enter the property market.

## **6. Commercial Implications**

Implications completed by: Hilary Morris, Commercial Lead

- 6.1 The Be First Business Plan anticipated the Town Quay Wharf proposal coming forward on a turnkey basis for 62 units at a cost of £14m. This proposal is recommending in principle agreement for the scheme based on 62 units at a total development cost of £16,331,251.
- 6.2 The report notes the Council owned land has not been formally valued but has little residual or development value on its own and therefore the discounted development price reflects the value this adds to the site. The total cost per unit of £263k offers good value for money compared to other similar schemes.
- 6.3 Although no due diligence has been provided on Weston Homes, Companies House records indicate that they have a net worth of £96m and cash of £28m and therefore have sufficient covenant and financial standing to undertake a development of this scale although as noted a full suite of warranties and indemnities must be provided.
- 6.4 Although not noted in the report the Council's ability to enter into a development agreement with Weston Homes without a competitive procurement process arises due to the fact that Weston Homes own a part of the land needed for the developer and therefore it is not reasonably possible for the Council to tender this opportunity. This assumption should be confirmed.

## **7. Financial Implications**

Implications completed by: David Dickinson, Investment Fund Manager

- 7.1 The report outlines an investment opportunity to purchase a turnkey scheme consisting of 62 affordable units, with Practical Completion in 2024. The proposal will require the transfer of LBBB land and prior to any transfer a formal valuation should be completed and confirmation that the site does not have any alternative use. Town Quay Wharf was included in the 2021 Be First Business Plan as a pipeline scheme.
- 7.2 The development cost is £16.3m, which equates to a cost per unit of £263.4k. Although this is lower than a number of schemes, over 77% of the units are one or two bed units, with nearly 50% being one bed. Approximately 55% of the Shared Ownership (SO) scheme are also one bed units and it is essential that Residents agree the unit split.
- 7.3 Grant for the LAR / Target rent and for the SO units has not yet been secured and this will need to be agreed prior to any agreement. The total grant required is £3.8m, including £924k of SO grant and £2.9m of target rent grant (modelled at £100k per unit).

- 7.4 The surplus / deficit figures included are from a new financial model and does not include the MRP holiday but does include the profit on SO sales and these discrepancies need to be resolved prior to Gateway 4.
- 7.5 The surplus return, after adjusting for errors within the model, show a scheme that has a small but sufficient margin, especially considering the high level of LAR / Target rent.
- 7.6 The detailed financial information is set out at **Appendix 3**, which is in the exempt section of the agenda as it contains commercially confidential information (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 7.7 The report does not include sufficient information on the build quality and this must be signed off by Reside and MyPlace prior to any agreement. The sale of the Council's land also needs further consideration as an option, although it is unlikely to provide a significant capital receipt to the Council.
- 7.8 HoT's are draft and still require a significant amount of work.

## 8. Legal Implications

Implications completed by: Dr Paul Feild, Senior Governance Solicitor

- 8.1 This report seeks the Cabinet authority for the Council to make an investment in a development known as Town Quay Wharf. It will lead to the purchase of 62 affordable tenure homes from Weston Homes. The development is proposed to be built by Weston Homes pooling that part of the site owned by the Council with Weston Homes land. The Council's land is current used as an amenity green and will disposed for a nominal amount. The Councils development Company BeFirst were approached by the current developer who has acquired land at Town Quay Wharf and want to develop their site, and it is considered that a better development can be achieved by combining the land interests. The proposal in a nutshell is that the Council enter a development agreement which may be via a Reside Special Purpose Vehicle with on a turnkey basis for the price of £14,635,162. (c.£236k per unit). These will be in the North block of the site for which in due course it is understood the Council will get the freehold for the block. The completion will be in 2024/5 subject to satisfactory due diligence, including acceptable parent company and SPV checks and security arrangements. The transaction is anticipated to utilise the "golden brick" process. This is a method for establishing the most effective tax arrangements by transferring ownership at a certain point in the construction process.
- 8.2 **Power to Carry out the Transactions** - The Council has the power to enter directly or by a Reside SPV the development agreement by virtue of the general power of competence under section 1 of the Localism Act 2011, which provides the Council with the power to do anything that individuals generally may do. Section 1(5) of the Localism Act provides that the general power of competence under section 1 is not limited by the existence of any other owner of the authority which (to any extent) overlaps with the general power of competence. The use of the power in section 1

of the Localism Act 2011 is, akin to the use of any other powers, subject to Wednesbury reasonableness constraints and must be used for a proper purpose.

- 8.3 The general power of competence under section 1 of the Localism Act 2011 provides the Council with the power to do anything that individuals may generally do. Section 1(5) of the Localism Act provides that the general power of competence under Section 1 is not limited by the existence of any other power of the authority which (to any extent) overlaps with the general power of competence. So, the Council can establish a Special Purpose Vehicle (SPV). Section 4 of the Localism Act 2011 provides, where the proposal or activity is for a commercial purpose the activity must be delivered through a company which would include a SPV.
- 8.4 Notably, the purpose of this proposal is to drive regeneration, to increase supply of affordable housing. further support is available under Section 111 of the Local Government Act 1972 (1972 Act) which enables the Council to do anything which is calculated to facilitate, or is conducive to or incidental to, the discharge of any of its functions, whether or not involving expenditure, borrowing or lending money, or the acquisition or disposal of any rights or property.
- 8.5 In exercising the power of general competence and in making any investment decisions, the Council must also have regard to the following:
- Compliance with the Statutory Guidance on Local Government Investments.
  - Fulfilling its fiduciary duty to taxpayers.
  - Obtaining best consideration for any disposal.
  - Compliance with Section 24 of the Local Government Act 1988 in relation to giving financial assistance to any person (which either benefits from a general consent or requires express consent by the Secretary of State);
  - Compliance with any other relevant considerations such as state aid and procurement
- 8.6 Section 15 of the Local Government Act 2003, which requires that the Council have regard to statutory guidance in relation to exercising its borrowing and investment powers. The relevant Statutory Guidance on Local Government Investments (3<sup>rd</sup> Edition, issued on 1 April 2018). The definition of an investment includes '*all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit*' and for the avoidance of doubt it includes '*loans made by a local authority to one of its wholly-owned companies or associates*'. In accordance with the Guidance (paragraphs 33 and 34), Councils can provide loans to their wholly owned vehicles, without adhering to a narrow definition of prioritising security and liquidity in relation to the investment in question, provided that the overall Investment Strategy demonstrates that:
- (i). The total financial exposure to such loans is proportionate;
  - (ii). An expected 'credit loss model' has been adopted to measure the credit risk of the overall loan portfolio;
  - (iii). Appropriate credit controls are in place to recover overdue re-payments; and
  - (iv). The Council has formally agreed the total level of loans by type and the total loan book is within self-assessed limits.

- 8.7 **Land Disposal and Acquisition** - There are two land matter parts to this proposal. Firstly the disposal of the Council plot of land and the current highway land affected and secondly in due course the acquisition of the 62 homes block. As established the Council owns the land at the apex of the west side of the junction of Highbridge Road with Abbey Road. Such an asset will be held in the Council's General Fund. Now, section 123 of the 1972 Act provides that a local authority may dispose of land held by them in any manner they wish providing that the disposal is for a consideration that is the best that can be reasonably obtained. If the consideration passing between the Council and the SPV for the land to deliver the development is not the best consideration reasonably obtainable in an arm's length transaction, the disposal will require the consent of the Secretary of State. Whether the consideration obtained for the disposal is the best that can be reasonably obtained is a valuation question. Officers should satisfy themselves as to whether the final figure for acquisition of the homes is for the best reasonably obtainable consideration. When the homes are acquired, the Council will in all likelihood dispose the properties to a Reside holding company. The same considerations will apply and that will be at a market value.
- 8.8 Under section 128(1) of the 1972 Act where consent to a disposal is required, the Secretary of State may issue a particular or give a general consent for certain types of disposal. The General Disposal Consent (England) 2003 has been issued pursuant to section 128(1) of the 1972 Act. This gives consent for a local authority to dispose of land for less than the best consideration that can be reasonably obtained if:
- i. the local authority considers that the purpose for which the land is to be disposed is likely to contribute towards achieving any one or more of the following objectives in respect of the whole or any part of its area, or of all or any persons resident or present in its area:
    - a. the promotion or improvement of economic wellbeing;
    - b. the promotion or improvement or social wellbeing;
    - c. the promotion or improvement of environmental wellbeing; and
  - ii. the difference between the unrestrictive value of land to be disposed of and a consideration for the disposal does not exceed £2m.
- 8.9 Unrestrictive value is defined as the best price reasonably obtainable for the land on terms intended to maximise the consideration, assessed in accordance with the procedures set out in the Technical Appendix which is annexed to the general consent. Therefore, before a final decision is made on the transfer of the property to the SPV, the must obtain valuation advice from a qualified RICS valuer as to the difference between the unrestricted value and the consideration received, and that such consideration either amounts to best consideration or is within the parameters of the General Consent. In terms of the acquisition of the car park the Council can again utilise its Localism Act 2011 general power of competence and has further power with section 120 LGA 1972 to acquire land for the benefit and improvement of the borough.
- 8.10 **State Aid and Subsidies – New Regime** - Since the UK has left the EU and signed the Trade and Cooperation Agreement, and the European Union (Future Relationship) Act 2020 legislation has been passed. It has not liberalised abilities for Local Authorities to set favourable loans or support enterprises. The final regime at

time of writing has yet to emerge. The UK still has World Trade Organisation obligations. Nevertheless, until there is a general enabling power for the public sector to provide assistance, the existing principle that to avoid challenges of “State Aid” or subsidies, then transactions should be at market and economic operator terms still applies. Thus, any loan or finance passed to the project must be at market terms. Same too when considering the development site when it is eventually disposed of into for example a Reside Vehicle, then unless the land is transferred at the said unrestricted value it could be treated as a form of state aid or subsidy. Furthermore, even if there were latitude, there remains an overriding principle of fiduciary duty on the Council in its stewardship of its assets and to manages its finances prudently and obtain best consideration in its endeavours. The proposal is that the housing constructed will be delivered to the Council on a “turnkey” basis. That means the ownership passes in a form ready as to be agreed.

- 8.11 **Procurement** - The Council will need to ensure the procurement process takes into account the need to comply with the Public Contract Regulations 2015 as amended.
- 8.12 **Human Rights** – As the development project as described does not seek the use of compulsory purchase powers or displacement of any residents there does not appear to be critical risks associated with a Human Rights Act challenge, nevertheless, matters should be kept under review in case such considerations should arise.
- 8.13 **Development / Land Risks and Considerations** - Apart from the requirement to acquire an interest in the development at no more than the market value there will be the imperative to ensure that all land, development and environmental risks are identified and managed through feasibility studies to ensure the preferred development option is deliverable before significant expenditure, and mitigation strategies put in place. Potential risk arising include, but are not limited to, any third-party rights or restrictions or incumbrances which may frustrate or prevent the development of the land. This includes any existing rights of light. Of special consideration in terms of environmental, construction and operational risks, is the site’s location is close to the Grade I listed site of the former Barking Abbey. This means there will be a reasonable prospect of the finding of historical artifacts and an archaeological survey. Also, care will be needed to ensure understanding of the risks of and presence of historical land contamination and potentially presence of ordinance. If so, any remedial action and the costs of such remediation would need to be factored into the feasibility and viability considerations. As the Councils will acquire the freehold interest of land not currently within its ownership there should be early due diligence before contractually committing to the transaction to ensuring that the site is suitable for the construction of the development and is without risk of historical contamination, or in the alternative that any contamination is capable of being remedied and costs are both factored into the investment and acquisition price and do not compromise the viability of any residential development.
- 8.14 **Taxation** - As a commercial enterprise the proposal will be subject to a variety of taxation issues including SDLT, VAT and Corporation taxes. Specialist advice will need to be procured to ensure the most tax efficient structure is identified before any binding commitment is entered into.
- 8.15 **Future Regulatory Issues** - As currently structured the arrangement means that the Council / SPV will have overall responsibility for the building. New legislation

regulating building operators is in draft form (Fire Safety Bill and Building Safety Bill) these will place further obligations on landlords. Furthermore, additional legislation may follow post the publication of the Grenfell Public Inquiry Report. These obligations are inevitably going to have cost implications and forward anticipation of the risks and liabilities and costs of such measures do need to be factored into the evaluation model of this development and its viability. Having said that the Council as an operator of tall building housing ought to be well placed to apply its growing expertise to such challenges.

- 8.15 **Highways Matters** - The scheme envisages the diversion of Highbridge Road and its junction with Abbey Road. Stopping up Orders will need to be made and Section 38 / 278 Highways Act 1980 Agreements will be required to secure the highways changes and consultation carried out.

## 9. Other Implications

### 9.1 Risk Management –

Risk/Issue	Description/Mitigation
Risk (1)	Risk: Developer Failure Mitigation: Likelihood is considered low but step in rights and performance bond will be in place to ensure Be First are able to complete the development.
Risk (2)	Risk: Substandard quality Mitigation: Agreed specification and robust monitoring by Be First appointed Clerk of Works with regular, on-site quality inspections.
Risk (3)	Risk: GLA LAR grant is not available Mitigation: Discussions are ongoing with the GLA at a senior level and current grant outlook is positive, so risk is considered low.
Risk (4)	Risk: Market Rent lettings risk There is a risk that it may be difficult or take longer to let the market rent units. The impact would be either a higher void rate or longer stabilisation period impacting upon cash returns and viability. Project to seek early and active marketing of units as mitigation. The project has also commissioned a market rental valuation report.

- 9.2 **Contractual Issues** –The Heads of Terms will form the basis of the Development Agreement with Weston Homes. The phase will be subject to an underlease and build contract.

- 9.3 **Health Issues** – The proposal is for affordable housing to be made available to borough residents in need of affordable housing. The development has acceptable levels of private and communal amenity space and childrens play area.

- 9.4 **Crime and Disorder Issues** – The development makes use of a currently vacant site. The development proposals will therefore have a positive impact on the local community. The scheme has been subject through the planning process to Secure by Design review to reduce any crime or disorder arising from the new development.



- 9.5 **Property / Asset Issues** –The transaction will see the Council taking ownership of a freehold of land within the borough. The assets constructed will be held within the BD Reside structure and managed by My Place.

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

**List of appendices:**

Appendix 1 – Development Plan

Appendix 2 - Draft Head of Terms (exempt appendix)

Appendix 3 – Financial Information (exempt appendix)

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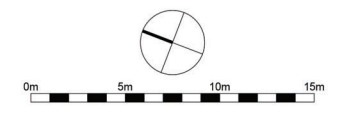
The contractor is responsible for checking dimensions, tolerances and references. Any discrepancy to be verified with the Architect before proceeding with the works. Where an item is covered by drawings to different scales the larger scale drawing is to be worked to.

Do not scale drawing. Figured dimensions to be worked to in all cases. CDM REGULATIONS 2015. All current drawings and specifications for the project must be read in conjunction with the Designer's Hazard and Environment Assessment Record.

Generally, buildings have been designed with reference to the guidance in Approved Document B (Fire Safety), Volume 1, 2019 Edition. Fire Strategy to be further developed through detailed design to demonstrate compliance. It is noted that Regulation 7(2) will apply to Relevant Buildings.

Open-plan flats consider the guidance in BS 9991:2015 and should be fitted throughout with a Grade D LD1 fire alarm and fire detection system in accordance with BS 5839-6:2013, and an AWFSS.

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**Accommodation Schedule**

Apartment Type	No.	%
1B2P	55	37.4
2B3P	19	
2B4P	62	55.1
3B5P	9	
3B6P	2	7.5
<b>TOTAL</b>	<b>147</b>	<b>100</b>

Rev	Date	Description	R/E	BW	Dwn	Ckd
-	25/09/20	Issue for planning application				

**TOWN QUAY, BARKING**  
Proposed Site Layout (Typical Level)

**AA8145-2032** **REV -**  
**FOR PLANNING APPLICATION**  
Drawn R/E Checked BW Date 25/09/2020 Scale @ A1 1:200

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