

Notice of Meeting

CABINET

Tuesday, 12 July 2022 - 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 Cameron Geddes, Cllr Syed Ghani, Cllr Kashif Haroon, Cllr Jane Jones, Cllr Elizabeth Kangethe and Cllr Maureen Worby

Invited: Cllr John Dulwich (non-voting)

Date of publication: 4 July 2022

Fiona Taylor
Acting Chief Executive

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Please note that this meeting will be webcast via the Council's website. Members of the public wishing to attend the meeting in person can sit in the public gallery on the second floor of the Town Hall, which is not covered by the webcast cameras. To view the webcast online, 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 21 June 2022 (Pages 3 - 10)

4. Barking & Dagenham Response to the Cost of Living Crisis (Pages 11 - 22)

5. Medium Term Financial Strategy and Reserves Policy 2022/23 to 2026/27 (Pages 23 - 43)

- 6. Proposed Council Tax Support Scheme 2023/24 (Pages 45 - 68)**
- 7. Energy Company Obligation (ECO4) Programme (Pages 69 - 76)**
- 8. Barking and Dagenham School Improvement Partnership Business Plan 2022/23 (Pages 77 - 101)**

Appendix 2 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)).
- 9. Controlled Parking Strategy 2022-25 (Pages 103 - 125)**
- 10. Parsloes Park 'Parklife' Project Review (Pages 127 - 138)**
- 11. Draft Planning Obligations Supplementary Planning Document Update and Consultation (Pages 139 - 177)**
- 12. Corporate Plan 2020-22 - Quarters 3 and 4 2021/22 Performance Monitoring (Pages 179 - 239)**
- 13. Contract for Provision of Liquid Fuel and Ancillary Products (Pages 241 - 250)**
- 14. Contract for the Provision of Temporary Accommodation for Homeless Families (Pages 251 - 262)**
- 15. Procurement of Electricity and Gas Supplies and Ancillary Services (Pages 263 - 285)**

Appendices 1 - 4 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)).
- 16. Any other public items which the Chair decides are urgent**
- 17. 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 8 and 15 above include appendices which are exempt from publication, as described. The item below is exempt from publication under paragraphs 3 and 5 of Part 1, Schedule 12A of the Local Government Act 1972 (as amended) as the report contains commercially confidential information and professional privileged information and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

- 18. Proposed Freehold Sale of the Former Welbeck Steel Site, 8 River Road, Barking (Pages 287 - 300)**
- 19. 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, 21 June 2022
(7:02 - 8:30 pm)

Present: Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Sade Bright, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Kashif Haroon, Cllr Jane Jones, Cllr Elizabeth Kangethe and Cllr Maureen Worby

Also Present: Cllr John Dulwich

1. Welcome

The Chair welcomed Councillor Kashif Haroon, Cabinet Member for Public Realm and Climate Change, Councillor Jane Jones, Cabinet Member for Children's Social Care and Disabilities and Councillor John Dulwich, Deputy Cabinet Member for Performance and Data Insight, to their first meeting of the Cabinet following their appointments.

2. Declaration of Members' Interests

There were no declarations of interest.

3. Minutes (19 April 2022)

The minutes of the meeting held on 19 April 2022 were confirmed as correct.

4. Draft Provisional Revenue and Capital Outturn for 2021/22

The Cabinet Member for Finance, Growth and Core Services presented the Council's draft provisional Revenue and Capital Outturn 2021/22 report.

The provisional revenue position showed a projected General Fund outturn of £166.9m against the budget of £168.6m, representing an underspend of £1.7m, while the Housing Revenue Account (HRA) showed an underspend of £2.7m and the Dedicated Schools Budget (DSG) an underspend of £1.946m, although it was noted that those sums were subject to further review and audit. The Cabinet Member commented on the excellent efforts that had resulted in the turnaround of the projected in-year overspend position of the General Fund but pointed out that within the overall underspend, pressures continued to exist in a number of services areas. The Cabinet Member also referred to the supplementary paper tabled at the meeting that replaced page 30 of the published agenda, relating to the up-to-date provisional outturn of the My Place service.

The 2021/22 Capital Programme showed a projected outturn of £360.4m against the adjusted budget of £468.8m, with the underspend being largely attributable to the COVID-19 pandemic and the capacity of partners to deliver in a timely way. Although it was noted that slippage of circa £105m would be carried forward to 2022/23, the importance of closely monitoring the delivery of capital schemes was acknowledged to ensure that any schemes subject to slippage in-year were re-

profiled and other appropriate schemes brought forward. That would ensure that projected spend remained on track and to reduce the impact of rising costs due to the current cost-of-living crisis. On a specific point relating to the Aids and Adaptations project, the Cabinet Member for Adult Social Care and Health Integration sought clarification of the supply issues that had resulted in a reduced number of schemes being delivered.

The Cabinet Member Finance, Growth and Core Services also alluded to proposed transfers to and from reserves, the overall reserves position, the shortfall in Company returns of £3.4m and the allocation of capital receipts to support the Council's transformation and ERP projects.

In welcoming the provisional outturn position, the Chair referred to the recent Cost of Living summit with community and voluntary partners, led by the Cabinet Member for Community Leadership and Engagement and the Acting Chief Executive, which represented the first stage of the Council's ongoing plans to support the local community during the current cost-of-living crisis.

Cabinet **resolved** to:

- (i) Note the provisional revenue outturn for the General Fund for 2021/22, including individual service variances, as detailed in Appendix A to the report;
- (ii) Note the provisional outturn for the Council's subsidiary companies BDTP and Be First, as detailed in Appendix A to the report;
- (iii) Approve the transfers to and from reserves as detailed in section 3 and Appendix B to the report;
- (iv) Note the provisional outturn for the Housing Revenue Account (HRA), reflecting an underspend of circa £11m, as detailed in Appendix C to the report;
- (v) Note the provisional outturn for the Dedicated Schools Grant (DSG) and Schools, as detailed in Appendix D to the report;
- (vi) Note the provisional outturn for the 2021/22 Capital Programme, as detailed in section 6 and Appendices E and F to the report;
- (vii) Approve the carry forward of slippage of £34.861m General Fund, £49.032m Investment Strategy and £19.231m HRA capital budget into 2022/23 and the revised total Capital Programme of £644.936m for 2022/23, as detailed in Appendices E and F to the report; and
- (viii) Note the update on Transformation and Capital Receipts in section 7 of the report and approve the allocation of capital receipts of £5.5m from the sale of the Film Studio land to part-fund the transformation and ERP projects.

5. Rent Guarantor Scheme for Care Leavers

The Cabinet Member for Children's Social Care and Disabilities introduced a

report on the proposal to pilot a scheme to assist the Borough's care leavers to find suitable, long-term private-rented accommodation by offering a Rent Guarantor Scheme to young people in care over school leaving age who wished to be fully independent.

In its role as corporate parent, the Council was committed to supporting its young people in care and already had in place a scheme whereby care leavers could qualify for a rent deposit and one month's rent in advance to secure social housing. The Cabinet Member explained that the proposed new scheme would open up the private-rented market in a similar way, with the Council acting as a guarantor for the rent and certain other aspects for a period of 12 months or until the individual turned 25, whichever was sooner.

The Cabinet Member confirmed that the initial pilot scheme would run for one year commencing August 2022 and be open to up to 10 care leavers who met specific criteria, such as being in work or full-time education. The scheme was first implemented by Kent County Council in 2018 and had proved extremely successful with no negative financial implications for the Council and, should Barking and Dagenham's scheme prove equally successful, the intention was to implement a permanent scheme as part of the Council's Local Offer for Care Leavers.

Cabinet **resolved** to agree the proposal to pilot the Rent Guarantor Scheme for a period of 12 months beginning 1 August 2022, with a view to informing a wider policy change to the Council's Local Offer for Care Leavers, in accordance with the strategy set out in the report.

6. Fit-Out Loan Funding for Two Council-Owned Properties

The Cabinet Member for Regeneration and Economic Development introduced a report on the proposed terms of loan funding to support the fit-out of two Council-owned properties at Axe Street, Barking, and Roycraft House, Linton Road, Barking.

By Minutes 12 and 15 (4 August 2014) and 38 (21 September 2021), the Cabinet had agreed arrangements to lease the properties at Axe Street and Roycraft House to Care City Innovation Community Interest Company (CIC) and Make It Group respectively. The premises would provide valuable social, business and community benefits to residents of the Borough at no direct cost to the Council. The Cabinet Member advised that in view of the significant increase in the cost of materials, labour etc., the cost of fully fitting-out both premises now exceeded the original modelling and the Council had been approached to provide loans, on commercial terms, to support the works.

Cabinet **resolved** to:

- (i) Approve a loan of up to £440,000 (plus rolled up interest) to Care City Innovation CIC to help fund the fit-out of Council-owned premises at Axe Street, Barking, to be leased by Care City, on the terms set out in paragraph 2.1 of the report;
- (ii) Approve a loan of up to £250,000 (plus rolled up interest) to Make it Bow

Limited (part of the Make it Group) to help fund the fit-out of Council-owned premises at Roycraft House, Linton Road, Barking, leased to Make it Bow, on the terms set out in paragraph 2.2 of the report; and

- (iii) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Cabinet Member for Regeneration and Economic Development, the Director of Finance and Investments and the Chief Legal Officer, to agree and enter into any agreements and other documents to fully implement and effect the proposals set out in the report.

7. Treasury Management Annual Report 2021/22

The Cabinet Member for Finance, Growth and Core Services introduced the Treasury Management Annual Report for 2021/22 which set out the key areas of performance during the year.

The Cabinet Member alluded to the major, world-wide factors impacting the UK economy 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 during 2021/22. Key highlights within the report included:

- Total treasury investments held at 31 March 2022 was £154.9m (2020/21: £210.12m);
- Total cash held at 31 March 2022 was £1.7m (2020/21: £29.0m);
- Total loans and equity held at 31 March 2022 was £148.3m (2020/21: £139.2m);
- Net General Fund Interest for 2021/22 was £3.4m above the projected level, with £1.9m transferred to the Investment Reserve and £1.4m offset against an underperformance in the Council's Investment and Acquisition Strategy (IAS);
- The Council's average treasury interest return for 2021/22 was 1.39%, which was 1.27% higher than the average London Peer Group return of 0.21%;
- The Council's average return on its commercial and property loans was 4.42% for 2021/22 (2020/21: 4.46%);
- Interest payable for 2021/22 totalled £37.3m (2020/21: £31.8m);
- The Council made £140.0m of long-term General Fund borrowing in 2021/22 at an average rate of 1.41% and an average duration of 44.4 years;
- The total long-term General Fund borrowing at 31 March 2022 was £720.5m (2020/21: £600.4m);
- The value of short-term borrowing at 31 March 2022 was £63.0m (2020/21: £67.5m);
- Total Council borrowing at 31 March 2022 was £1.276bn (excluding internal HRA borrowing of £35.9m) and was within the 2021/22 Operational Boundary limit of £1.7bn and Authorised Borrowing Limit of £1.8bn; and
- The Council operated within and complied with all treasury limits and Prudential Indicators during 2021/22.

Cabinet Members referred to the cost-of-living crisis, spiralling costs of building projects and the rise in the Bank of England base rate, all of which impacted on the delivery of the Council's Medium Term Financial Strategy and Treasury Management Strategy and had the potential to push the UK economy into

recession. In that regard, the Cabinet Member for Finance, Growth and Core Services stressed the importance of the Council maintaining appropriate levels of reserves and for the Government to step up to support local authorities and their residents.

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

- (i) Note the Treasury Management Annual Report for 2021/22;
- (ii) Note that the Council complied with all 2021/22 treasury management indicators;
- (iii) Approve the actual Prudential and Treasury Indicators for 2021/22, as set out in Appendix 1 to the report; and
- (iv) Note that the Council borrowed £140.0m from the Public Works Loan Board in 2021/22.

8. Contract for the Provision of Supported Accommodation at The Vineries

The Cabinet Member for Children's Social Care and Disabilities introduced a report on proposals for the procurement of a new, four-year contract for the provision of supported accommodation for 16- to 19-year-old looked-after children, care leavers and other vulnerable homeless young people at The Vineries.

The Cabinet Member for Adult Social Care and Health Integration spoke on the excellent service that had been provided at The Vineries for a number of years to vulnerable young people in a semi-independent setting and supported the procurement arrangements, which would include an assessment by a panel of young people of the 'quality' aspects of tenderers' submissions.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a four-year contract for the provision of Supported Accommodation for 16- to 19-year-old Looked after Children, Care Leavers and Vulnerable Homeless Young People in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director, Children and Adults, in consultation with the relevant Cabinet Members, the Director of Finance and Investment and the Chief Legal Officer, to conduct the procurement and award and enter into the contracts and relevant extension periods and all other necessary or ancillary agreements with the successful bidder, in accordance with the strategy set out in the report.

9. Contract for the Provision of Supported Accommodation for Older People (Extra Care)

The Cabinet Member for Adult Social Care and Health Integration presented a report on a review of 'extra care' housing provision in the Borough and proposals to procure a new, maximum five-year contract for the delivery of the service.

Extra care services were currently delivered across four sites in the Borough: Harp House, Colin Pond Court, Darcy House and Fred Tibble Court. Those developments comprised self-contained homes with design features and support services available to enable residents to live as independently as possible, while at the same time having communal facilities such as lounges and laundry rooms and access to 24-hour care and support for those who required it. The schemes also ran activity programmes, often co-produced with the residents, and linked up with other community and voluntary sector services and assets.

The Cabinet Member referred to the particular circumstances at Colin Pond Court and the consideration given to decommissioning the site as an extra care scheme and turning it into a sheltered accommodation scheme. As part of the general consultation with all affected residents of Harp House, Colin Pond Court, Darcy House and Fred Tibble Court, the residents of Colin Pond Court were also consulted on that specific proposal and a meeting held with residents and their family members. As a result of the feedback from the consultation, the Cabinet Member confirmed that extra care schemes would continue at all four sites despite the additional budget pressure of between £0.5m - £0.8m that would result. On that matter, the Cabinet Member alluded to other initiatives within the adult social care service that would help address the areas of pressure.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a contract for the provision of an Extra Care service in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director, Children and Adults, in consultation with the Cabinet Member for Adult Social Care and Health Integration, the Director of Finance and Investment and the Chief Legal Officer, to conduct the procurement and enter into the contract and extension documents with the successful bidder in accordance with the strategy set out in the report.

10. Social Value in Procurement - Impact Report 2021/22

Further to Minute 16 (22 June 2021), the Cabinet Member for Finance, Growth and Core Services introduced a report on the progress and impact of the Council's Social Value in Procurement policy, which established a framework, guidance and process to ensure that Social Value proposals and principles formed part of major contracts let by the Council.

The Cabinet Member advised that of 58 relevant procurements with an annual value over £100,000 that were completed in 2021/22, 56 came with published social value commitments from suppliers and for those procurements where social value could not be mandated, commissioners had actively engaged with suppliers to identify possible measures that would support the Council's aims. The Council's Social Value Co-ordinator had also been involved in promoting social value in other areas of the Council's business, such as with the Council-owned companies and the Council's Film Service, which had similarly realised significant benefits for the local community in terms of job creation, training / work experience opportunities and access to funding to support local community and voluntary

group projects.

A review of the Social Value Toolkit, in response to feedback from suppliers, had resulted in a proposal to streamline the current five social value themes into three main themes of 'Investment in Local People', 'Investment in Local Economy' and 'Environmental Sustainability'. The Cabinet Member was also pleased to report that the new toolkit would reflect the Council's commitment to the payment of the London Living Wage by requiring suppliers to pay their staff who work on Council contracts at least the London Living Wage.

Cabinet **resolved** to:

- (i) Note the continued positive impact of the Council's Social Value in Procurement policy in terms of suppliers' social value commitments and associated outputs;
- (ii) Approve the updated Social Value Toolkit 2022 as set out at Appendix 1 to the report, reflecting the change from five Social Value themes to the three themes and top-level ambitions of:

Investment in Local People: A resilient population. Supporting higher levels of local employment, income, independence, and wellbeing in the borough.

Investment in Local Economy: A vibrant, future focused local economy. A resilient economy that meets the needs of the local population.

Environmental Sustainability: Better outcomes for all. An environmentally sustainable economy with improved air quality and reduced transport, waste, and packaging.

- (iii) Note the Council's plan to pilot a programme focussing on work experience for young people and those disadvantaged in the workplace.

11. Debt Management Performance 2021/22 (Quarter 4)

The Cabinet Member for Finance, Growth and Core Services introduced the performance report covering the fourth quarter of the 2021/22 financial year in respect of the Council's debt management functions.

The Cabinet Member reiterated the plight of many residents who were experiencing severe financial problems due to the cost-of-living crisis, the Government's welfare reforms and other factors impacting on their disposable income. The Council had introduced a range of initiatives to support those in financial difficulty, including the Homes and Money Hub and the Council's discretionary Council Tax relief fund but it was becoming clear that more needed to be done. In respect of the latter, the Cabinet Member referred to an almost doubling in the amount of Council Tax discretionary relief awarded in March 2022 compared to the previous month and suggested that a review of the discretionary relief scheme may be required in the coming months. An increase of almost £1m in Council Tax arrears in 2021/22 compared to 2020/21 was directly impacting on the Council's finances and while the majority of collection rates were increasing

back to previous levels following the outbreak of COVID-19, the Cabinet Member stressed the importance of maximising the collection of revenues owed to the Council. With that in mind, it was noted that a report would be presented to a future meeting of the Cabinet on measures to reduce outstanding debt, including the write-off of unrecoverable debt.

Cabinet **resolved** to:

- (i) Note the performance of the debt management function carried out by the Council's Revenues service, including the improvement of collection rates and the continued recovery techniques applied to reduce the impact of the COVID-19 pandemic;
- (ii) Note that a review of the number of businesses that qualified under the Council's COVID-19 Additional Relief Fund (CARF) policy, approved by Minute 94 (22 March 2022), meant that the level of Business Rates relief awarded to the 716 qualifying businesses was able to be increased from 90% to 100% for the 2021/22 financial year, as detailed in section 4 of the report; and
- (iii) Note the arrears project started in April 2022, as detailed in section 11 of the report.

CABINET

12 July 2022

Title: Barking & Dagenham Response to the Cost of Living Crisis	
Report of the Cabinet Member for Community Leadership and Engagement	
Open Report	For Information
Wards Affected: All	Key Decision: No
Report Author: Michael Kynaston – Participation Manager (Communities), Claire Brewin – Policy Officer (Communities)	Contact Details: Tel: 07539762914 E-mail: Michael.kynaston@lbbd.gov.uk and Claire.brewin@lbbd.gov.uk
Accountable Director: Rhodri Rowlands – Director of Community Participation & Prevention	
Accountable Strategic Leadership Director: Judith Greenhalgh – Strategic Director Community Solutions	
<p>Summary</p> <p>Along with the rest of the UK, residents of Barking and Dagenham are facing significant increases in their cost of living driven by rises in fuel, heating and food costs, alongside generally rising levels of inflation. This is set against the context of existing high levels of deprivation in the Borough and will only be further exacerbated by an anticipated further rise in gas/ heating costs in October 2022. As a result, Barking and Dagenham residents will be disproportionately negatively affected by the cost of living crisis.</p> <p>Previously, London Borough of Barking and Dagenham have worked together effectively with Social Sector partners to respond to the Covid-19 crisis and support the Borough's most vulnerable residents by launching BD CAN, a rapidly developed, community-led emergency response. Since then the social infrastructure of the Borough has continued to develop, while relationships between the Council and Social Sector partners have also strengthened, with increasing numbers of shared projects and initiatives to better support the Borough's residents.</p> <p>This paper notes that a similar community-led response is being developed to support Barking and Dagenham residents in the face of the ongoing, and indeed worsening, cost of living crisis. An initial exploratory summit has taken place with partners, with a Cost of Living Alliance proposed at it and given backing by the Council's social infrastructure partners. This Alliance would see Social Sector partners working closely together with Council services, with lead local organisations receiving a package of training which will enable them to support residents before they hit crisis point, as part of a preventative approach, while supporting other community groups in their local area. This will see the Citizens Advice Bureau playing a central co-ordinating role, working closely with the Homes and Money Hub, while offering an option for escalation for those residents whose situation is more severe.</p>	

In addition, an option will be explored to fund increased capacity for partners to collaboratively access funding that can be used to support residents in the face of the crisis. As and when potential funding opportunities from central government or other sources emerge, the Council will seek to work with the Social Sector to consider how best that funding can be used in supporting residents, as part of a partnership led, collaborative design approach which will have the greatest positive impact on local communities.

Further work now needs to take place to further develop the details of this Alliance model and to determine what level of resource it will require to operate as outlined above, ensuring that partner organisations have sufficient capacity and resource to handle the increased demand that will likely come their way.

Recommendations)

The Cabinet is recommended to:

- (i) Note the development of a Cost of Living Alliance, the steps towards its formation and required activity to further develop the model; and
- (ii) Note that a further report will be presented to update the Cabinet on the development of the Alliance in October.

Reason(s)

The Cost of Living Crisis will hit the Borough's most vulnerable residents the hardest. This proposed Cost of Living Alliance will work with partners to support those residents and address need early, before they reach crisis point.

This will build on the progress and success of BD CAN and will see a response to the Cost of Living Crisis that is rooted in the Borough's communities and delivered by local partners who already have strong connections to residents who will be hit hardest by the ongoing crisis and so will be able to effectively reach and support them before they hit crisis point. As such, it will represent a more efficient and effective response to the crisis, as BD CAN was in response to Covid-19, than an approach which is delivered through Council services alone.

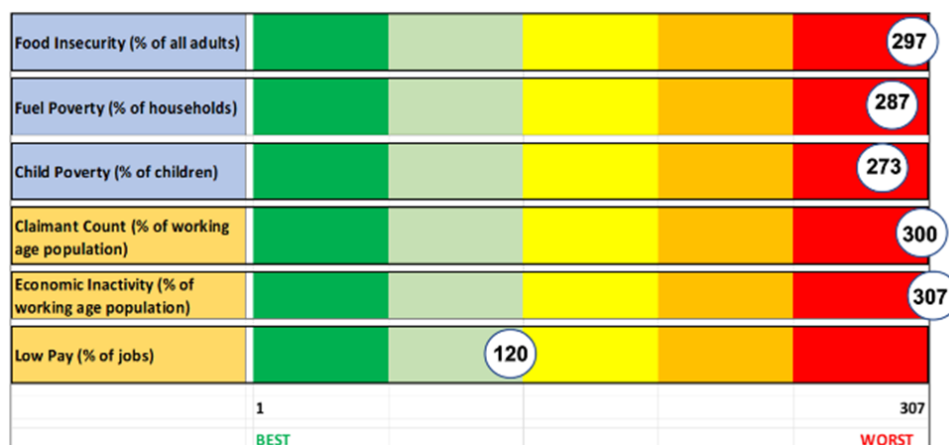
This community led response is in line with Council priorities. It represents a more effective and deep response than a Council offer in isolation would be. It will build on the success in recent years to develop the social sector with partners, adding capacity to local organisations. It will see local communities invested in and supported in the face of the crisis, with funding for increased capacity support for local organisations to collaboratively access funding to further support residents. And finally, it will see increased opportunities for participation and resident leadership as part of the community-led response, with volunteers likely to play a key role, as they did in BD CAN.

1. Introduction and Background

The Challenge facing Barking and Dagenham

- 1.1 The UK is facing an unprecedented Cost of Living crisis, driven by increases in heating, fuel and food prices against a backdrop of rising inflation, which is forecast to be as high as 10% by the end of this year. Energy prices rose by 54% in April 2022 and are likely to rise again in October.
- 1.2 Barking and Dagenham is the most deprived area in London, and the 21st most deprived in the UK. The impact of the pandemic has already impacted many of the Borough’s residents disproportionality, as those with lower incomes a forced to spend a higher proportion of their income on food and fuel. As such, many of the Borough’s residents are poorly placed to be able to deal with, or absorb any at all, of the rapidly increasing costs of living.
- 1.3 Deprivation is measured based on seven aspects, which in order of weighting from highest to lowest, are: income; employment; health and disability; education and skills; barriers to housing and services; crime; and a poor living environment, meaning that tackling it will require not just a Council-wide but a multi-agency response, working with local partners in order to do so.
- 1.4 At the time of writing this report, four in ten Barking and Dagenham residents are estimated to be in fuel poverty, with currently 48% of the Borough’s children estimated to be living in poverty. Almost one in four residents have less than £100 saved. Again, it is worth emphasising that residents in Barking and Dagenham are going to be amongst the worst affected by the ongoing and worsening Cost of Living Crisis, in the entire country. Fundamentally, there is a greater exposure amongst Barking and Dagenham residents to risk factors, as can be seen by the table below:

Risk Factor Table – Higher Amongst Barking and Dagenham Residents:



- 1.5 Previously, the London Borough of Barking and Dagenham has worked together effectively with Social Sector partners to respond to the Covid-19 crisis and support the Borough’s most vulnerable residents by launching BD CAN, a rapidly developed, community-led emergency response. Since then the social infrastructure

of the Borough has continued to develop, while relationships between the Council and Social Sector partners have also strengthened, with increasing numbers of shared projects and initiatives to better support the Borough's residents. A similar, partnership-led approach could well be suitable for tackling the ongoing cost of living crisis and supporting residents who will be worst affected.

The Current Council-Community Offer

- 1.6 There are a range of Universal Services, as part of Community Solutions, that are already supporting residents and working closely with community partners in doing so. These are outlined below and will all need to be closely connected with community partners offers as part of a community led response to the ongoing crisis.
- 1.7 Community Hubs are offering residents a 'one stop shop' for support and advice, activities and spaces for partners and community groups. This is part of an ambition to put services, support and information closer to where residents are, while supporting more collaborative and joined up working across the system.
- 1.8 Community Food Clubs offer spaces for residents to be able to access food, while also looking to address the root cause of any issues that are being presented, working closely with residents in order to do so. These are run from different community centres and spaces across the Borough.
- 1.9 The Homes and Money Hub (HamHub) provides money management support, income maximisation and help and advice to deal with priority debts. Staff are trained to support with fuel poverty and have access to welfare support including fuel vouchers for those in extreme hardship, funded through the Household Support Fund. The team also link into provision for wider community welfare support, for example charity funds, foodbanks and projects providing clothing, furniture and white goods. The team supported 2,857 households directly through casework in 21/22, but also supported 3,712 households through our Universal offer and more through on-line tools and via partners. In doing so residents were supported to claim additional welfare benefits of £1,758,974 and reach agreement for £980,000 in rent and council tax arrears. The HamHub will play a key role as part of any community led, partnership response, supporting in the production of training materials for local partners while also providing a point of escalation for any residents presenting with extreme need.
- 1.10 The Barking and Dagenham money website, launched two months ago, provides an essential focal point and universal source of financial guidance and self-help tools for households struggling with the Cost of Living. It enables residents to directly access support, or alternatively provides a resource for Council staff and public and voluntary sector partners to support residents. It signposts to: local hardship funding options; other local and national grants for those struggling financially; complete income maximisation checks to ensure households are claiming all entitled benefits; money management and budgeting tools or finally free local or national specialist debt advice.

- 1.11 All of the above resident focused services which form a key part of resident pathways to the support or connections that they require, will also need to be involved and effectively working with partners and supporting residents as part of the co-ordinated partnership response to the Cost of Living Crisis. Each of these services already has developing relationships with community partners, and these relationships will need to be strengthened and given increased capacity as part of any coordinated response to the crisis. All resident facing Council services need to be aligned with partners if this co-ordinated approach is to have the maximum possible positive impact for residents.

The Developing Social Infrastructure

- 1.12 Community and faith groups are already supporting our residents in these challenging times. In working alongside our partners the Council will continue to build more effective support mechanisms for and with our residents.
- 1.13 Since the successful delivery of BD CAN in response to Covid-19, the social infrastructure of the Borough has continued to develop, while relationships between the Council and Social Sector partners have also strengthened, with increasing numbers of shared projects and initiatives to better support the Borough's residents.
- 1.14 Significant progress has been made through working with the holders of the Social Infrastructure contract for the Borough, the BD_Collective. Networks have been launched in a variety of areas, including: early help for families; adult social care; food banks and young people. Partners now come together through the networks curated by the BD_Collective, to explore solutions to deep seated issues, both in terms of how organisations work together and how residents get the support they need.
- 1.15 The Council and sector partners are increasingly working as equals, with power being shared and decisions made through collaboration. In parallel the sector itself, supported by the BD_Collective and other leading social infrastructure groups, is increasingly connected and groups are supporting each other and working in harmony, rather than competing against one another. People are feeling heard, valued and understood. One of the network members describes levels of trust as being the best in his memory.
- 1.16 The BD CAN network was able to be activated so quickly because of the years spent building relationships and working in partnership with the social sector in the borough, to build the capacity of the sector, with the sector, as it grows and connects in new ways. It was also because of the changes made to the council itself, in particular the creation of an integrated 'front door' to key support services through Community Solutions. Working together – and alongside social sector partners – a support system that was rooted in the community was rapidly assembled.
- 1.17 Covid-19 was a huge test for the developing social infrastructure model, but it also proved to be a catalyst for increased collaboration, trust and power sharing between the Council and partners, and also for the social sector itself. Across the Borough,

groups and networks are feeling more connected and more active collaboration is taking place as part of a developing social infrastructure.

- 1.18 The role of communities in tackling the cost-of-living crisis will be as critical as their role during the Covid 19 pandemic. Community groups and local networks are best placed to understand and respond to the needs of residents in their local areas and the Council's well-developed partnerships and networks will need to be supported and developed further to enable this.
- 1.19 Through this developing social infrastructure and the community-based services of Community Solutions that are already supporting residents, there is a clear pathway forwards for a Cost of Living Alliance that can deliver support to residents in the face of the crisis, as part of a partnership focused and whole systems approach.

Steps Taken So Far

- 1.20 Through Community Solutions, the Council committed to building capacity and resilience together with the voluntary, faith and community sector, and this has proceeded at pace over recent years as outlined above. A paper outlining this developing social infrastructure, along with a proposal for an overarching Partnership 'Working Together Forum' was approved at May CSG, with the latter now being implemented. This Forum will provide a space where a partnership Alliance response to the ongoing crisis can be developed and monitored.
- 1.21 Discussions about the potential Alliance have begun and partners are keen to work together. In addition the sector had already convened a workshop looking to address the challenge of debt in the Borough. An initial exploratory summit event was held on the 16th of June, with Deputy Leader and Member for Community Leadership and Engagement Councillor Saima Ashraf in attendance, along with the acting Chief Executive Fiona Taylor and community sector leaders.
- 1.22 At this summit on the 16th of June, it was agreed to proceed with the Cost of Living Alliance proposal and to begin outlining the approach, as is detailed below.

2. Proposal and Issues

Cost of Living Alliance

- 2.1 This paper is noting the development of a Cost of Living Alliance which will seek to: co-design and coordinate the support that is available to residents locally who are in crisis while bringing partners together to develop and deliver a shared response to the longer-term challenge of helping people out of crisis and building greater resilience. As mentioned above, partners have already met and signed up in principle to this partnership.

Cost of Living Alliance Principles

- 2.2 Building on the work and learning from BDCAN the following principles could form the foundation of an Alliance between the Council and VCSE and faith groups locally:
- 2.2.1. Joining up the support that is already in place across the Borough, whether through council commissioned services, VCSE and Faith communities and other statutory agencies. Where necessary, additional capacity will be added in specific parts of the system.
 - 2.2.2. Embed learning and responding together in a coordinated way - ensuring all partners involved are listening to residents and local communities meaningfully, and designing approaches together that reflect that.
 - 2.2.3. Committing to working together for the long-term to address this challenge and make a difference for residents, as it isn't going to get easier anytime soon.
 - 2.2.4. The focus being the best possible outcomes for and with residents. Not any individual organisation. Only an open and coordinated approach will make an impact on the huge challenges that Barking and Dagenham's residents are facing.
- 2.3 Alongside this, there is the proposal to start an ongoing conversation on the crisis and the challenges people face locally through the Citizens Alliance Network (CAN). This will include both online in-person engagement linked through community hubs and other spaces.
- 2.4 There is also the option to seek to add capacity to local community groups in terms of accessing collaborative funding with which they can further support their residents.

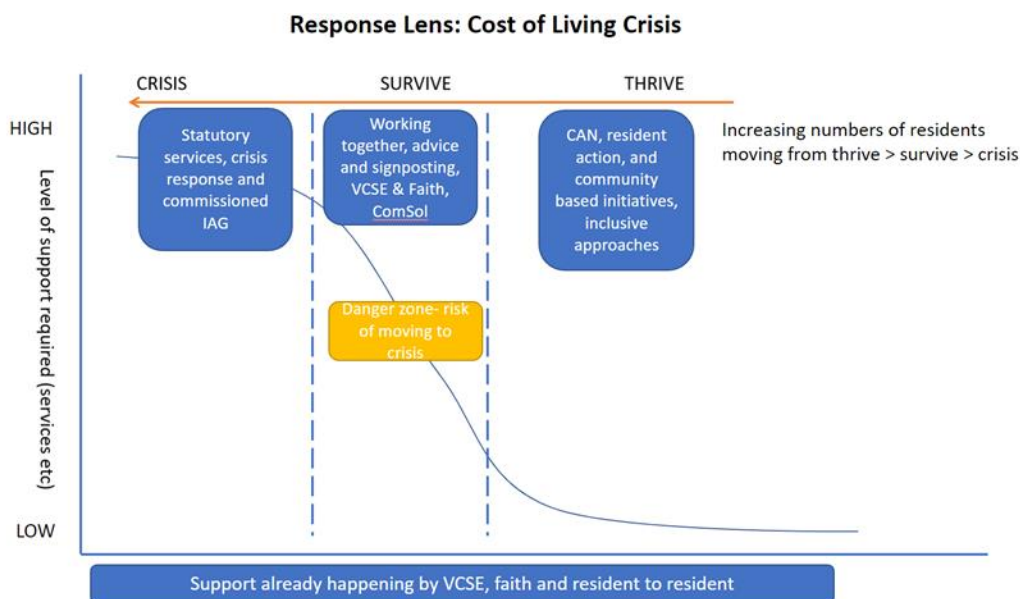
Cost of Living Alliance Model

- 2.5 The Alliance will be made up of a range of partners who are best placed to support residents facing the greatest challenges. It is proposed that the Citizens Advice Bureau (CAB), working closely with the Homes and Money Hub, will play a lead co-ordinating role, supporting the lead local organisations that in turn would support other community groups in their area. All of this would be supported by the creation and delivery of a training package for lead local organisations, along with an ongoing learning network. The Alliance would operate at three levels, each meeting different levels of need:
- 2.5.5. **Thrive:** Accessing the Borough's existing range of ways of connecting people. This includes friendly spaces, community hubs, neighbourhood networks, EOED, CAN. These would be promoted in a proactive way

2.5.6. **Survive:** Information, advice and guidance and prevention support including navigating B&D Money, money management, tenancy support and pathways to other help such as job support, training and skills. Organisations across the Borough would be co-ordinated by lead agencies, similar to the BDCAN model, and are a point of contact for other organisations in their locality

2.5.7. **Crisis:** Specialist crisis relief and recovery support including the hardship fund, emergency assistance, emergency access to food and money advice etc. through Community Solutions, CAB, DABD and ILA. The HAM Hub offers triage to a range of services as a single point of access for those in crisis in the community where the universal offer cannot meet need. The HAM Hub can be accessed face to face or remotely, depending on a resident's preference

2.6 The three levelled model outlined above, is visualised in the diagram below:



2.7 Organisations who are part of the 'survive' level could be branded and advertised as such across the borough alongside an interactive map to be made available including via CAN. This would be supported by a training package for the relevant lead VCS organisations and promoted online through the digital offer of BD Money.

2.8 As and when potential funding opportunities from central government or other sources emerge, the Council will seek to work with Social Sector partners to consider how best that funding can be used in supporting residents, as part of a partnership led, collaborative design approach which will have the greatest positive impact on local communities.

3. Options Appraisal

3.1 The considered options are laid out below. Option A, to develop and launch a partnership, community led response in the form of a Cost of Living Alliance, is the preferred option which is currently being developed, for the reasons spelt out below.

Option	Advantages	Disadvantages
<p>Option A - Launch a Cost of Living Alliance together with partners, to support residents in the face of the Cost of Living Crisis</p> <p>(Preferred Option and is currently being developed)</p>	<ul style="list-style-type: none"> • It will build on the success of BD CAN, using a similar community-led response to a crisis • It will utilise the developing social infrastructure of the Borough, benefitting from the trusted relationships partners have with residents, enabling more residents to be able to be reached and supported. • It will represent a cost-efficient response to the Crisis, as it will utilise many resources that are already existing in the community, adding capacity where required. 	<ul style="list-style-type: none"> • It can take time to co-design a community-led response together with partners – however, this process has already begun
<p>Option B – Bring in external resource or partners to deliver a local response to the Cost of Living crisis.</p>		<ul style="list-style-type: none"> • Bringing in external partners would not build on the trust and relationships that local community partners already have with residents. • Due to the lack of previous local connections, the response would be ineffective in comparison to a locally led one.
<p>Option C – Continue operations as normal and do no specific response to the Cost of Living Crisis</p>	<ul style="list-style-type: none"> • No change required for current staff resource levels. 	<ul style="list-style-type: none"> • Potential resources available to the Council and partners would not be utilised, which would be a waste. • Barking and Dagenham residents would receive no extra support, compared to what they receive currently, in the face of the Cost of Living Crisis, and so would not be helped in the way that is required in this difficult situation.

4. Consultation

- 4.1 Initial consultation with voluntary, faith and community groups have taken place on the 17th of June with the scoping of the Cost of Living Alliance at an exploratory summit event, which the Chief Executive Fiona Taylor, and the Deputy Leader for the Council, Saima Ashraf, both attended.

- 4.2 Following this summit, a brief verbal update was given to CSG on the 16th of June, to sight senior leadership on the outcomes from the summit and the agreed proposal for the Alliance.
- 4.3 A draft of this paper was taken to Community Leadership and Engagement Portfolio on the 5th of July.

5. Implications

Financial Implications

- 5.1 Implications completed by: Nurul Alom, Finance Manager. This paper outlines the development of a Cost-of-Living Alliance, the steps towards its formation and required activity to further develop the current model. There are currently no financial implications. A further report will be presented to update on the development of the Alliance in October, which will detail the steps required and associated costs.

Legal Implications

- 5.2 Implications completed by: Implications not completed but any legal implications will be considered as the model is further developed.

Other Implications

- 5.3 **Risk Management** - A full training package would be delivered to lead community partners involved in the response, to ensure all safeguarding risks are addressed so that partners are able to fully and safely support residents who are struggling, as part of the Alliance offer.
- 5.4 There is the potential for reputational and financial risk for the Council if the proposed Alliance approach does not successfully support all residents struggling with the cost of living crisis, as it could see increased levels of resident discontent or rising demand for services, due to the Cost of Living Crisis not being fully tackled. However, the potential for such risk is considered far greater if no additional action is taken to support residents during this time, as such, taking this partnership led, Alliance approach is recommended at this point.
- 5.5 Furthermore, such a partnership-led approach is also in line with the Council's Participation and Engagement strategic values which could also be seen in the successful BD-CAN approach to tackling Covid-19. This community approach is one which will see more residents reached and supported by their local community groups than would be by the Council operating in isolation. The proven successful track record of such an approach mitigates the above risks and adds weight to the argument that the proposed Cost of Living Alliance is the right action to take.
- 5.6 **Contractual Issues** – Details of how contracts or grants would be awarded in order to increase lead community groups capacities are to be worked out together with Council colleagues and Social Sector Partners as the Cost of Living Alliance model develops.
- 5.7 **Staffing Issues** – No current staffing issues identified, there will be further consideration as part of further development of the model.

- 5.8 **Corporate Policy and Equality Impact** - LBBD consider social-economic disadvantage along with the protected characteristics set out in the Equalities Act 2010. The focus of this partnership led response will be those residents most likely to be hardest hit financially by the Cost of Living Crisis. As such it will make a clear positive contribution addressing the existing socio-economic inequality of the Borough. The approach will seek to be data led in the response, using analysis to identify cohorts and communities most impacted by the Crisis then working to support them. The core part of this approach is working in partnership with Social Sector and faith communities who are in direct contact with and representing residents that the Council has not been as effective at reaching in the past.
- 5.9 **Safeguarding Adults and Children** – The level of premature death in Barking and Dagenham is the highest in London, while 48% of children live in poverty. In providing the relevant training and capacity building, the Alliance would work towards reducing these figures to ensure that the right support is offered to those in need. Partners will have the knowledge and skillsets to offer support and guidance where required, and where they cannot provide it themselves, the Alliance will have helped to build relationships for the partner to signpost the resident accordingly. Consideration of any further implications in the context of safeguarding through the further development and details of the Alliance model.
- 5.10 **Health and wellbeing Issues** – Around half of health is determined by economic circumstances, around twice the influence that health care is believed to have. Many of the Borough's residents are already having their health and wellbeing damaged by economic deprivation, as can be seen by rising levels of obesity and cardiovascular diseases, with lifelong consequences. This will get worse. Health services need to ensure they sign post to support and have correct services in place such as mental health support, with community partners playing a key role. Furthermore the Alliance can play a vital role in providing access to support to reduce the negative impacts on health. Access to food – especially healthy food – will be critical to health and wellbeing, with the Alliance able to coordinate access to food banks and clubs. Signposting to help with winter fuel payments will help address fuel poverty, which is known to be associated with respiratory, circulatory and mental health problems, as well as negatively impact the development of children and young people. All of this will have positive impacts upon residents' health issues.
- 5.11 **Crime and Disorder Issues** – The Cost-of-Living Alliance will build the relationships and knowledge for the VCSE to signpost local people to the right place for seeking work and skills help. The current unemployment rate stands at 6.8% with 18.3% of the borough seeking benefits. Helping people to build the skills to gain stable employment will improve both financial and mental wellbeing, reducing the occurrence of poverty-related crime and anti-social behaviour.
- 5.12 **Property / Asset Issues** – Barking and Dagenham has a worse-than-average level of evictions. Allowing local people to seek support through informal and hyper-local means and use the support and resources the Alliance offers should lessen financial burdens and may decrease the pressure on rent payments. This, in turn, may decrease the number of evictions from council property. There are no plans or proposals to purchase, lease or sell property or assets as part of this Alliance model.

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

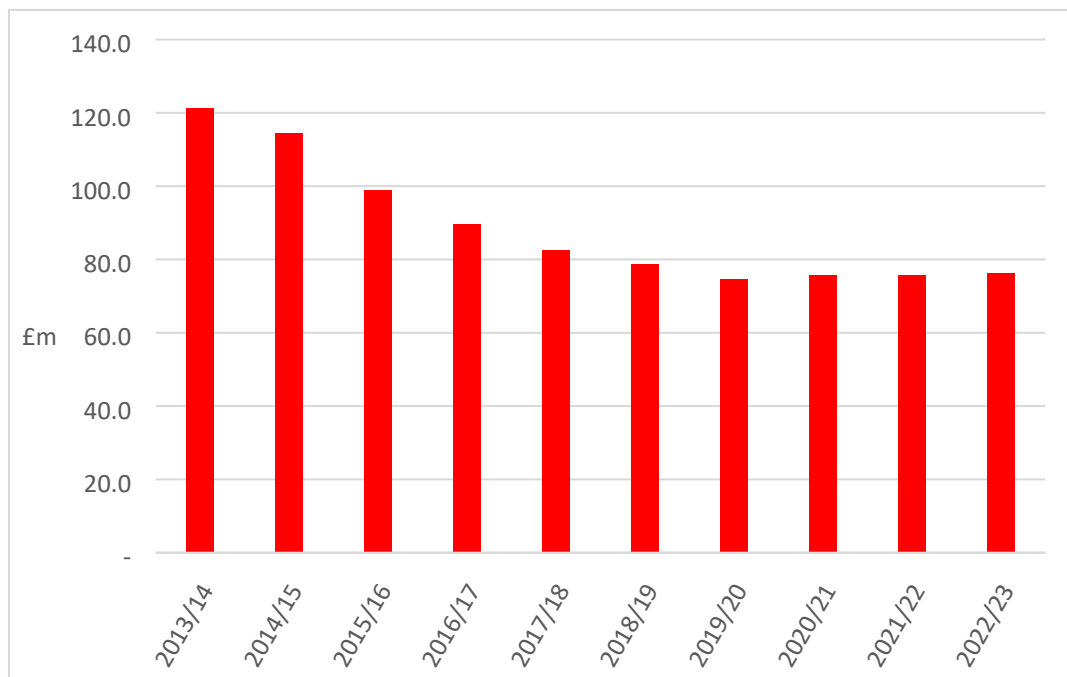
List of appendices: None.

CABINET**12 July 2022**

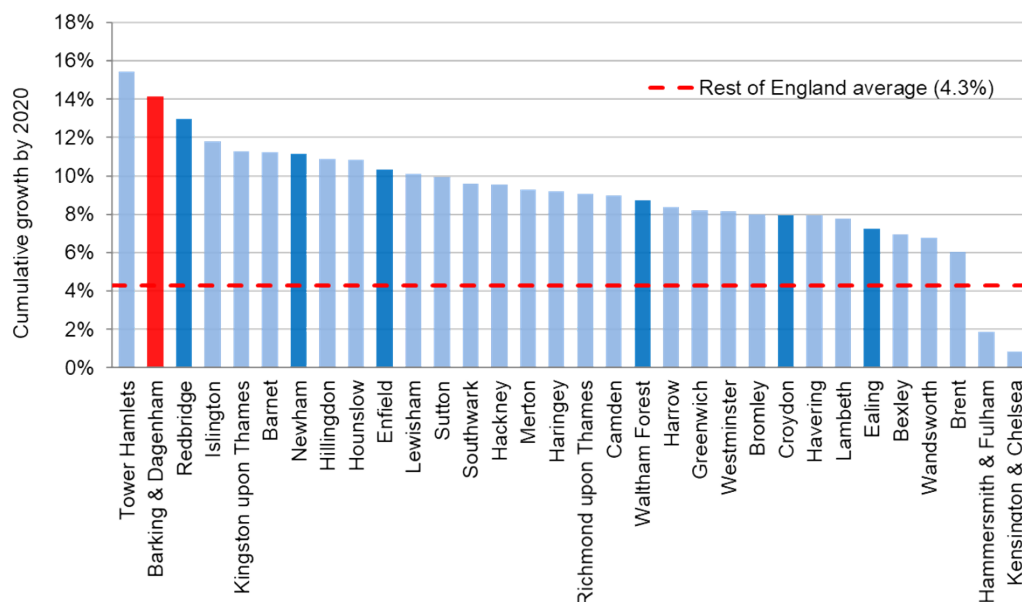
Title: Medium Term Financial Strategy and Reserves Policy 2022/23 to 2026/27	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Philip Gregory, Director, Finance & Investment	Contact Details: Tel: 020 8227 5048 E-mail: philip.gregory@lbbd.gov.uk
Accountable Strategic Leadership Director: Philip Gregory, Director, Finance & Investment	
Summary	
<p>This report sets out a draft Medium-Term Financial Strategy (MTFS) and Reserves policy for the period 2022-23 to 2026-27 for key council (General Fund) services. It shows how the delivery of a strategy for a well run organisation goes hand in hand with organisational financial health. It has been prepared recognising the financial uncertainty arising from a period of increasing inflation following 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 2024-25 at the earliest, whilst taking into account anticipated demands and pressures.</p> <p>The MTFS identifies a cumulative gap of £14.8m 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>	
Recommendation(s)	
<p>Cabinet is recommended to approve the Medium Term Financial Strategy and Reserves Policy 2022/23 to 2026/27 as set out in Appendices A and D to the report and the proposed approach to ensure the financial health of the Council over the medium term.</p>	
Reason(s)	
<p>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; no one left behind and delivery of the priorities within available resources.</p>	

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 2022, Assembly approved the budget for 2022-23 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 2022-23 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 economy is also having to cope with increasing inflation resulting in a cost-of-living crisis. The impact of this is uncertain apart from a high probability that costs will increase and income sources will be unlikely to keep up. This is discussed further in section 3 of the report.
- 1.9. 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 during 2022 which implies that another one-year financial settlement will be provided for 2023-24 with longer term funding reforms being introduced in 2024-25 at the earliest.

- 1.10. 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.
- 1.11. 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.
- 1.12. 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 2023-24 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 2023-24. In addition, this process will allow the council to identify where savings may be achieved in future years and begin planning their delivery.
- 1.13. 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

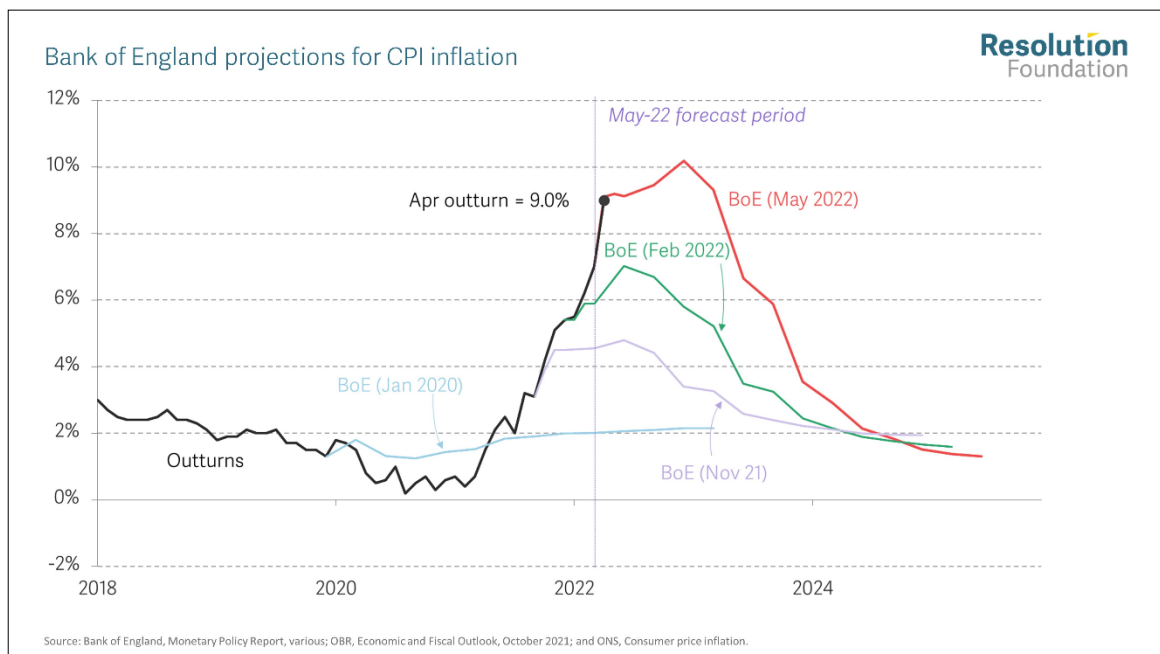
- 2.1. The MTFS is underpinned by four key strategic priorities for the council to ensure that resources are aligned with their delivery:
 - **Inclusive Growth.** All activity related to homes, jobs, place and environment will be organised into a single strategy, focused on intervening in our economy 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.
 - **Well Run Organisation.** This is a crosscutting strategic priority, concerned with the operation of the Council's support functions and the way in which our business is operated.
- 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. Cost of Living Crisis

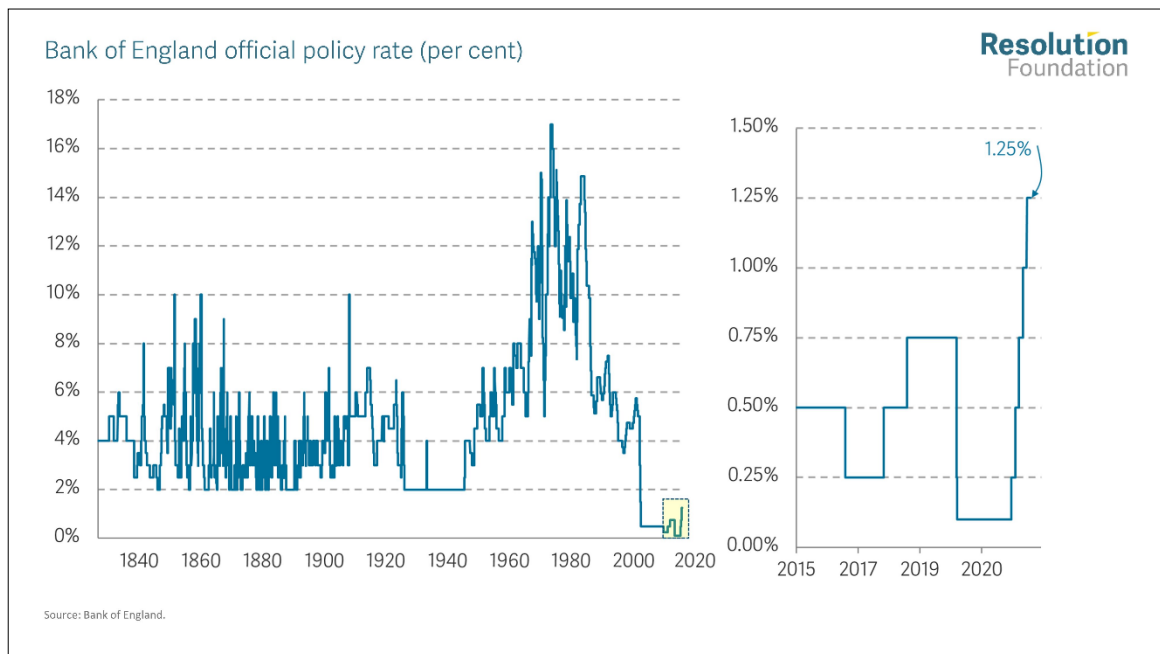
- 3.1. The cost-of-living crisis is driven by many factors that are primarily evidenced by increases in inflation (comparing current costs to how much they cost a year ago). There are a number of reasons for increasing inflation which started to increase in

2021 in large part due to increased spending on goods during the Covid crisis. As economies around the world, including in the UK, opened up after Covid restrictions eased, some businesses struggled to meet this extra demand because of difficulties in getting the materials used in their production. Recent lockdowns in China have had an impact on the supply of goods. Russia's invasion of Ukraine has led to sharp increases in the price of energy. The war in Ukraine has also caused an increase in the price of many agricultural commodities, such as grain, which are needed to produce food. There are also inflationary pressures from the UK economy including wage inflation as there are more job vacancies than there are people to fill them, which means employers are having to offer higher wages to attract job applicants.

- 3.2. Inflation has risen sharply to level not seen for many decades. On 18 May 2022, the Office for National Statistics (ONS) published data showing that twelve-month inflation in the Consumer Prices Index (CPI) was 9.0% in April (compared to 8.1% in the Euro-area and 8.6% in the US). The Bank of England forecast that CPI inflation is expected to be over 9% during the next few months and to rise to slightly above 11% in October reflecting higher projected household energy prices following an additional large increase in Ofgem price cap. Inflation is expected to fall to the 2% target by 2024 as shown below.



- 3.3. In an effort to contain inflation and return it to the Government's 2% target the Bank of England has increased interest rates in recent months to 1.25%, the highest rate for 13 years.



- 3.4. Interest rates may continue to increase over coming months with financial markets expecting rates to increase to 3%. The Bank of England are not forecasting that rates will rise to 3% although a further increase above 1.25% is expected to be announced in August.
- 3.5. The impact on the council is pronounced and creates significant financial pressure on budgets. The cost of goods and services, including energy costs, to the council are expected to increase during the current financial year. In addition the pay award for 2022-23 is likely to be greater than the 1.75% agreed for most staff in 2021-22. These cost increases will create in-year budget pressures that services will need to manage.
- 3.6. The impact on local residents and businesses will also be extremely challenging. Barking and Dagenham is the most deprived London Borough and has the highest level of unemployment in the country. The council relies on council tax and business rates income to fund services and many services have income budgets from fees and charge which may also come under pressure during 2022-23.

4. COVID-19

- 4.1. The COVID-19 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
- 4.2. The current expectation remains that there will no further Government support beyond what has been announced for previous financial years. It is expected that the demand for services will continue to emerge, particularly in social care services over the medium term.

5. Medium Term Financial Strategy Forecasts

- 5.1. The budget report to Cabinet in February 2022 set out the following financial forecasts:

Table 1: Financial position reported in February 2022

	2022-23 £m	2023-24 £m	2024-25 £m	2025-26 £m
Budget Gap (incremental)	-	6.191	10.952	9.291
Budget Gap (cumulative)	-	6.191	17.103	26.394
Council Tax Assumption	2.99%	2.99%	2.99%	2.99%

- 5.2. A review of the assumptions within the MTFS has been undertaken to inform this update, rolling forward these to 2026-27 to present the updated MTFS position. In response to increasing inflation the budget provision in 2023-24 and 2024-25 has been increased to take into account pay and price increases. In addition, the services grant from government which was expected to be provided for 2022-23 only has been included in 2023-24 and future years as the funding reforms promised from 2023-24 in place of the services grant are unlikely to materialise. Further details on assumptions within the MTFS are described in the following section of the report.
- 5.3. As shown in Table 2 the budget gap has decreased from £26.394m to £14.826m.

Table 2: Recommended changes to the MTFS

	2023-24 £m	2024-25 £m	2025-26 £m	2026-27 £m
Budget Gap (incremental)	6.191	10.952	9.291	-
Updates	0.924	(10.282)	(5.174)	-
Budget Gap (incremental)	7.115	0.670	4.117	2.924
Budget Gap (cumulative)	7.115	7.785	11.902	14.826

- 5.4. 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.
- 5.5. Included within the figures in Table 2 are increased allocations for inflation and demographic growth over the MTFS period. Inflation is provided for pay and price inflation with the actual pay award for 2022-23 still outstanding. Inflation is assumed to peak during 2022 and return to 2% during 2024. Demographic growth funding is an estimate of funding that will be required as the borough population grows, recognising that the cost of providing services to these additional residents will also

grow. Services will be able to bid against these funding allocations and the final allocations for 2023-224 will be confirmed in the MTFS presented for approval by Assembly in March 2023.

Table 3: Inflation and Demographic Growth funding

	2022-23 £m	2023-24 £m	2024-25 £m	2025-26 £m	2026-27 £m
Inflation	6.228	9.267	6.665	3.941	3.999
Demographic Growth	-	4.068	4.287	4.629	4.776
Total:	6.228	13.336	10.942	8.570	8.776

- 5.6. The CFO has assessed the minimum level of general fund balances at £12m and the Council currently holds £17m.
- 5.7. 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 the wider economy, continuing demand following 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.

6. Key Assumptions

- 6.1. There are a number of assumptions that underpin the updated MTFS including:
- 6.2. 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 2022-23 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.
- 6.3. Settlement funding from Government will continue on the same principles that were applied in 2022-23. The Government provided a one-off services grant of £4m in 2022-23 which was to be replaced by funding reforms in 2023-24. To date the Government have not yet begun consultation on the implementation of funding reforms and so the implication is that the fair funding review and business rates reset will be introduced in 2024-25 at the earliest, if at all. It is therefore expected that the services grant will continue from 2023-24 providing additional funding of over £5m per year.
- 6.4. 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 has been estimated by using data on expected new homes being occupied over the MTFS period. A prudent deduction has been made to account for properties that may be delayed or where council tax will not be payable in full, e.g., recipient of

CTS. On this basis the growth in council tax base has increased from 1.5% to 3% per year. This results in additional council tax income as shown in the table below.

	2023-24	2024-25	2025-26	2026-27
Council tax base – 1.5% growth	52,860	53,653	54,458	55,274
Council tax base – 3.0% growth	53,641	55,250	56,908	58,615
Increase in council tax base	781	1,598	2,450	3,341
Band D council tax estimate	£1,403.78	£1,473.56	£1,517.62	£1,563.00
Increase in council tax income	£1.117m	£2.355m	£3.718m	£5.222m

- 6.5. 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.
- 6.6. Growth in budgets has been included where this has previously been agreed by Cabinet.

7. Budget Risks

- 7.1. There are a number of risks that continue to influence the MTFs including the following:
- 7.2. **Recovery from COVID19:** The impact of COVID-19 on the demand for statutory services and the finances of the Council will continue to evolve throughout 2022-23. Costs and income assumptions will need to be monitored with care throughout 2022-23 to ensure that emerging risks are brought to the attention of Members in a timely way.
- 7.3. **Brexit:** The impact on Local Government upon leaving the EU may continue to 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.
- 7.4. **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.
- 7.5. **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 inflation on the wider economy.
- **Levelling Up:** Levelling up funding is currently being delivered through grant funding which must be bid for competitively for specific projects. It is unclear what impact the levelling up agenda will have on funding other than to state the fair funding review and business rates reset could be tools to deliver the missions of levelling up.
- 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 2024-25 at the earliest.
- The **Business Rates Retention** scheme is also being redesigned and is expected to be introduced from 2024-25 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 2023-24 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.

7.6. **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.

7.7. **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.

7.8. **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 as a result of increasing inflation, that emerge will result in spending control within departments or corporate budgets.

7.9. **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.

- 7.10. **Legislative changes** or the imposition of new responsibilities upon the council without adequate funding remains a risk.
- 7.11. 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.

8. Review of Reserves

- 8.1. 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**.
- 8.2. 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**.
- 8.3. 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.
- 8.4. 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. A further review of reserves will take place later in the year.
- 8.5. 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.

9. Approach to Budget Setting for 2023-24

- 9.1. The Medium Term Financial Strategy identifies a savings requirement of £14.8m by 2026-27. 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.

10. Financial Implications

Implications completed by: Philip Gregory, Director Finance & Investment (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 5 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'. It must look and plan further and during any financial year, there is an ongoing responsibility to monitor spending and ensure the finances continue to be sound. This does mean as a legal requirement there must be frequent reviews of spending and obligation trends so that timely intervention can be made ensuring the annual budgeting targets are met. Furthermore, the Council is subject to the Best Value duty under the Local Government Act 1999 to secure continuous improvement in an efficient, economic and effective way.
- 11.2. Section 25(1)(a) and (b) of the Local Government Act 2003 requires its Chief Finance Officer (Section 151 Officer) to report on the robustness of the estimates made for the purpose of calculating Council Tax, but more particular to the purposes of this report the adequacy of reserves hence the need for a Reserves Policy. When considering what level of general reserve to hold applicable legislation includes s.31A, 42 and 43 of the Local Government and Finance Act 1992.
- 11.3. If during the Strategy period 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.
- 11.4. Whenever there are proposals for the curtailment or discontinuance of a service or services, there will be a need for appropriate consultation. In some cases, this will be prescribed by statute, or by common / case law. 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 and proper consideration of human rights. 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.

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 2022/23 to 2026/27
- Appendix B – Budget Growth and Savings
- Appendix C – Reserves Policy 2022/23 to 2026/27
- Appendix D – Reserve Balances as at 31 March 2022

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Barking & Dagenham

	2021/22 Forecast Outturn £m	2022/23 Budget £m	2022/23 Forecast £m	2023/24 Forecast £m	2024/25 Forecast £m	2025/26 Forecast £m	2026/27 Forecast £m
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NET COST OF SERVICES	161.318	175.653	175.653	190.418	202.603	218.946	225.697
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Financial Planning

Savings - Existing Plans	(2.641)	(3.499)	(3.499)	(1.290)	0.076	(0.122)	-
Savings - to be identified	-	-	-	(7.115)	(0.670)	(4.117)	(2.924)
Inflation and Demographic Change	3.000	3.000	6.228	13.336	10.942	8.570	8.776
Growth	21.655	11.436	11.436	6.654	5.396	1.820	0.800
Capital	0.260	0.600	0.600	0.600	0.600	0.600	0.600

Reserves

Contributions to Earmarked Reserves	9.062	-	-	-	-	-	-
Contributions from Earmarked Reserves	(10.634)	(4.130)	(4.130)	(1.600)	-	-	-
COVID-19 Reserves/carry forward	-	-	-	-	-	-	-
Use of General Reserve	-	-	-	-	-	-	-
Net Expenditure after Reserves	182.020	183.060	186.288	201.003	218.946	225.697	232.949

Funding

NDR/RSG	(80.593)	(81.391)	(81.391)	(85.735)	(98.230)	(100.032)	(102.032)
Other Grants	(9.405)	(10.735)	(10.735)	(10.384)	(10.384)	(10.384)	(10.384)
Market Sustainability & Fair Cost of Care	-	(0.616)	(0.616)	(5.326)	(7.609)	(7.609)	(7.609)
Services Grant	-	(3.978)	(3.978)	(5.458)	(5.458)	(5.458)	(5.458)
COVID Grants	(7.694)	-	-	-	-	-	-
(Surplus)/Deficit on Collection Fund	2.663	-	-	-	-	-	-
Company Dividends	(12.490)	(12.490)	(12.490)	(12.807)	(12.807)	(12.807)	(12.807)
Investment Income	(5.712)	(1.500)	(1.500)	(4.542)	(3.042)	(3.042)	(3.042)
Demand on Collection Fund	68.789	72.350	75.578	76.750	81.416	86.365	91.616

Council Taxbase	50,996.00	52,079.16	52,079.16	53,641.53	55,250.78	56,908.30	58,615.55
Council Tax at Band D (£)	1,348.91	1,389.24	1,389.24	1,430.78	1,473.56	1,517.62	1,563.00

Council Tax Precept £m	68.789	72.350	72.350	76.749	81.415	86.365	91.616
Percentage Increase in Council Tax	4.99%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%

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Appendix B

Medium Term Financial Strategy 22-21 - Summary Position

	22/23	23/24	24/25	25/26	26/27
	£000	£000	£000	£000	£000
	Revised	Revised	Revised	Revised	Revised
Prior Year (Surplus)/Deficit					
Inflationary and Demographic Changes					
Staff Pay Award and Capacity Building	5,227	5,437	5,655	2,941	2,999
Non Staff Inflation	1,000	3,830	1,000	1,000	1,000
Demographic Growth	-	4,069	4,287	4,629	4,776
Budget Increases					
Corporate Growth					
ELWA Levy Increase	765	800	800	800	800
Cross Cutting Items					
NI increase	1,549	-	-	-	-
Pension Increase	1,000	-	-	-	-
Service Pressures					
My Place - Waste and Re-cycling	150	145	1,000	1,000	-
My Place - Keeping the Streets Clean	150	100	-	-	-
Care & Support - Fair Cost of Funding	616	4,710	2,283	-	-
Care & Support - Giving Children the Best Chance	2,000	1,000	-	-	-
Community Solutions - Community Hubs	70	-	70	-	-
Community Solutions - BDCAN	112	112	-	-	-
Community Solutions - Youth Zone	200	-	-	200	-
Community Solutions - Building Capacity in the Social Sector	63	63	-	-	-
Community Solutions - Improved Debt Collection	388	-	-	-	-
Community Solutions - Concessionary Fares	-	785	2,050	840	-
Community Solutions - PRPL	-	-	-	-	-
Core - Inclusive Workplace	100	-	100	-	-
Core - IT	1,151	-	-	-	-
Strategy & Culture - Opportunities to Participate	45	45	-	-	-
Strategy & Culture - Cultural Production	106	-	-	-	-
Strategy & Culture - Tools & Capabilities	167	-	-	-	-
Inclusive Growth - Net Zero	250	-	-	-	-
Leisure - Concession Fee income reprofiled	-	666	567	620	-
Public Realm	530	-	-	-	-
LAC/Care	-	445	-	-	-
Adults	689	-	-	-	-
Disabilities	1,570	-	-	-	-
Comm Sol	260	-	-	-	-
Participation and Engagement	-	50	-	-	-
Total Additional Costs	17,663	19,990	16,338	10,390	9,575
MRP Policy Change					
Additional MRP Changes	150	150	150	150	150
Investment in the Capital Programme	450	450	450	450	450
Total Capital Costs	600	600	600	600	600
Savings Identified					
Early Years, Youth Services and Childcare - Fixed Penalty Notice Income	-	50	15	-	-
Early Years, Youth Services and Childcare - Staffing Savings	-	-	35	-	-
Core - Digital Identity Verification	-	25	25	-	-
Core - Mobile Telephony Savings	-	72	72	-	-
Core - IT Procurement	45	44	56	50	-
Core - MPLS Replacement	-	115	115	-	-
Core -	-	1,498	-	-	-
Community Solutions - Childrens Centres	-	90	-	-	-
Community Solutions - Revenues and Benefits	-	300	-	-	-
Community Solutions - Local Banking	-	100	-	-	-
Community Solutions - Debt & Affordable Credit	-	580	-	420	-

My Place - Property Management	-	154	-	66	-	65	-	72	-	-
LGHR - Fine Revenue	-	50	-	-	-	-	-	-	-	-
LGHR - Market	-	20	-	-	-	-	-	-	-	-
LGHR - Parking	-	250	-	-	-	-	-	-	-	-
LGHR - HR Restructure	-	-	-	577	-	-	-	-	-	-
Policy & Participation - Everyone Everyday	-	-	-	100	-	-	-	-	-	-
Policy & Participation - Parks	-	-	-	500	500	-	-	-	-	-
Inclusive Growth - Economic Development	-	200	-	-	-	-	-	-	-	-
ICT Savings	-	40	-	-	-	-	-	-	-	-
Total Savings	-	3,499	-	1,290	74	-	122	-	-	-

Reserves policy 2022-23 to 2026-27.

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 1992 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

APPENDIX D - FORECAST RESERVES	Opening Balance 2021-22 (1st April 2021)	Transfer to Reserves	Drawdown from Reserves	Forecast Closing Balance 2021-22 (31st March 2022)
General Fund Balances	(17,030,171)			(17,030,171)
Earmarked Reserve Balances				
Butler Court (Refurbishment)	(89,323)			(89,323)
Skills & Learning Programme Reserve	(2,153,617)			(2,153,617)
Total Departmental Reserve	(2,242,940)	0	0	(2,242,940)
Capital Investment Reserve	(3,779,051)			(3,779,051)
Total Capital Investment Reserve	(3,779,051)	0	0	(3,779,051)
Abbey MRP	887,548			887,548
Abbey MRP2	(953,479)			(953,479)
Lifecycle Reserve	(1,575,940)	(563,100)		(2,139,040)
Property Reserve	(139,125)		135,768	(3,357)
Total Entities Reserves	(1,780,996)	(563,100)	135,768	(2,208,328)
PFI Reserve	(6,345,964)	(217,861)		(6,563,825)
Jo Richardson & Eastbury PFI	(7,698,827)			(7,698,827)
Total PFI Reserves	- 14,044,791	- 217,861	-	- 14,262,652
Other Miscellaneous (Departmental Reserve)	(2,431,872)	(2,140,716)	1,028,521	(3,544,067)
Grants - Dept. for Education	(38,700)			(38,700)
Parking Reserve - (On Street)	(1,967,438)	(6,817,000)		(8,784,438)
Parking Reserve - (Off Street)	0	(633,000)		(633,000)
Trewern Outdoor Centre Reserve	(483,047)	(24,312)	136,690	(370,669)
Community Music Service Trading Reserve	0	(263,280)		(263,280)
Education Psychology Trading Reserve	0	(86,695)		(86,695)
YOS - Health & Justice (from CCG)	(115,766)			(115,766)
Leaving Care Service (NEET Funding - re CMF Grant)	(140,074)			(140,074)
Welfare Reform Reserve	0	(4,500,000)		(4,500,000)
LEVY Reserve	0	(4,609,759)		(4,609,759)
Total Other Miscellaneous	(5,176,897)	(19,074,762)	1,165,211	(23,086,448)
Service Grant Carry Forwards	(5,301,898)	(3,508,067)	2,269,956	(6,540,009)
Investment Reserve	(10,997,682)	(1,900,000)		(12,897,682)
Public Health Reserve	(2,454,795)	(1,136,404)		(3,591,199)
Corporate Restructuring Redundancies Reserve	(735,000)			(735,000)
Insurance Fund Liabilities Reserve	(3,362,518)			(3,362,518)
Budget Support Reserve	(11,218,832)	(11,423,918)	4,618,394	(18,024,356)
VAT Market Repayment Reserve	(223,406)			(223,406)
Legal Trading Reserve (LBBD Share)	(318,040)			(318,040)
Collection Fund Equalisation Reserve	(12,309,879)			(12,309,879)
Elections Reserve	(371,755)			(371,755)
Film Studios Developer Contribution	(1,000,000)		8,498	(991,502)
Social Housing Decarbonisation Fund (BEIS)	(100,797)	(179,277)		(280,074)
BD Giving Endowment Fund	(300,288)	(606,308)	906,596	0
LEP Housing Rental Reserve	(2,641,598)		842,454	(1,799,144)
Education, Youth & Childcare Reserve	(1,191,821)	(45,542)	34,576	(1,202,787)
IT Reserve	(1,212,000)	(512,384)		(1,724,384)
Closure Transactions Reserve	(2,513,975)	(3,384,989)	5,898,964	(0)
NCIL	0	(410,000)		(410,000)
Net Earmarked Reserve Balances	(56,254,284)	(23,106,889)	14,579,438	(64,781,735)
	- 83,278,958.70	- 42,962,611.61	15,880,416.52	- 110,361,153.79

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CABINET**12 July 2022**

Title: Proposed Council Tax Support Scheme 2023/24	
Report of the Cabinet Members for Finance, Growth and Core Services and Community Leadership and Engagement	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Authors: James Johnston, Welfare Relation Manager & Donna Radley, Head of Welfare	Contact Details: james.johnston@lbbd.gov.uk donna.radley@lbbd.gov.uk
Accountable Director: Stephen McGinnes, Director of Support & Collections	
Accountable Strategic Leadership Director: Judith Greenhalgh, Strategic Director of Community Solutions	
<p>Summary</p> <p>The Council has a statutory duty to consider annually whether to revise its Local Council Tax Support (CTS) scheme for working age recipients, replace it with another scheme or retain the current scheme. This excludes the scheme that exists for pension age recipients which is a nationally prescribed scheme and cannot be varied locally. The Assembly approved the CTS scheme for 2022/23 on 26 January 2022.</p> <p>Where there are significant changes proposed, it is necessary for a public consultation to be undertaken which requires early consideration of proposed changes.</p> <p>This report sets out proposals to revise the Council Tax Support Scheme to be implemented for 2023/24 by reducing the minimum payment applied within the CTS scheme by 10% to 15%, as a way of supporting low-income residents during the cost-of-living crisis. The report also sets out plans to replace the percentage minimum payment CTS scheme with a new 'banded' scheme for 2024/25. A new banded scheme will require an 18-month implementation period.</p> <p>The Assembly has a legal duty to approve the CTS scheme by 31 January each year.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Support the proposed Model 2 for the 2023/24 CTS scheme, which would reduce the minimum payment applied within the CTS scheme by 10% to 15%; (ii) Note that the above proposal shall be subject to public consultation and formal approval by the Assembly in due course; 	

- (iii) Support the proposal to replace the current CTS scheme with a new 'banded' scheme for 2024/25 and authorise the Director of Support and Collections to commence consultation and the modelling process to enable the replacement CTS scheme to be implemented for 2024/25.

Reason(s)

To assist the Council in achieving its vision of 'One Borough; One Community; No-One Left Behind' by supporting low-income residents during the cost-of-living crisis.

1. Introduction and Background

- 1.1. The Welfare Reform Act in 2012 abolished Council Tax Benefit (CTB) from April 2013 and, in its place, support took the form of a local Council Tax Support Scheme (CTS).
- 1.2. The Local Government Finance Act 2012 contains provisions for the setting up of local support schemes. The current scheme in Barking & Dagenham has been based around the Default Council Tax Reduction Scheme and was approved by Assembly on 26 January 2022.
- 1.3. Local schemes must take account of and support the following principles:
- Work incentives and avoid disincentives for those moving into work
 - The Council's duties to protect vulnerable people (under the Equality Act 2010, the Care Act 2014, the Child Poverty Act 2010 and the Housing Act 1996)
 - The Armed Forces Covenant
- 1.4. The current scheme in operation ensures that:
- The support for claimants is based on each individual's ability to pay through a means tested approach.
 - Pensioners are protected under the nationally prescribed pension age CTS scheme and must be able to receive up to a 100% reduction under the national scheme rules
 - A "minimum payment" of 25% towards their Council Tax liability is required for all working age claimants in Barking & Dagenham irrespective of their financial circumstances
 - Those who are not pensioners and with capital in excess of £10,000 are not eligible for CTS under this scheme
- 1.5. Expenditure on the CTS scheme has declined year on year, with the exception being the 2020/21 financial year due to the impact of Covid-19. The CTS caseload has also declined year on year. The value of CTS awards has also reduced during this period for working age claimants.
- 1.6. The Council must consider whether to revise or replace its CTS scheme each financial year, for working age recipients. However, it does not actually have to revise or replace its scheme and can choose to retain the scheme unchanged from the prior financial year.

1.7 The scheme that exists for pension age recipients is a national scheme prescribed by regulations and this cannot be varied at a local level. Prescribed regulation changes to the pension age scheme must be applied.

1.8 In order to change its scheme the Council is required by law to:

- Consult with the major precepting authorities
- Consult with other persons it considers are likely to have an interest in the operation of the scheme

2. Proposal and Issues

2.1 The current CTS scheme has a minimum payment of 25% for all working age claimants irrespective of financial circumstance.

2.2 This was introduced in the 2015/16 CTS scheme to reduce overall CTS expenditure due to ongoing budget pressures through the reduction in Central Government funding for Local Authorities.

2.3 A majority of London Boroughs have minimum payments within their CTS schemes that are less than the 25% currently applied. Only 6 out of 31 Boroughs have comparable or higher minimum contributions making the Council hold one of the most punitive minimum payment rates in Greater London.

This equates to the 4th highest minimum payment in cash terms in Greater London of £446.20 for a Band D property, irrespective of financial circumstances.

London Borough	Scheme Type	Minimum Payment %	Band D payment
Barking & Dagenham	Means tested	25%	£446.20
Westminster	Means Tested	0%	£0.00
Wandsworth	Means Tested	30%	£259.81
Hammersmith & Fulham	Means Tested	0%	£0.00
Kensington & Chelsea	Means Tested	0%	£0.00
Newham	Means Tested	10%	£153.22
Tower Hamlets	Means Tested	0%	£0.00
Southwark	Means Tested	0%	£0.00
Lambeth	Means Tested	20%	£332.04
Hackney	Means Tested	15%	£250.66
Hillingdon	Income Banded	10%	£165.88
Greenwich	Means Tested	0%	£0.00

Islington	Means Tested	8.5%	£145.37
Ealing	Income Banded	25%	£433.87
Bromley	Means Tested	25%	£434.18
Barnet	Income Banded	28%	£411.40
Hounslow	Means Tested	0%	£0.00
Merton	Means Tested	0%	£0.00
Camden	Income Banded	0%	£0.00
Brent	Income banded	0%	£0.00
Lewisham	Means Tested	25%	£454.20
Redbridge	Means Tested	15%	£279.51
Enfield	Means Tested	24.5%	£451.21
Haringey	Means Tested	0%	£0.00
Bexley	Income Banded	20%	£384.59
Waltham Forest	Means Tested	24%	£465.58
Sutton	Income Banded	20%	£386.24
Croydon	Means Tested	15%	£294.84
Havering	Means Tested	20%	£394.19
Harrow	Income Banded	30%	£612.62
Richmond upon Thames	Means Tested	0%	£0.00
Kingston upon Thames	Means Tested	0%	£0.00

2.4 Analysis from the IFS ¹ has shown a direct link between higher minimum payments in CTS schemes and lower overall Council Tax collection rates.

Minimum payment level in CTS (liability restriction)	Estimated effect on Council Tax collection rate
Up to 8.5%	-0.09%
8.6 to 20%	-0.24%
Over 20%	-0.49%

2.5 Research also undertaken by the New Policy Institute (NPI) indicates a strong relationship between levels of minimum payments and Council Tax arrears and collection rates. This research indicates that there is a marked increase in arrears where the minimum payment is above 20% of liability and Councils with the largest increases in unpaid Council Tax were those with the highest minimum payments. ²

¹ Adam, Joyce & Pope – ‘the impacts of localised CTS schemes – IFS – 2019

² NPI analysis of collection rates 2012/13 to 2015/16 & Are Cuts to CTS in England a false economy for Councils – 2017

- 2.6 Consideration should be given to the ability to pay Council Tax. The current collection rate for CTS claimants for 2020/21 was 87.6% against an overall collection rate of 93.18%.
- 2.7 The collection rate for CTS claimants in receipt of Universal Credit (UC) is lower at 82%.
- 2.8 The ongoing migration of the legacy benefit case load to UC poses a risk to collection rates.
- 2.9 Current poverty trackers confirm Barking & Dagenham to have the lowest (worst average rank) combining the 10 poverty indicators in the Greater London area.
- 2.10 Since 2015/16, Council Tax has risen by a total of 34% in the borough. This results in a real term cut to the value of the CTS award over the period due to the minimum payment applied. As a consequence, the current CTS scheme does not provide the same level of support to residents of the borough that was provided in 2015/16 and arguably does not provide sufficient support to residents in light of the socio-economic demographics and poverty indicators within the borough.
- 2.11 It is recommended that consideration be given to reducing the minimum payment applied within the 2023/24 CTS scheme by a % amount to better support low-income residents of the borough, including the most financially excluded, with their ongoing Council Tax costs.
- 2.12 The current CTS scheme is based on the centrally defined default scheme. This scheme has several disadvantages that can be summarised as follows:
- A highly complex calculation of entitlement and legislative based assessment process
 - Highly reactive to minor changes in circumstances generating high volumes of work and multiple Council Tax bill adjustments
 - Complex administration for staff
 - Complex for residents to understand
 - Difficult to simplify
 - Difficult to achieve high levels of automation
 - The impact of Universal Credit
- 2.13 The full migration of the existing legacy benefit caseload to UC is now expected to be completed by 2024 with managed migration now being undertaken by the DWP.
- 2.14 The migration to UC has had a significant impact on the CTS scheme due to the differences in assessment of support under the old and new benefits systems.

The key impacts of UC on the CTS scheme can be summarised as follows:

- UC claimants on average have less entitlement to CTS than existing legacy benefit claimants due to the design of UC
- CTS is highly reactive to change as entitlement is re-assessed every month. UC claimants require monthly re-assessment of UC awards requiring

processing. This results in claimants receiving up to 12 revised Council Tax bills and adjustment notices in the financial year

- UC has a direct impact on issues with take up with the separate application process between CTS and UC. The previous application process for legacy benefit claims saw HB and CTS applied for at the same time
- Evidence of increased Council Tax arrears under UC claimants than existing legacy benefit claimants, that is consistent across demographics and vulnerable groups
- Council Tax rises will disproportionately effect UC claimants in receipt of CTS when a minimum payment threshold is applied

2.15 As the UC caseload within CTS continues to increase there is a need to consider scheme changes that will work alongside UC in a more efficient way.

2.16 A replacement CTS scheme is required for 2024/25 that seeks to address the issues raised above in order to better support residents within the borough.

3. Options Appraisal

3.1 An options appraisal has been undertaken to explore the possible options for a revised or replacement CTS scheme. The options available are as follows:

- Maintain the current scheme
- Maintain the current scheme with changes to the % minimum payment
- Implementation of a completely new 'Banded' CTS scheme

3.2 The implementation of a completely new 'Banded' CTS scheme requires the following:

- Engagement with members, residents & voluntary sector groups to obtain feedback on future changes
- High level principles of a scheme change to be agreed
- Engagement of an external third party to undertake scheme & financial modelling
- CSG and Cabinet approval
- Public consultation
- ICT engagement for implementation

3.3 Within this options appraisal consideration was given to changes to the % minimum payment and the replacement of the scheme with a new banded scheme.

3.4 A replacement of the current CTS scheme with a new banded scheme is an undertaking that has a significant cost and time implication in the modelling of a replacement scheme and the appointment of an external partner to support the modelling process.

3.5 An 18-month period is required for evaluation and modelling of a revised or new CTS scheme once a full evaluation has been undertaken.

3.6 It is recommended that this process is now commenced with consideration for the implementation of a new CTS scheme for 2024/25.

- 3.7 A revised scheme for 2023/24 with a change to the minimum payment amount is feasible in the time frame currently available.
- 3.8 The options appraisal has the following options for a revision of the CTS scheme 2023/24:
- Model 1: 5% reduction in the minimum payment amount to 20%
 - Model 2: 10% reduction in the minimum payment amount to 15%
 - Model 3: 15% reduction in the minimum payment amount of 10%
- 3.9 Model 1 is held to provide additional support for low-income residents of the borough but does retain a minimum payment amount that may be considered too high against the socio-economic demographics of the borough.
- 3.10 Model 2 is held to balance the need to better support low-income residents of the borough, including the most financially excluded, with their ongoing Council Tax costs. Residents will be supported with their ongoing cost of living through an increase in the value of the CTS award, reducing the payable Council Tax charge, increasing resident income, and this is balanced against the financial cost to the Council. For those reasons Model 2 is recommended.
- 3.11 Model 3 has significant cost implications and financial impact for the Council for implementation.

4. Consultation

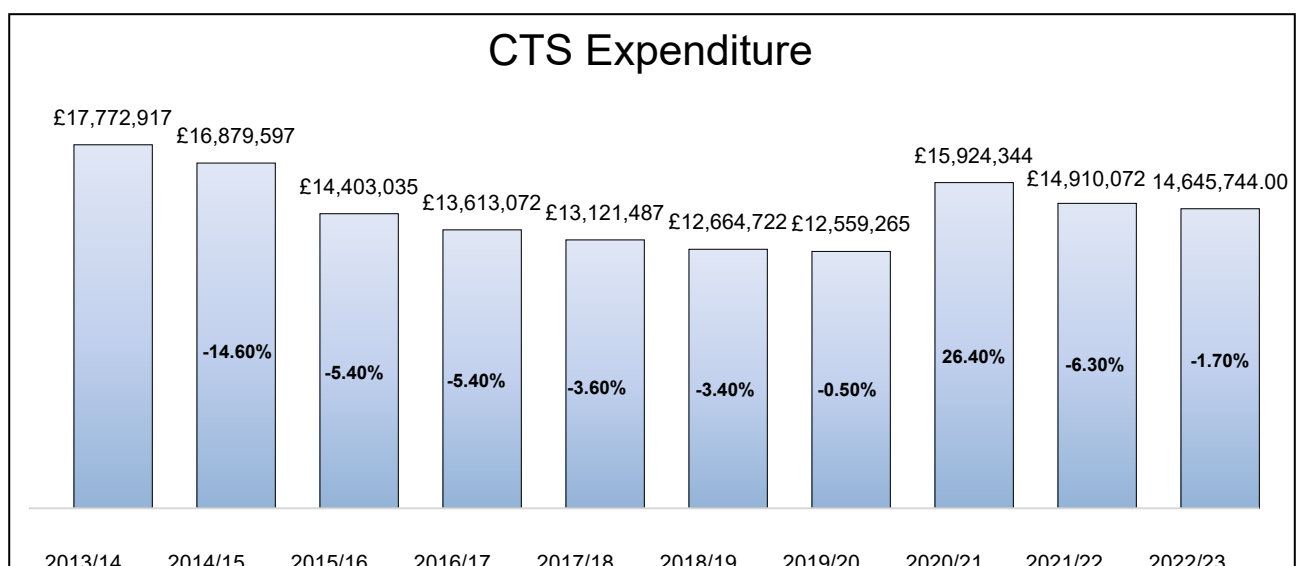
- 4.1 Prior to the implementation of any change to the CTS scheme, the Council is required to consult with the residents of the borough. The guiding principles that have been established through case law for fair consultation are as follows:
- The consultation must be carried out at an early stage when the proposals are still at a formative stage
 - Sufficient information on the reasons for the decision must be provided to enable the consultees to carry out a reasonable consideration of the issues and to respond
 - Adequate time must be given for consideration and responses to be made
 - The results of the consultation must be properly taken into account in finalising any decision
- 4.2 The aims of any consultation should be to:
- Inform residents and help them understand the impact of the proposals
 - Confirm why the proposals are being made
 - Detail any alternative proposals
 - Give purposeful consideration to realistic alternative proposals presented
 - Obtain feedback on whether residents support the proposals
- 4.3 The consultation is anticipated to be primarily web based with information made available on the website and advertised in the media, with further promotion at the libraries and community hubs, to encourage residents to participate.

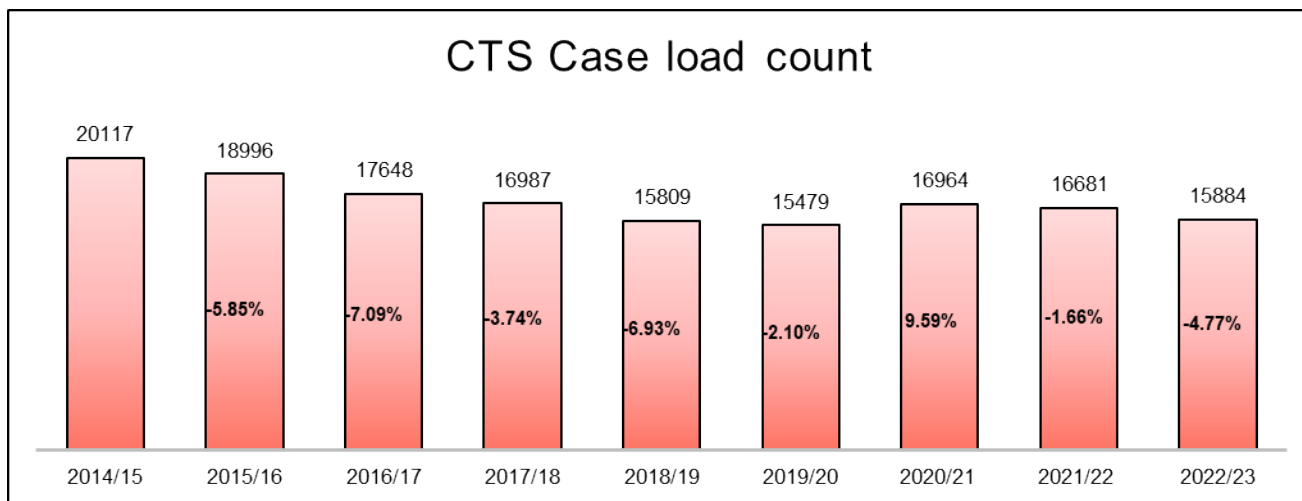
- 4.4 To account for digital exclusion paper copies will be made available.
- 4.5 Consideration will be given to direct contact with current CTS claimants, either by email or with paper copies if email addresses are not held.
- 4.6 Contact and engagement with affected stakeholders such as CAB, DABD and other voluntary groups will also be required to obtain their views on the proposed changes.
- 4.7 The outcome of the consultation will be reported to Cabinet.

5. Financial Implications

Implications completed by: Philippa Farrell, Head of Service Finance

- 5.1 The Council is required to maintain a CTS Scheme. This is now funded as part of the Council’s overall funding settlement and so any increases or decreases in take up or cost fall upon the Council’s budget (rather than being provided for by a grant) and becomes a cost to the authority’s budget in the following financial year.
- 5.2 CTS expenditure has reduced year on year from the commencement of a localised CTS scheme in 2012/13 and will vary based on demand.
- 5.3 The impact of Covid-19 within the 2020/21 financial year saw a significant increase in demand for access to the scheme resulting in an increase in expenditure of 26.4% and a CTS case load increase of approximately 10%.
- 5.4 Expenditure and case load has again reduced in the 2021/22 & 2022/23 financial years.





5.5 The current CTS expenditure for the working age scheme for 2022/23 is currently £9,425,605.09.

5.6 The CTS caseload has declined on average by -4.5% over the last seven years (excluding 2020/21 – Impact of Covid-19). This average reduction in the caseload (-4.5%) is costed at £424,152.22

5.7 A reduction in the minimum payment amount will see a corresponding increase in case load as more households become eligible. This can be modelled based on the 2021/22 case load to determine possible increased expenditure.

5.8 This can be modelled as follows:

	Increase in expenditure
5% reduction in minimum payment	8.34%
10% reduction in minimum payment	16.29%
15% reduction in minimum payment	24.28%

5.9 A change to the minimum payment will see a corresponding change in caseloads, with a decrease in one creating an increase in the other. This cannot be accurately modelled, there will also be natural increase in caseloads as the cost-of-living crisis begins to take hold.

5.10 The following tables demonstrates the additional cost to the council in implementing a reduced minimum payment based on an increased in caseload, with no natural reduction in case load.

Proposal Reduction:	Reduction to current level	Cost	LBB Share 77.84%	GLA Share 22.16%	Community Solution Reserve Contribution	Pressure on Central Resource (Wider Organisational Impact)
Reduce to 20%	5%	£788k	£613k	£175k	£613k	£0
Reduce to 15%	10%	£1,584k	£1,233k	£351k	£767k	£466k
Reduce to 10%	15%	£2,293	£1,785k	£508k	£767k	£1,018k

- 5.11 A projected increase in case load is considered the most accurate financial model for the cost of implementing a scheme change to the minimum payment amount.
- 5.12 It should be noted that the above modelling relates only to the changes proposed for 2023/24. It does not model any impact on the more fundamental changes proposed. This modelling and consideration of the financial impact will be brought through the MTFs as of October 2023. However, it should be noted that should a lower level be approved for 2023/24 it will likely be the minimum level the Council will have to fund ongoing.
- 5.13 The Council has a reserve amount of c£764k within Community Solutions which as outlined in the above modelling would cover the Model 1 proposal. Should the Council approve Model 2, a contribution from a central reserve (Welfare Reserve) of £466k will be required, which will fund this for one year. Please note that the GLA will meet a percentage of these costs. This is a reserve amount and once used cannot be used again. Therefore, the ongoing impact would be a gap in the MTFs of a corresponding amount.
- 5.14 It should be noted that as part of the response to the cost-of-living crisis the Council proposed a ringfenced reserve of £4.5m (Welfare Reserve) be created as part of the 2021/22 outturn cabinet report. This one-off funding is available should the Council wish to consider the alternative models proposed. However, it should be noted that this would then likely form the minimum requirement in future years creating a gap in the MTFs.
- 5.15 CTS is one of the most cost-effective ways for the Council to tackle financial pressures faced by constituents. But it is not the only mechanism and is not going to have an impact until next year, this should be kept in mind when considering the allocation of resource. The Welfare Reserve will be required for other initiatives so consideration of this needs to be taken in account. The cost-of-living crisis impact is already beginning to have impact and therefore this funding should also be considered for more immediate impact.
- 5.16 As outlined above any commitment here will be difficult to step back from and therefore the long-term impact on the MTFs should be considered and is a considerable risk.

6. Legal Implications

Implications completed by: Dr Paul Feild, Senior Governance Lawyer

- 6.1 As the CTS is being changed it is a statutory requirement for the Council to carry out consultation on the changes as set out by the Local Government Finance Act 1992 Schedule 1A paragraph 3 as amended by the Local Government Finance Act 2012.
- 6.2 It must take due consideration of the consultation responses before adopting a revised scheme.

7. Other Implications

- 7.1 **Risk Management** - The risks associated with implementing and operating a revised scheme with a reduced minimum payment are considered to be low with the endorsement of the scheme change by residents and stakeholders to further reduce any associated risk.

It is considered likely that keeping the current scheme unchanged will continue to make it difficult to collect Council Tax from those entitled to a reduction under the scheme.

The current minimum payment of 25% required for all working age claimants will continue to disproportionately affect the lowest socio-economic group and not provide the required level of support to residents of the borough.

With the cost of the scheme determined by demand, there remains a risk that future fluctuations in demand could place an additional financial burden on the Council.

- 7.2 **Corporate Policy and Equality Impact** - An equality and impacts assessment is considered in the proposed Council Tax Support scheme 2023/24 EIA report (Appendix 1).

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

List of appendices:

- Appendix 1 – Council Tax Support Scheme – Proposed changes - EIA 2023/24

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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	Comsol: Welfare Service Council Tax Support scheme review 2023/24
Lead Officer Contact Details	James Johnston (Senior Housing Benefit Officer) & Donna Radley (Head of Benefits) James.johnston@lbbd.gov.uk Donna.radley@lbbd.gov.uk

Why is this service or policy development/review needed?
<p>The Welfare Reform Act in 2012 abolished Council Tax Benefit (CTB) from April 2013 and, in its place, support took the form of a local Council Tax Support Scheme (CTS). The Local Government Finance Act 2012 contains provisions for the setting up of local support schemes. The current scheme in Barking & Dagenham has been based around the Default CTS scheme.</p> <p>The CTS scheme helps residents on low incomes to pay their Council Tax. Under the current scheme, a working-age household liable for Council Tax could get up to 75% of the charge paid through the scheme, dependent upon their circumstances. (Working age is anyone under Pension Credit age).</p> <p>The Pension age scheme is nationally prescribed, with a maximum liability of 100% and cannot be changed at a local level.</p> <p>It is proposed that the Council consults on a revision to its CTS scheme for 2023/24 to reduce the minimum payment required by 10% to a minimum payment of 15%.</p> <p>Currently a minimum payment of 25% towards Council Tax liability is required for all working age claimants in Barking & Dagenham irrespective of their financial circumstances and ability to pay.</p> <p>A majority of London Boroughs have minimum payments within their CTS schemes that are less than the 25% currently applied. Only 6 out of 31 Boroughs have comparable or higher minimum contributions giving the Council one of the highest minimum payment rates in Greater London.</p> <p>Current poverty trackers confirm Barking & Dagenham to have the lowest (worst average rank) combining the 10 poverty indicators in the Greater London area.</p> <p>The current CTS scheme does not provide the same level of support to residents of the borough that was provided in 2015/16 and potentially does not provide sufficient core support to residents in light of the socio-economic demographics and poverty indicators within the borough.</p> <p>This is against the current backdrop of a cost of living crisis that is particularly acute within the borough that is significantly affecting residents.</p>

Why is this service or policy development/review needed?

It is proposed that the scheme requires revision to reduce the minimum payment applied within the 2023/24 CTS scheme to provide better core support to low income residents of the borough, including the most financially excluded, with their ongoing Council Tax costs.

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.
- 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

➤ Local communities in general

Barking & Dagenham is a diverse borough as outlined by the following demographic trends below.

➤ Age

Barking & Dagenham currently has a total population of 214,107. Of this population currently 63.4 % (135,749) are considered of working age (16 – 64) & 9.2 % (19,807) are considered of pension age (over 65).

There are currently 15,779 live CTS cases, of which 11,203 (71%) are working age and 4575 (29%) are of pension age.

The CTS working age caseload is currently 8.2% of the working age population of the borough.

The CTS pension age caseload is currently 23.09% of the pension age population of the borough.

CTS expenditure for the financial year 2022/23 is currently £14,523,991.

Of this expenditure £9,325,766.87 (64.20%) is against working age claimants and £5,198,225.63 (35.80%) is against pension age claimants.

Working age claimants currently make up 63.4% of the population and account for 71% of the CTS caseload and 64.20% of the total CTS expenditure.

Pension age claimants currently make up 9.2% of the population and account for 29% of the CTS caseload and 35.80% of the total CTS expenditure.

(CTS case load data extraction 14/06/2022)

(Census 2020)

➤ **Disability**

Barking & Dagenham currently has 4,631 people of working age (16-64) claiming Disability Living Allowance & 8,669 claiming Personal Independence Payment.

(DWP Stat-Xplore extraction 14/06/2022)

➤ **Gender reassignment**

Barking & Dagenham is currently estimated to have approximately 40 people in the borough who have or who will undergo gender reassignment.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by gender reassignment.

(Gender Identity Research and Education Society advice 2016)

➤ **Marriage & civil partnership**

Barking & Dagenham currently has 41.9% of the population aged 16 and above as registered as married, 38.8% are single and not married, and 0.2% are in a same sex civil partnership.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by civil status.

(Census 2011)

➤ **Pregnancy & maternity**

Teenage pregnancy rates are significantly higher than average. The under 18 conception rate in 2018 was 20.3 per 1,000 females aged 15 to 17, which was the 4th highest in London.

There are 74.2 births per 1,000 women of childbearing age, which was the highest in London.

(LBBD teenage conception data 2018)

(Office for National Statistics 2020 (Births))

➤ **Race and ethnicity**

The proportion of the borough population identifying as coming from black and minority ethnic backgrounds has increased from 19.1% to 50.5% between the 2001 and 2011 censuses, and is now at 67.1%, compared to 32.9% identifying as White British based on the 2020 census.

This sits above the London average of 62.2%.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by race or ethnicity.

(Census 2020)

➤ **Religion**

56% of the population identify as Christian, 18.9% identify with no religion and 13.7% identify as Muslim.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by religion.

(Census 2011)

➤ **Sex/Gender**

Currently 51.5% of the borough's residents are female, and 49.6% are male.

(Census 2011)

➤ **Sexual orientation**

Between 10,000 – 14,000 people in Barking & Dagenham are lesbian, gay and bisexual.

There is currently no monitoring data available within the CTS case load data to distinguish claimant's by sexual orientation.

(Stonewall estimates)

➤ **Socio-economic disadvantage**

Council Tax Support is means tested across low income socio-economic groups.

All claimants will be in a lower socio-economic category.

There are currently 15,779 live CTS cases, of which 11,203 (71%) are working age and 4575 (29%) are of pension age.

The CTS working age caseload is currently 8.2% of the working age population of the borough.

The CTS pension age caseload is currently 23.09% of the pension age population of the borough.

Current poverty trackers confirm Barking & Dagenham to have the lowest (worst average rank) combining the 10 poverty indicators in the Greater London area.

The current 'minimum payment' of 25% required for all working age claimants will continue to disproportionately affect the lowest socio-economic group and not provide the required level of core support to residents of the borough.

It is considered likely that keeping the current scheme unchanged will continue to make it difficult to collect Council Tax from those entitled to a reduction under the scheme, and this will have a greater impact on the lowest socio-economic group in the borough.

(CTS case load data extraction 14/06/2022)

(Poverty tracker April 2022)

Potential impacts	Positive	Neutral	Negative	What are the positive and negative impacts?	How will benefits be enhanced and negative impacts minimised or eliminated?
Local communities in general	X			A reduction in the minimum payment amount for working age claimants will have a positive impact by providing a greater level of core support against Council Tax liability.	There are no negative impacts from the reduction in the minimum payment amount for working age claimants.
Age	X			Pension age claimants remain protected with	Pension age claimants are protected and will continue to receive full support, inclusive of outreach services.

			<p>no minimum payment required.</p> <p>Support remains in place from the Visiting & Welfare outreach service to assist pension age claimants with the application process.</p> <p>A reduction in the minimum payment amount for working age claimants will have a positive impact by providing a greater level of core support against Council Tax liability.</p>	There are no negative impacts from the reduction in the minimum payment amount for working age claimants.
Disability	X		A reduction in the minimum payment amount for working age claimants will have a positive impact on any claimant with a disability by providing a greater level of core support against Council Tax liability.	There are no negative impacts from the reduction in the minimum payment amount for working age claimants with a disability.
Gender reassignment		X	No impact.	The scheme will not treat people of different genders any differently.

				There is no CTS data held for this specific category.
Marriage and civil partnership		X	No impact.	<p>The scheme will not treat people either married or in a civil partnership any differently.</p> <p>There is no CTS data held for this specific category.</p>
Pregnancy and maternity	X		A reduction in the minimum payment amount for working age claimants will have a positive impact on any claimant who is pregnant or on maternity leave/benefit by providing a greater level of core support against Council Tax liability.	<p>The scheme will only treat people who are on maternity leave differently in so far as considering their income & household with regards to the means testing of CTS entitlement.</p> <p>There are no negative impacts from the reduction in the minimum payment amount for working age claimants who are pregnant or on maternity leave/benefit.</p>
Race (including Gypsies, Roma and Travellers)		X	No impact.	<p>The scheme will not treat people of different ethnicity or race any differently.</p> <p>There is no CTS data held for this specific category.</p>
Religion or belief		X	No impact.	<p>The scheme will not treat people of different religion any differently.</p> <p>There is no CTS data held for this specific category.</p>
Sex	X	X	A reduction in the minimum payment amount for working age claimants will have a positive impact on all claimants regardless of gender by providing a greater level of core support against	<p>The scheme will not treat people of different gender/sex any differently.</p> <p>Pension age claimants are protected and will continue to receive full support.</p> <p>There are no negative impacts from the reduction in the minimum payment amount for working age claimants of all gender/sex as these are treated the same.</p>

			Council Tax liability.	
Sexual orientation		X	No impact	The scheme will not treat people of different sexual orientation any differently. There is no CTS data held for this specific category.
Socio-economic Disadvantage	X		A reduction in the minimum payment amount for working age claimants will have a positive impact on residents of the lowest socio-economic demographic by providing a greater level of core support against Council Tax liability.	Pension age claimants are protected and will continue to receive full support. There are no negative impacts from the reduction in the minimum payment amount for working age claimants with socio-economic disadvantage.
Any community issues identified for this location?		X	No impact	No issues recognised

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

Prior to the implementation of any change to the CTS scheme the Council is required to consult with the residents of the borough.

The guiding principles that have been established through case law for fair consultation are as follows:

- The consultation must be carried out at an early stage when the proposals are still at a formative stage
- Sufficient information on the reasons for the decision must be provided to enable the consultees to carry out a reasonable consideration of the issues and to respond
- Adequate time must be given for consideration and responses to be made
- The results of the consultation must be properly taken into account in finalising any decision

The aims of any consultation should be to:

- Inform residents and help them understand the impact of the proposals
- Confirm why the proposals are being made
- Detail any alternative proposals
- Give purposeful consideration to realistic alternative proposals presented
- Obtain feedback on whether residents support the proposals

The consultation is anticipated to be primarily web based with information made available on the website and advertised in the media, with further promotion at the libraries and community hubs, to encourage residents to participate.

To account for digital exclusion paper copies will be made available.

A further public consultation will be held on sites within the borough to enable consultation to take place in person for residents. This will also be promoted to encourage residents to attend and engage.

Consideration will be given to direct contact with current CTS claimants, either by email or with paper copies if email addresses are not held.

Contact and engagement with affected stakeholders such as CAB, DABD and other voluntary groups will also be required to obtain their views on the proposed changes. This may be in person or via online meetings.

The outcome of the consultation will be reported to Cabinet to support in a decision being reached on any change to the scheme.

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

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.*

Action	By when?	By who?
Impact of change monitoring by reviewing Council Tax collection rates and the number of CTS claims made and ongoing expenditure against the CTS scheme.	Ongoing	James Johnston
Regular monitoring based on performance frameworks	Ongoing	Robert Nellist

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

The proposal for the CTS scheme 2023/24 is a reduction of 10% in the minimum payment amount to 15%.

Pension Age claimants continue to be protected with no minimum payment and 100% CTS awards as per the nationally prescribed scheme.

A revision of the current CTS scheme for 2023/24 to reduce the minimum payment will have a positive impact on all demographic groups within the borough.

There are no further negative customer impacts that arise from the reduction in the minimum payment amount.

A reduced minimum payment to 15% required for all working age claimants will continue to disproportionately affect the lowest socio-economic group and it is considered likely that this will still make it difficult to collect Council Tax from those entitled to a reduction under the scheme.

The means testing of the support for claimants, based on each individual's ability to pay, outside of the minimum payment amount, is fair and equitable and protects the most vulnerable.

A revision of the current CTS scheme will see neutral impacts on demographics such as gender re-assignment, marriage and civil partnership, ethnicity, sexual orientation & religion or belief, as these characteristics have no specific data held against them and are not addressed within the make up of the scheme i.e., they have no impact on the administration or award.

The CTS scheme continues to meet government guidelines for the protection of current levels of support for pensioners, the encouragement of people to work while not acting as a disincentive & considers the equality impact on the most vulnerable residents, meeting the needs and delivering outcomes, both social & economic for residents of the borough.

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

CABINET**12 July 2022**

Title: Energy Company Obligation (ECO4) Programme	
Report of the Cabinet Member for Regeneration and Economic Development	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Neil Pearce, Head of Sustainability, Net Zero & Parks Commissioning	Contact Details: Tel: 020 8227 5733 E-mail: neil.pearce@lbbd.gov.uk
Accountable Strategic Leadership Director: Abi Gbago, Strategic Director of Inclusive Growth	
<p>Summary:</p> <p>ECO4 is the fourth and final iteration of the Energy Company Obligation (ECO) which was established in April 2013 and requires energy suppliers with a customer base of 150,000 or more to fund the installation of various energy efficiency measures such as heating and insulation works for qualifying homeowners, social tenants and private renters. It succeeds the ECO3 programme which came to an end in March 2022.</p> <p>Barking & Dagenham previously procured E.ON Energy Services Ltd to be its delivery partner for ECO3 in 2019. The partnership led to the creation of the Cosy Homes scheme, responsible for more than 1,100 free installs across all tenures in the borough between 2020/22.</p> <p>ECO4 presents an opportunity for the Council to roll-out further energy efficiency measures and support residents in staving off higher levels of fuel poverty and providing greater thermal comfort against an unprecedented backdrop of the highest fuel prices ever known. Barking & Dagenham now has the highest estimated fuel poverty in England with 22.5% of households (16,738 homes) in 2021 believed to be suffering from some level of unaffordability of their energy bills. This is likely to be exacerbated in the Autumn.</p> <p>To build upon the legacy of the ECO3 Cosy Homes scheme and optimise the delivery of further measures within the Borough, the Cabinet is recommended to test the supplier market through an expression of interest exercise (similar to that approved previously), and nominate a preferred partner to deliver a further roll-out measures over a four-year period. The partner will fully fund all measures and the Council will simply act as conduit to allow residents to apply for free measures from an extended Cosy Homes scheme, which has been a successful, well trusted and recognised scheme</p>	
Recommendation(s)	
The Cabinet is recommended to:	
(i) Approve the expression of interest route to test the market and find a delivery partner to ensure the Council maximises the number of free energy efficiency	

installs under ECO4 across all tenures, subject to the endorsement of the Procurement Board;

- (ii) In respect of Council owned properties, waive the requirement to tender under paragraph 28.5 of the Council's Contract Rules in order for the Council to enter into a contract with the identified company to carry out energy efficient installs under ECO4, where appropriate; and
- (iii) Delegate authority to the Director of Inclusive Growth, in consultation with the Cabinet Member for Regeneration and Economic Development, the Chief Legal Officer and the Director of My Place, to appoint the successful bidder and enter into the contracts and all other necessary or ancillary agreements set out in this report, including accessing grant opportunities

Reason(s)

The proposals contribute to the Council's commitments to become a Net Zero organisation by 2030 and support the wider borough to become carbon neutral by 2050. The Draft Zero Carbon Roadmap sets out ambitious targets for housing stock to be decarbonised, including fabric first insulation upgrades and the decarbonising of heating systems.

1. Introduction and Background

- 1.1 The Climate Change Act 2008 (2050 Target Amendment) Order 2019 legislated for the UK's transition to a low-carbon future within 30 years and meet the international agreements agreed in Paris to limit the growth in harmful carbon and greenhouse gas emissions to no more than 1.5°C above pre-industrial levels and this was further reiterated at the Glasgow COP26 last year.
- 1.2 Emissions from the built environment account for the majority of the borough's carbon footprint, and domestic buildings in particular make up for 38% of that total. At a national level the Government has responded with various schemes to stimulate the retrofit and deployment of renewables across housing stock and encouraged local authorities to bid for Green Homes Grant, Social Housing Decarbonisation Funds and Home Upgrades Grant. Barking & Dagenham successfully leveraged in £7.8m between 2020/21 delivering significant EWI and solar panel upgrades to almost 600 homes.
- 1.3 The shift to greening homes has also been underpinned by the following national announcements:
 - The Clean Growth Strategy set targets to upgrade as many houses as possible to EPC band C by 2035(2030 for all fuel-poor households).
 - The Future Homes Standard provides an update to Part L of the building regulations and will include the future ban on gas boilers by 2025
 - Gas boilers will be banned in new homes from 2025
 - Domestic Minimum Energy Efficiency Standards Regulations 2018 apply to all new and existing tenancies preventing a landlord from letting, or

continuing to let a property that has an Energy Performance Certificate rating below E

- 1.4 It is therefore vitally important that Barking & Dagenham continues to exploit any opportunity to leverage in further funding for the retrofit and decarbonisation of homes.
- 1.5 Against the backdrop of climate change targets, the upgrading of insulation and fabric in homes has become ever more critical since energy prices for those on standard variable tariffs and prepay meters increased in April by 54% to £1,971 a year. The global scramble for energy supplies following the easing of Covid restrictions and the impact of the invasion of Ukraine has led to oil and gas prices being four times higher than they were four years ago.
- 1.6 The problem is set to become more acute in Barking & Dagenham over 2022/23 as the national energy cap (which limits the maximum that suppliers can charge households), is expected to increase by a further 42% in October, spiralling to £2,800 per annum. Due to the high proportion of low-income households in Barking & Dagenham last year the borough has topped the league table for highest fuel poverty in England, standing at 22.5% of homes (16,738). The borough also has an estimated 19,000 homes on expensive prepayment meters.
- 1.7 The Council must ensure that low-income households get access to free energy efficiency advice and measures to reduce their energy consumption. The Draft Electricity and Gas (Energy Company Obligation) Order 2022 (commonly known as ECO4), seeks to provide some relief and is the fourth and final milestone in the development of the suppliers' energy efficiency obligations. Established in April 2013 the obligation requires energy suppliers with a customer base of 150,000 or more to fund the installation of energy efficiency measures. The scheme has been amended to take account of 'whole-house retrofit' of heating, insulation and where viable 'innovation' measures which apply to qualifying homeowners, social tenants and private renters.
- 1.8 The suppliers are set overall targets to meet with each set of measures and installs batched into quotas. Failure to meet them by 2026 will trigger a fine from the Office of Gas and Energy Markets (Ofgem), which oversees the administration of the programme.
- 1.9 In 2019, Barking and Dagenham sought a delivery partner to maximise the roll-out of free installs under ECO3 and appointed Eon Energy Services Ltd to manage the programme. This scheme was badged up under a local brand called Cosy Homes, which since 2020 has delivered the following benefits for Barking & Dagenham:
 - 1,160 cavity wall and loft insulation measures installed across 1,012 homes
 - 533 Properties that were an EPC E,F and G have been move to a D or above
 - £4.7m in estimated lifetime bill savings (LBS) for those households
 - £1.3m in ECO3 funding brought into Borough
 - 13,967 tonnes of carbon saved
 - £577,585 economic benefit brought to Barking & Dagenham through employment of local surveyors, tradesmen, kickstart placements,

accommodation costs, fuel purchases and subsistence/food allowances spent in Barking

- 1.10 Barking and Dagenham is best placed to exploit ECO4 and had the highest uptake of ECO3 measures in London, winning the London Region's Best Largest Retrofit and Insulation Scheme by the Energy Efficiency Awards in November 2021.

2. Proposal and Issues

- 2.1 To support the transition of Barking and Dagenham to a low carbon, clean growth borough, the Council is keen to maximise all opportunities to enable it to decarbonise domestic properties, improve the thermal performance of stock and provide affordable warmth. The ECO4 regulations are expected to be laid before Parliament in July and there is an interim period for the remainder of ECO3 which will now formally close on the 30th June 2022. ECO4 will not begin until at least 1st July 2022.
- 2.2 The ECO4 scheme takes a whole-house approach but adopts the principle of a fabric-first, focusing on improving the building itself before installing new heating systems. Any home with an efficiency rating of 'D' or below will have to install loft, roof, and external/cavity wall insulation before improving any existing heating systems.
- 2.3 It incentivises repairing efficient heating systems where possible and any broken heating systems that cannot be repaired can be replaced through the Broken Heating Cap but the adoption of heat pumps and solar PV is widely encouraged. Coal-fuelled heating systems, oil- and LPG-fuelled heating systems will need to be replaced with greener alternatives, although there are very few in Barking and Dagenham.
- 2.4 Targeted at the least energy-efficient homes in the country, it will focus on low-income and vulnerable households and most applicants would have to be in receipt of any of the following benefits:
- Income-based Jobseekers Allowance (JSA)
 - Income-related Employment & Support Allowance (ESA)
 - Income Support (IS)
 - Pension Credit Guarantee
 - Credit Working Tax Credit (WTC)
 - Child Tax Credits (CTC)
 - Universal Credit (UC)
 - Housing Benefit
 - Pension Credit Savings Credit
- 2.5 While the focus will be primarily on owner-occupied homes, this new phase of the grant will also support inefficient social housing and private rented properties too.
- 2.6 To capitalise on the opportunities of ECO4 from the start, the Council is recommended to undertake an expression of interest exercise and ask ECO4-mandated energy suppliers to submit high-level proposals which could be developed into the next phase of the borough-wide branded Cosy Homes scheme. The Council employed the same approach in 2019 and will seek to ensure that the supplier manages the programme, reports back to Ofgem, leads on customer

engagement, appoint installation contractors and be responsible for the delivery of the works (and associated liabilities). In accordance with our corporate expectations, suppliers will be asked to provide enhanced levels of social value, including solid commitments to train and employ local residents into the retrofit market; where possible using local supply chains and support the Council's wider commitments to develop the green economy. The Council would retain oversight of the programme, monitor delivery and support soft marketing.

2.7 The EOIs will be assessed by a panel consisting of Inclusive Growth, My Place and Enforcement consisting of officers from My Place, Inclusive Growth and Enforcement Services and will judge the submissions and aggregate scoring, nominate a preferred single partner to undertake further data analysis over the autumn to target qualifying households and deliver installs across the next four years as part of a borough-wide offer. The proposed evaluation matrix is presented below with commentary indicating some of the themes to be teased out:

Methodology	50%	Statement of intent on demonstrating how to deliver a program of retrofitting across all tenures; draft schedule of measures; collaborating with partners, installers, and customer engagement strategy; processes for managing agent/installer/local supplier appointment; reporting to Ofgem; estimated carbon savings, RdSAP predictions and EPC assumptions; commitments to net zero carbon and recruitment of local residents into local labour force
Pricing	10%	This is largely out of hands but is worth understanding the funding rate, which reflects what the supplier is prepared to pay to agents and installers for every carbon tonne that is saved
Experience	25%	History of delivering ECO and predecessor schemes and management of partner relationships
Project management	15%	Illustration of clear lines of project management in the delivery of contract, including appointed lead; implementation planning with key milestones and assumptions; risks evaluation; data analysis and reporting; client liaison

2.8 The Council's general approach to ECO in the past involved treating the programme as a simple partnership, in which the Council was not directly contracting, tendering or paying for a service. The Council will act as a sign-post for residents to access free measures through our marketed brand of Cosy Homes. Apart from where social properties are included, the provider will engage with owner-occupiers and private renters direct any agreements entered into will be between those parties rather than the Council. Therefore, there was no need to tender for an ECO-funded project. As a general rule of industry, there is an understanding among energy suppliers themselves where they do not contest or challenge local authorities or each other with regard to delivering ECO obligations. This paper recommends retaining that approach.

- 2.9 While at this stage the total value of works cannot be ascertained, ECO3 works in the borough, across all tenures, over the last two years came to the total of £1.3m. It is not anticipated that ECO4 will exceed the £4m threshold.

3. Options Appraisal

- 3.1 Failing to engage with ECO4 is not an option and it form a key plank in the delivery of the Council's ambitions for greener, clean growth borough as well as contributing to the 2050 carbon neutral targets.
- 3.2 The Council could allow energy suppliers and installers to deliver measures in their own right with no assistance and engagement from the local authority. Energy suppliers are the fund-holders and either use in-house installers to carry out the works or distribute funding to managing agents, which bid to deliver a portion of the supplier's quotas under a delivery contract. However, we would lose sight as to what is being delivered on the ground. We would also lose influence as to whether local supply chains are appointed to carry-out works and not access any free of match-funding for social stock.
- 3.3 Equally, working with industry partners and developing creative bids is the only credible way in which to unlock substantial investment and detailed technical and procurement advice for housing and affordable warmth solutions of the future.

4. Consultation

- 4.1 As part of the drive towards transitioning Barking and Dagenham to a low carbon, clean growth borough, there has been significant discussion regarding the opportunities of ECO3 and ECO4 across the Council, with regular import from colleagues in My Place, Be First, Enforcement, Procurement, Participation and Policy and Legal Services. A number of those services will continue to be involved in the data cleansing, tender processes and planning next steps which have culminated in this paper. Programme updates will continue to be provided to the respective Cabinet members with responsibilities for housing and climate change.

5. Financial Implications

Implications completed by: Sandra Pillinger, Group Accountant

- 5.1 This is a proposal for the Council to undertake an Expression of Interest exercise for energy suppliers to become the Council's delivery partner for the next phase of the Cosy Homes scheme. The selected partner will be responsible for delivering the scheme with LBBB monitoring that delivery. There are no financial implications for the Council as the cost will be met by the selected supplier.

6. Legal Implications

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

- 6.1 The Council is looking to partner with an energy provider to deliver ECO4 energy efficiency measures in the borough. This report states that the Council will not be

making any payment or receiving any payment for the works and that its role is limited to promoting the energy efficient works to residents within the borough.

- 6.2 Should the Council be engaging the provider for any of its own stock then the Council will enter into a separate works contract with the supplier. The potential value of works to the Council's stock has been advised to be below the works threshold set out in the Public Contracts Regulations 2015. This report is seeking a waiver in respect of these works which can be approved if the value of the works remains below this threshold and one of the grounds for a waiver within rule 6.6 of the Council Contract Rules is met.
- 6.3 In terms of works to private sector properties, this report states that the Council's role will be limited to marketing the opportunity in the borough and that a direct contractual relationship will be formed between the energy provider and residents who choose to take advantage of the offer. The Council will retain oversight of the programme, monitor delivery and support soft marketing. Therefore, it appears that the Council will not be receiving or purchasing services, supplies or works from the energy company meaning that the arrangement falls outside of the Public Contracts Regulations 2015.
- 6.4 The client department has advised that marketing activities from the Council will be minimal and therefore would fall well below the minimum financial assistance threshold set out under the Subsidy Control regime (previously State Aid). The Council should continue to monitor the costs associated with the partnership to ensure that the minimum financial assistance threshold is not met.
- 6.5 The Law & Governance team will continue to be on hand to assist and advise as required.

7. Procurement Implications

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

- 7.1 The proposed procurement route is an expression of interest and will be issued to ascertain which companies can provide the requirements under the ECO4 funding criteria. The provider will provide the services though the ECO4 funding and would be responsible for all processes and procurements in delivering the agreed requirements. It is understood that for a small service element (solid walls and potentially first-time central heating where relevant) the Council will be required to contribute to a proportion of spend. However, as the provider will be managing the funding and the supply chain there are no procurement requirements for the Council
- 7.2 Under this procurement is not envisaged that the threshold will not be reached and will not be required to be tendered under the full process as detailed in EU legislation.

8. Other Implications

- 8.1 **Risk Management Issues** – With regard to ECO4, the preferred partner will, in all circumstances, assume the responsibilities associated with the supply and installation; performance risk of equipment and materials and the risk of any future Government terminating the scheme. In relation to social stock, Eon will need to

indemnify the Council against any costs incurred due to damage to property caused by faulty equipment or defective installation. Partners working on private sector dwellings will be solely responsible to the property owners for works commissioned through private agreement. Installers will be responsible for providing the appropriate CIGA and SWIGA guarantees for the installation of cavity and solid wall insulation.

8.2 **Contractual Issues** – Contractual exchanges will take place in the early Autumn and are yet to be decided but all agreements and contracts of works must cover indemnities, warranties and liabilities relating to the installation of works. The project implementation group, comprised of Be First, My Place and Inclusive Growth will be responsible for monitoring the contractual arrangements and delivery of the programme, which will also report back into the Assets & Capital Board.

8.3 **Corporate Policy, Customer and Equality Impact** - Rising fuel bills affect most people and those identified as qualifying for ECO4 works will be low-income households who tend to live in properties with poor thermal comfort. In general, any works that enhance the energy efficiency of dwellings should cut fuel bills, reduce fuel poverty and improve the health outcomes of those suffering from cold-related illnesses.

The proposal is positive in its impact upon the protected characteristics outlined in the Equality Act 2010.

8.4 **Health Issues** – The proposals will have a positive impact upon health issues locally, potentially reducing the number of residents in fuel poverty, alleviating the impact of cold related illnesses and reducing the toll of excess winter deaths.

8.5 **Crime and Disorder Issues** - There are no general crime and disorder issues.

8.6 **Property / Asset Issues** – All aspects of the ECO4 programme are expected to aid and assist the delivery of the thermal comfort element of the Council's HRA Capital Programme and support the driving up of stock conditions through the Council's Private Rented Sector Licensing Scheme and collectively, all measures should contribute to the Government's objective of raising the EPC rating of all properties to level C by 2035.

All works must be completed by PAS2035 industry accredited installers and Ofgem require that at least 5% of all works in each phase are independently audited for quality assurance purposes.

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

List of appendices: None

CABINET**12 July 2022**

Title: Barking and Dagenham School Improvement Partnership Business Plan 2022/23	
Report of the Cabinet Member for Finance, Growth and Investment	
Open Report with Exempt Appendix 2 (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972)	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Hilary Morris, Commercial Director	Contact Details: Tel: 020 8227 3017 E-mail: hilary.morris@lbbd.gov.uk
Accountable Strategic Director: Fiona Taylor, Acting Chief Executive	
<p>Summary</p> <p>This report seeks Cabinet endorsement of the Barking and Dagenham School Improvement Partnership (BDSIP) Business Plan. BDSIP is incorporated as a company limited by guarantee under the name of BDSIP LTD (co. no: 11126768) in line with the requirements of the Membership Agreement.</p> <p>The Business Plan has been scrutinised by the Shareholder Panel, an advisory body created to monitor and report to Cabinet on the performance of Companies that the Council has a shareholding interest in.</p> <p>The proposed business plan provides an update against 2021/22 financial performance and a forecast for the coming 2022/23 financial year which will, in effect, conclude its initial business plan five-year strategy. It is expected that once its 2023-26 three-year strategy is signed off, the company will provide a three-year forecast which performance will be monitored against and reported to Shareholder Panel.</p> <p>The Business Plan is set out at Appendices 1 and 2 to the report. Appendix 2 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>Recommendation(s)</p> <p>The Cabinet is recommended to endorse the BDSIP Business Plan 2022/23 as set out in the appendices to the report.</p>	
<p>Reason(s)</p> <p>To assist the Council in achieving value for money for the taxpayer and is aligned to both the 'Growing the Borough' and 'Well run organisation' objectives.</p>	

1. Introduction and Background

- 1.1 In line with the Membership Agreement for BDSIP, this Business Plan has been produced for Cabinet endorsement.
- 1.2 The Company's Board consists of majority voting members made up of representatives from Barking and Dagenham Schools and two Council representatives. BDSIP's strategy and operation is therefore predominantly determined by those Barking and Dagenham Schools who are members of the Company who comprise a majority of the members in line with its motto "We are by schools, for schools".
- 1.3 BDSIP is a not-for profit Company and has no financial return targets to meet for the Council and any surplus achieved is used to reinvest in school improvement and new service offers. However, as a member and as Supervising Authority under the Schools Companies Regulations 2002 (The Regulations) the Council has an interest in the company's strategy and financial sustainability. As such, the Business Plan has been scrutinised by the Shareholder Panel and subsequently recommended for endorsement by Cabinet.
- 1.4 In what was another challenging year due to COVID restrictions overall traded services income was £49k below target. Nonetheless, it is important to note that since its establishment BDSIP has successfully exceeded all its original business case post tax targets – including the last two years of the pandemic where it still generated a positive surplus against the original business case forecast of a negative return in those years.
- 1.5 Council commissioning income was £126k higher than 2020/21. However, income forecast for 2022/23 is the lowest since the company was established in 2018. This is mainly attributed to reduction in DSG grant funding which is expected to be completely eliminated by 2025/26. In line with the original business case aspiration, demonstrating the ongoing value of these services to schools has enabled BDSIP to continue to provide them within their offer.

2. Barking and Dagenham School Improvement Partnership (BDSIP) Business Plan 2022-2023

- 2.1 The proposed business plan provides an update against 2021/22 financial performance and a forecast for the coming 2022/23 financial year which will in effect conclude its initial five-year strategy. Once BDSIP's 2023-26 three-year strategy is signed off the company will provide a three-years forecast which performance will be monitored against and reported to Shareholder Panel.
- 2.2 The Company's income target for 2022/23 is 26% higher than 2021/22 which is mainly attributed to price increases on some service offers such as School Improvement, Health and Wellbeing (Counselling).
- 2.3 The plan reiterates its continued commitment to become the most Trusted Partner for schools, to deliver the best outcomes for children in the borough. Currently, all schools in the borough purchase at least one service from BDSIP and a further 15 out of borough schools also buy services. The plan includes targets to increase the

volume of services sold by 15% with an aspiration to generate a 5% surplus to be reinvested in services to schools. Due to the pandemic in 2021/22 the company focused on maintaining the existing levels of income and as at year-end was still forecasting to achieve an unaudited surplus of 5%.

- 2.4 Since its launch in 2018 BDSIP has focused on updating its service offer by adapting and evolving it to suit changing schools needs as well as reflecting the tightening of budgets. Some of this has involved the introduction of new services however during the pandemic the development of new services was significantly reduced. In 2021/22 the company re-commenced redesigning its service offer to meet the requirements of a new Early Careers framework and introduced a Race and Social Justice service.
- 2.5 Forecast income target for Work Experience in 2022/23 is significantly higher than what was achieved in 2021/22 which reflects an expected recovery in demand following the easing of restrictions. One of the challenges in 2021/22 was to find employers willing to offer work experience placements but the removal of restrictions has raised expectations that this issue will be at least partly resolved in 2022/23.
- 2.6 One of the 2022/23 business plan targets is for all schools to be rated by Ofsted as “good” or “outstanding”. The COVID-19 pandemic meant the focus with inspections in 2020 was to establish schools’ ability to adapt to a remote learning offer and therefore no grading were awarded. However, based on 2019 data, 95% of schools purchasing services were rated either “good” or “outstanding”. Across the borough 91% of schools meet this objective, against a London average of 93%.

3. Consultation

3.1 The Business Plans have undergone the following consultations

- Approved by the BDSIP Board in May 2022
- Endorsed by the Corporate Performance Group on 23 June 2022
- Endorsed by the Shareholder Panel on 27 June 2022

4. Financial Implications

Implications completed by: Thomas Mulloy, Chief Accountant

4.1 BDSIP has no financial targets to meet other than maintaining a 5% surplus (all of which are reinvested into their services). Given the pandemic, their internal income targets have been challenging. The Council will maintain a watching brief to ensure there is no deterioration to BDSIP’s overall position going forward.

5. Legal Implications

Implications completed by: Ian Chisnell, Major Projects Solicitor

5.1 Cabinet is requested to approve a Business Plans for BDSIP Ltd, a company limited by guarantee.

- 5.2 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 empowers local authorities to do anything that an individual can lawfully do provided that the activity is not expressly prohibited by other legislation. It also has power to act as Supervising Authority under the School Companies Regulations 2002, as explained earlier in the report.
- 5.3 BDSIP is a not-for-profit company in which the Council is a minority member along with the group of Barking schools. It is appointed the Supervising Authority under the School Companies Regulations 2002 by the company.
- 5.4 Under Reg 26 of those Regulations the Council has an obligation to monitor the company finances and report if it considers that the company is poorly managed or in danger of becoming insolvent. Therefore, Cabinet, although it does not have final approval over the BDSIP Business Plan, is being asked to indicate its endorsement of the plan and recommend its approval at the BDSIP Annual General Meeting as a member of the company and Supervising Authority.

6. Other Implications

- 6.1 **Corporate Policy and Customer Impact** - The outcomes noted within the Business Plan are expected to have a positive impact on residents by improving service outcomes and educational attainment for residents and children.
- 6.2 **Health Issues** - The proposed Business Plan is anticipated to have a positive impact on the local community.

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

List of appendices:

- **Appendix 1:** Barking and Dagenham School Improvement Partnership Business Plan 2022/23 (excluding financial information)
- **Appendix 2:** Barking and Dagenham School Improvement Partnership Business Plan 2022/23 (exempt document)

BDSIP Strategy 2020-2023

Trusted partner

Updated with 2022-23 business plan numbers
in part B
25 March 2022

Welcome and introduction

Welcome to BDSIP's strategy for April 2020 – March 2023.

We have called this our **Trusted Partner** strategy, reflecting the relationship which we intend BDSIP to have with schools as our customers and owners.

Our vision is to become our schools' most Trusted Partner, working with them to deliver the best outcomes for all our young people.

Since BDSIP gained independence from Barking and Dagenham Council in 2018, we have worked hard to ensure that we deliver unfailingly excellent services to schools. We are now a far more consistently customer-focused organisation, able to bring to bear a greater range of relevant curriculum, school improvement, and inclusion expertise. We have also begun to innovate, introducing new services such as counselling, speech and language therapy, and primary careers in response to schools' changing needs and priorities.

We are proud of what we have achieved. But we aren't done yet. This strategy sets out the next stage in our journey. We will ensure schools have access to the best possible professional support services, whether provided directly, through peer-to-peer support, or delivered in partnership with other organisations. The strategy articulates our social and commercial ambition, together with the approach which we will take to delivering these.

By 2023 we want BDSIP to be the first organisation schools contact when looking for help and support. We want schools to know that they can trust us to help find the best solution for their needs.

We are by schools, for schools. We are **the Trusted Partner** for all of our schools.



One Professional Team

We are one team, built on trust that values everyone

Schools-led

We are owned by schools and exist for schools and their pupils

Social Enterprise

We think socially then commercially



Solution-focused

We act positively with individual and collective responsibility

Innovation

We seek innovation, insight and ideas

Locally grounded

We are part of, grounded in, and partner with, our local community



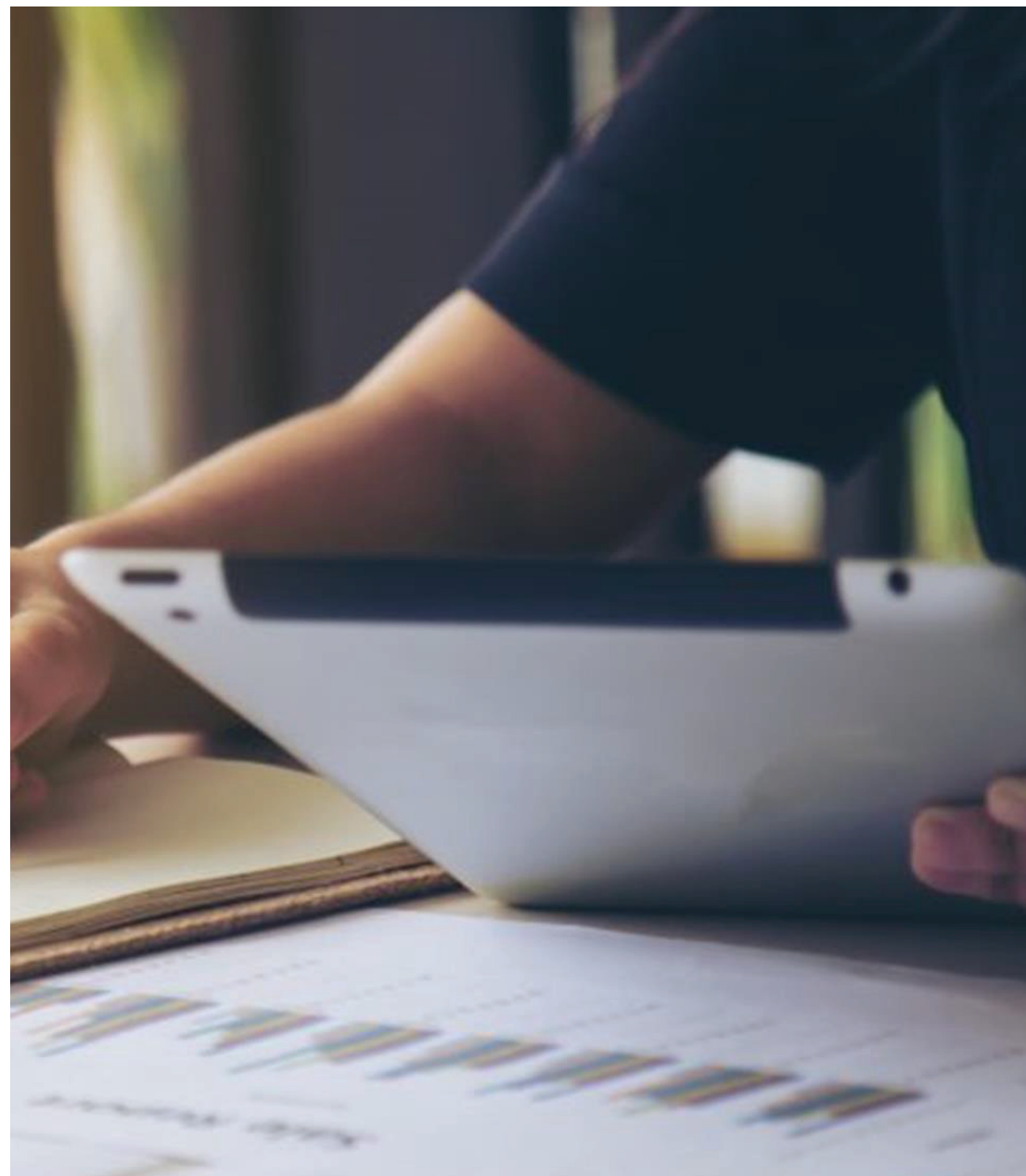
School Improvement Partnership

By 2023 we want to see all pupils, schools and staff in Barking & Dagenham achieve excellence

- ✓ All schools in B&D rated good or outstanding by Ofsted
- ✓ Improve pupil outcomes, including for the most vulnerable, across the borough every year
- ✓ Reduce the number of NEET and increase the number of young people receiving offers at university and for higher/degree apprenticeships

To help our schools achieve this, we deliver professional support services. By 2023 we aim to:

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- ✓ Work with **all schools** in Barking & Dagenham
 - ✓ Grow our service offer in response to schools' emerging needs, introducing at least two **new services** each year
 - ✓ Consistently be the partner of choice for our schools, resulting in an increase in the value of sold services by **15%**
 - ✓ Generate a small **surplus of 5%** which can be reinvested on behalf of our schools



WHAT WE DO

Professional support services

- School Improvement
- Curriculum Advice
- SEND and inclusion support
- Wellbeing services
- Teacher CPD
- Careers and Work Experience
- Governance
- Data Support Services

WHAT WE DON'T DO

Operational services such as

- Cleaning
- Catering
- Transport

Our activities are driven by what we believe is most important to help secure outcomes for pupils, schools and their staff, and is shaped by our schools' individual needs

WHO WE WORK WITH

We work primarily with schools in Barking and Dagenham, but also deliver services with schools beyond the borough where this can add value for them and for BDSIP.

We partner with a wide range of organisations from across the education landscape to bring the best services and most innovative partnerships to our schools.

Our strategy is to become our schools' most trusted partner

We commit to supporting our schools for the **long-term**.

We are a **hub**, grounded in the local community.

We take a **school-centred approach** to delivering consistently excellent professional support.

We are the first port of call for schools in Barking & Dagenham and are **guided by what's best for the school**, either delivering directly, brokering support from others, facilitating school-school support, or signposting as appropriate to meet each school's needs.

We are a **social enterprise**, a non-profit mutual majority owned by schools, working for and with schools. This roots our social purpose, whilst providing us with the flexibility to operate commercially.

We are a **blended team** of expert specialists, bringing together the right capabilities, at the right time, for each school to school to meet their individual needs and help school leaders realise their ambition for their pupils, school and staff.

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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**12 July 2022**

Title: Controlled Parking Strategy 2022-25	
Report of the Cabinet Member for Enforcement and Community Safety	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Daniel Connelly, Parking Design Manager	Contact Details: Tel: 020 8227 3683 E-mail: daniel.connelly@lbbd.gov.uk
Accountable Director: Andy Opie, Operational Director, Enforcement and Community Safety	
Accountable Strategic Leadership Director: Fiona Taylor, Acting Chief Executive	
Summary	
<p>In July 2018, Cabinet approved the Controlled Parking Zone (CPZ) project (referred to as Project 1) which aimed to improve safety, congestion and air quality across the borough, as well as providing a safer, fairer, consistent and a more transparent parking service in line with the Council's Parking Strategy.</p> <p>This paper provides an update on the delivery of Project 1, including the benefits that have been realised, and sets out the plan for a second programme of schemes (Project 2) as well as recommendations for changes to the consultation and engagement process and some parking permits.</p>	
Recommendation(s)	
The Cabinet is recommended to:	
<ul style="list-style-type: none"> (i) Note the update provided with regards to CPZ Project 1, as set out in section 2.1 of the report; (ii) Approve the delivery of the new CPZ Project 2 from Spring 2023 following the completion of Project 1, as set out in section 2.2 of the report; (iii) Delegate authority to the Operational Director, Enforcement and Community Safety, in consultation with the Cabinet Member for Enforcement and Community Safety, to determine the timetable for implementation of Project 2; (iv) Agree the enhanced consultation and engagement arrangements in relation to CPZ schemes, as set out in paragraph 2.3 of the report; (v) Agree the amended terms of use and pricing structure for school permits and LBBD staff permits; as set out in paragraph 2.4 of the report; and 	

- (vi) Agree the introduction of a specific permit to enable residents to park across their dropped kerb within a CPZ; as set out in paragraph 2.5 of the report

Reason(s)

To assist in achieving the Council's Inclusive Growth Strategy and Net Zero priority, aimed at improving air quality in the borough.

1. Introduction and Background

1.1 The current parking strategy sets out a clear vision for parking in the borough. This vision was supported by 75% of respondents to the consultation. The vision is "To provide safe, fair, consistent and transparent parking services". This vision is supported by five main priorities that have been designed to reflect the competing parking needs in the borough. These priorities reflect the needs of residents, businesses, commuters, cyclists and pedestrians alike. The priorities are:

- Reduce congestion caused by parked vehicles and improve road safety
- Make best use of the parking space available
- Enforce parking regulations fairly and efficiently
- Provide appropriate parking where needed
- Ensure that the low emissions and air quality strategy for London is at the heart of our decision making.

1.2 By Minute 19 (17 July 2018) as part of a Parking Fees and Charges report, Cabinet approved the Controlled Parking Zone (CPZ) project which aimed to improve safety, congestion and air quality across the borough, as well as providing a safer, fairer, consistent and a more transparent parking service in line with the Council's Parking Strategy. Since 2018 the parking team have designed, consulted upon and introduced 17 CPZ's and are now in the final phase on the project which aims to deliver a further 10 school dedicated schemes by April 2023. Prior to July 2018 approximately 15% of the borough's streets benefitted from CPZ whereas today this is the case for around 60%.

2. Proposal and Issues

2.1 Current CPZ Project 1– Current Benefits

2.1.1 By introducing these CPZ's we have been able to deliver many benefits to the community including;

- Improved access to parking for residents, visitors, businesses and blue badge holders by designating only those with a valid permit or who have registered with pay by phone to park.
- Improved road safety, particularly around schools and community hubs. By the end of this current project, it is estimated that 47 schools will have restrictions helping to reduce conflict between motorists and school children by clarifying where it is safe to park and by discouraging the use of the motor vehicle. Further, the council is re-introducing a lollipop person scheme and will be

offering funding to help schools improve safety outside their school gates where other restrictions may not be possible.

- Improved Air Quality - In line with the requirements of the Mayor of London's Transport Initiatives and Manifesto we have been encouraging members of the public to choose healthier and more sustainable methods of transport including, walking, cycling and public transport through our emissions/no. of permit per household-based permit pricing structure. Where CPZ restrictions apply this also reduces the amount of motorists "cruising for a parking space" and idling. Many areas around transport hubs such as train stations are covered reducing the likelihood of commuting brought about by the expansion of the Mayors Ultra Low Emission Zone (ULEZ) to the A406.
- Encouraging more sustainable forms of transport by funding active travel schemes to encourage more walking, cycling and other green forms of transport.
- Reduced Traffic Congestion – The introduction of CPZ reduces the amount of parking related journeys being made within the borough by restricting the overall demand for parking and mitigating instances of illegal and obstructive parking.
- Parking bays and yellow line restrictions help to ensure motorists can safely travel along the road without obstruction. This is particularly important for the London Fire Brigade (LFB) who continue to raise concerns about access in certain parts of the borough.
- Improved Access for pedestrians - Parking bays and yellow lines help to ensure pedestrians can safely use the footway which is especially needed for vulnerable residents such as wheelchair users and those who are partially sighted.
- Improved highways through funding maintenance and repairs to the borough's roads and introducing new schemes to reduce congestion, improve traffic flow and make our roads safer.

2.1.2 It is acknowledged that we would benefit from measuring more specifically the outcomes of the CPZ programme and are currently looking at opportunities to gather more intelligence to better understand the impact of them. This includes:

- Car ownership data and relationship to permit uptake
- Evidence of inconsiderate parking (site surveys)
- Evidence of how many motorists are travelling within a CPZ through traffic count data
- Additional air quality monitoring across the borough
- Parking stress surveys (Lambeth Methodology)
- Enforcement activity
- Feedback from stakeholders
- Better understanding of health improvements such as COPD which is commonly caused by exhaust fumes

2.1.3 We will be gathering the above information over the summer so that we have a benchmark to assess the impact after the potential delivery of the remaining schemes as part of project 1 come April 2023.

2.2 CPZ Project 2

- 2.2.1 If Barking and Dagenham is to transition to a low-carbon, clean growth borough to meet its 2030 and 2050 carbon reduction targets and address issues of poor air quality caused by nitrous oxides (NOx) from car emissions, the Council must continue to build on the success of the CPZ project 1.
- 2.2.2 It is for this reason the parking team are recommending that the council commence consultation from Spring 2023 on a further 9 areas. These areas, along with current CPZ progress can be seen on a borough plan at Appendix A – CPZ Borough Overview Plan
- 2.2.3 A summary breakdown of the next areas include the following
- The next areas focus primarily on neighbouring locations to those rolled out during project 1. It is recommended that we expand upon the boundaries of the zones which now exist to prevent displacement issues as well as ensure that we are supporting any remaining school locations which are not currently controlled.
 - Geographically these zones are located in the upper centre, north and east of the borough. Wards affected will include, Becontree, Parsloes, Heath, Eastbrook, Valence and Whalebone.
 - It estimated that within these new areas-controlled parking will be introduced around 10 additional schools
- 2.2.4 Further analysis is required to identify the priority for these schemes to be delivered, which will be based on a number of identified needs including;
- Evidence of reported road traffic accidents
 - Number of schools
 - Number of community hubs
 - Proximity to shopping and transport hubs
 - Evidence of displacement parking from nearby CPZ or restrictions
 - Evidence of commercial vehicle parking
 - Complaints from stakeholders including emergency services and residents
 - Known air quality data
 - Known car ownership data
 - Evidence or new housing developments
- 2.2.5 Once this analysis has been completed a recommendation on the rollout timetable will be presented to the Operational Director for Enforcement and Community Safety and the Cabinet Member for Enforcement and Community Safety to agree prior to implementation.

2.3 Proposed changes to the consultation and engagement process

- 2.3.1 Feedback from the delivery of Project 1 has identified that amendments to the consultation and engagement process should be made to ensure that our key stakeholders such as residents and businesses are fully aware of our proposals, what this will mean for them and how they can provide feedback. Consequently, we are recommending the following:

- Introduce additional parking officers within the back office who are fully trained in dealing with CPZ related enquiries at any stage of the process, ensuring that we are promoting potential new schemes and can respond effectively to enquiries.
- Engagement with statutory partners (such as the London Fire Brigade (LFB)) before we formally consult with residents so that we are clear about any specific issues being raised regarding safety and access. LFB colleagues have raised safety concerns where parked cars are causing access issues given the impact this could have when attending an emergency, which the council has to take into consideration when making a decision about implementing a CPZ.
- Where possible, make use of the new “community hubs” throughout all stages of the process as these will often be ideally located within the zone in question and can provide an additional route for residents to get information and provide feedback.
- Consider alternative methods of engagement through digital media and the communications team, one borough newsletter and other LBBB literature, libraries, community groups etc.

2.4 School Permits

- 2.4.1 During the first year of CPZ Project 1 implementation a few schools that had no alternative parking were provided with access to a small number of parking permits free of charge to park on the street. This was discontinued in year 2 and staff were required to pay the same charge for parking permits as LBBB staff which is £336 per annum or £28 per month. They have also been able to purchase a day ticket of £3 per day. This is an average charge for most vehicles, however since the parking fees and charges cabinet report in July 2018 all permits are based on emissions. Parking charges can be viewed at <https://www.lbbd.gov.uk/parking-permits>
- 2.4.2 Some schools have said that the charges are too high and have indicated that this is affecting their ability to retain staff and have requested a price reduction. It is acknowledged that Controlled Parking Zones have had an impact on school staff, as many of the locations are not well served by public transport and have limited on-site parking. Low paid school staff in particular have been affected by this and there are reported difficulties in retaining and recruiting staff for this reason. This is being further compounded by the cost-of-living crisis so it is appropriate that the Council review options to try and provide additional support.
- 2.4.3 The recommended solution is to apply the same charge to school staff as we do for operational staff who work in the community. This permit type has three charging options all based on emissions:
- a) Annual – ranging from free to £160, with an additional diesel surcharge of £75
 - b) Full day – ranging from free to £2.80 with a 50p diesel surcharge
 - c) 4-hour – ranging from free to £1.40 with a 50p diesel surcharge
- 2.4.4 To be consistent and fair in our approach, it is also recommended the same charge is applied to all other Council-employed staff. In all cases this would apply for a year to assist with the cost-of-living crisis and would mean a significant reduction in what school and LBBB staff pay to park in the borough and will make a positive contribution to easing the financial strain at the current time. People driving electric

vehicles and many hybrid models will be eligible to park for free. Different models of the same vehicle will have varying emissions but examples of some of the most popular vehicles such as a Ford Fiesta or Toyota Yaris will now likely pay just £100 for the year or £1 per day. Models such as a Ford Focus, Volkswagen Golf or Nissan Qashqai may only have to pay £110 for the year or £1.30 per day. For people driving diesel vehicles that are not ULEZ compliant there will be an additional charge.

2.4.5 It should be noted that during this time we will be reviewing permit prices more broadly with a view to providing more incentives for people to drive cleaner vehicles and to support the Council's net zero and air quality priorities.

2.4.6 All other permit charges can be seen via <https://www.lbbd.gov.uk/parking-permits>.

2.5 **Permit Parking Across Dropped Kerbs within CPZ**

2.5.1 There is a need to review the terms and conditions of parking across a dropped kerb within a CPZ. One thing that is clear is that within a CPZ, all parking must be regulated and managed in the form of permits or paid-for parking arrangements. It is suggested that parking across dropped kerbs continues to be managed via a permit as this allows our Civil Enforcement Officers to identify whether or not a motorist is entitled to park.

2.5.2 Customer feedback from the rollout of CPZ Project 1 has included the view that because residents have paid to have a dropped kerb installed that they should be able to park across for free. However, other factors need to be considered.

- Not everyone can have a dropped kerb and if they have a vehicle, they will have to park within a bay in line with resident permit pricing which is based on emissions and number of permits per household (see <https://www.lbbd.gov.uk/apply-for-a-first-time-resident-parking-permit#3a51f259> for further details)
- A key aim of the parking strategy is to reduce vehicle ownership and the type of vehicle ownership, which is the rationale for implementing emissions-based charging to encourage residents to drive cleaner vehicles. Allowing to park across a dropped kerb for free is not consistent with this approach.
- Given this requires permit administration and on-street enforcement a charge should apply so that the service can be provided.

2.5.3 It is therefore recommended to introduce a specific dropped kerb permit which is free for electric and other very low emission vehicles to further encourage the use of cleaner vehicle types up to 50 CO₂ g/km (emissions). For all other vehicles a standard administration charge of £15 will be applied.

3. Options Appraisal

3.1 Alternatives options were considered with regards to school permits. These included

- a) Leaving the charges as they are, on the basis that we wish to discourage commuter parking as part of our Net Zero strategy. It was felt however this would not address the concerns about staff retention, nor would it offer an incentive to school staff.
- b) Amend only the school permit to cost the same as an operational permit which has three charging options all based on emissions;
 - a. Annual ranging from free to £160, with an additional diesel surcharge of £75
 - b. Full day – ranging from free to £2.80 with a 0.50p diesel surcharge
 - c. 4-hour – ranging from free to £1.40 with a 0.50p diesel surcharge.

Although this would benefit school staff it was felt this would be unfair to other Council-employed staff.

- c) Offer school permits at a reduced cost on a case by case basis to school's that do not have their own car park or have very limited parking within its grounds. This was not preferred as it was felt the approach should be consistent and fair for all schools

3.2 Other options were also considered in relation to dropped-kerb permit parking:

- Leave as is and continue to apply the residents emission-based permit pricing structure <https://www.lbbd.gov.uk/permit-prices>. Although this offered a consistent and clear message around a shift towards less polluting vehicles which is the case for all permit pricing. However, this option did not offer a reduced rate of parking which was the intention for the outset.
- An emissions-based tariff could potentially be developed but this would take time and resources to develop for what may be very limited uptake. This option was dismissed at this while the proposed option is monitored.

4. Consultation

4.1 A large part of the CPZ process and the introduction of new permits is consultation and engagement with key stakeholders internally and externally.

4.2 Engagement takes place with affected ward members, Council departments such as My Place and Be First, Emergency services, TfL as well as affected residents, businesses etc.

4.3 The formal part of the process is known as the Traffic Management Order (TMO) process which are legal documents drafted and made by the council, usually under the Road Traffic Regulation Act 1984. They regulate the use of highways for movement and parking. When we would like to make a change or bring in a new scheme/traffic order we advertise the proposed change in the Dagenham Post, London Gazette and by putting notices on street near the location of the proposed change. Anyone can make a representation to us about the proposals which

ultimately helps us to make a final decision on our proposal in accordance with our Residents Parking Policy
<https://www.lbbd.gov.uk/sites/default/files/attachments/Criteria-used-for-decision-Implementation-of-CPZ.pdf>.

4.4 We are also exploring ways to encourage further engagement with residents, business and other stakeholders, through methods such as;

- Alternative digital media streams and via the Councils communications team aswell the one borough newsletter and other LBBD literature, libraries, community groups etc.
- Offering support through the new community hubs
- additional telephone support via the parking back office

5. Financial Implications

Implications completed by: Nurul Alom, Group Accountant

5.1 CPZ Project 1 was approved in July 2018 is due to be completed by April 2023.

5.2 It is proposed to extend the CPZ scheme to a further 9 areas as part of CPZ Project 2. The schemes will be costed after the consultation in spring 2023 and funded from ring-fenced parking reserve. There is currently c£3m unallocated within the parking reserve.

5.3 School Permits - the proposal to reduce the cost of staff permit for all LBBD staff and school staff to match the charge of an operational permit will have a financial impact c£50k. However, this will be offset by income generated through introduction of additional CPZ schemes and Safer School Streets.

5.4 Permit parking across dropped kerbs – The administration of permits is offset by the permit charge. Continuing with the current scheme or introducing a specific drop kerb permit will not have further financial impact.

6. Legal Implications

Implications completed by: Dr Paul Feild, Senior Corporate Governance Lawyer and Ifty Ali, Interim Head of Law

6.1 Consultation is required under the Local Authorities Traffic Orders (Procedure) (England and Wales) Regulation 1996.

6.2 The exercise of powers contained in the Road Traffic Regulation Act 1984 are executive functions and this report fulfils the requirement to follow the key decision process.

6.3 In implementing these proposals the Council as a Highways and traffic Authority needs to take due regard to its Public-Sector Equality Duty (PSED), as set out in Section 149 of the Equalities Act 2010 (the 2010 Act). The PSED provides that a public authority must, in the exercise of its functions, have due regard to the need to: (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the 2010 Act; (b) advance equality of opportunity between

persons who share a relevant protected characteristic and persons who do not share it; (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. As an example, due to low incomes not all residents or users have access to pay by phone 'applications' nor is English the preferred language or the language a person is proficient in. Furthermore, some people cannot use 'smartphones due to disabilities such as arthritic hands. Recent news stories are there is some evidence that older persons are experiencing difficulty in using 'apps' and fine incomes are greater where local authorities have cashless parking payment. This would be discrimination as age is a protected characteristic.

7. Other Implications

- 7.1 **Risk Management** – Amendments to the permit IT system will be carefully planned with the provider and fully tested prior to rollout. Extensive planning and consultation will go into the rollout of the second CPZ programme with lessons learned from the first programme incorporated into the delivery plan.
- 7.2 **Corporate Policy and Equality Impact** – An Equalities Impact Assessment (EIA) has been completed and the impact of our proposals will have many positive benefits (Appendix B). The proposals will improve safety and access as well as enable residents and businesses to park where they need to. We are mindful that members of the community will be required to obtain a permit to park, which in many cases will involve a cost. However, for electric vehicles owners and low emitting vehicles there is no charge, or the charge is low. In addition, if we are to meet carbon reduction targets, improve road safety and congestion and the health of our residents, it is a necessary requirement to carry out our proposals.
- 7.3 **Health Issues** - Improvements to air quality through the reduction of car emissions and ownership, as well as improve to road safety and access will be achieved though the adoption of the recommendations in this report.

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





List of appendices:

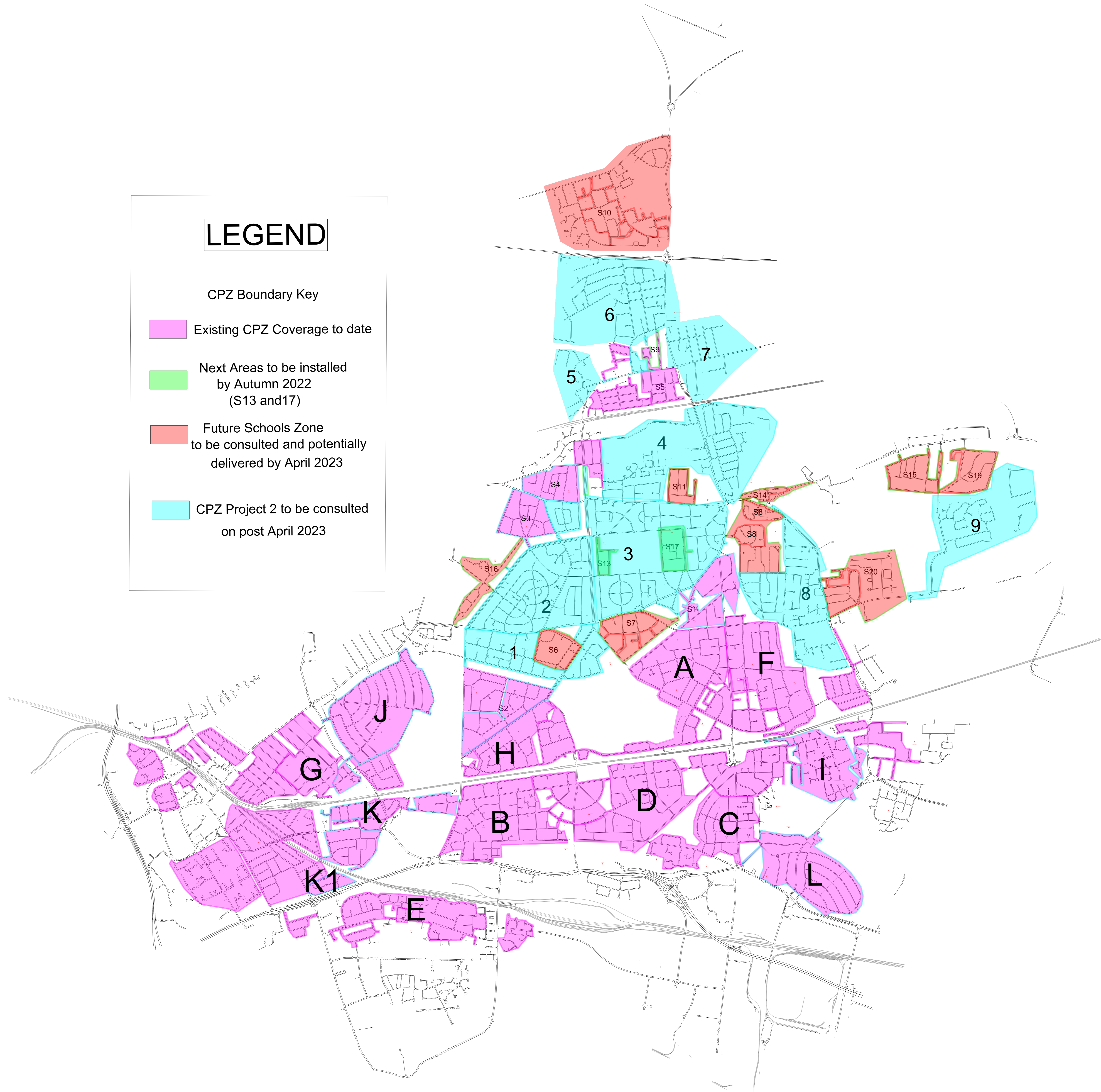
Appendix A – CPZ Overview Plan
Appendix B – Equality Impact Assessment

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LEGEND

CPZ Boundary Key

-  Existing CPZ Coverage to date
-  Next Areas to be installed by Autumn 2022 (S13 and 17)
-  Future Schools Zone to be consulted and potentially delivered by April 2023
-  CPZ Project 2 to be consulted on post April 2023



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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	Parking Enforcement Services
Lead Officer	Daniel Connelly – Parking Design Manager
Contact Details	Email – daniel.connelly@lbbd.gov.uk

Why is this service or policy development/review needed?
<p>This paper aims to provide an update as well as seek agreement with regards to the following key areas within the Parking Service;</p> <ol style="list-style-type: none"> 1. Current Controlled Parking Zone (CPZ) progress – Project 1 2. Changes to CPZ consultation process – including introducing additional parking officers, engaging with statutory partners first, utilising the community hubs, using a variety of engagement methods. 3. Future CPZ project – Project 2 – extending the CPZs to nine further areas, following consultation from Spring 2023. 4. Amendment to school staff parking permit – reduce the cost of a permit for all LBBB staff and teachers to that of an operational permit. 5. Permit parking across dropped kerbs in a CPZ – Introduce a specific permit at a reduced cost to improve access to parking

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

<p>What impacts will this service or policy development have on communities? Look at what you know? What does your research tell you?</p> <p><i>Consider:</i></p> <ul style="list-style-type: none"> • 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.
<p>The Parking Strategy 2016-21 set out a clear vision for parking in the borough. This vision was supported by 75% of respondents to the consultation. The vision is “to provide safe, fair, consistent and transparent parking services”. This vision is supported by five main priorities that have been designed to reflect the competing parking needs in the borough. These priorities reflect the needs of residents, businesses, commuters, cyclists and pedestrians alike. The priorities are:</p> <ul style="list-style-type: none"> • Reduce congestion caused by parked vehicles and improve road safety; • Make best use of the parking space available; • Enforce parking regulations fairly and efficiently;

- Provide appropriate parking where needed;
- Ensure that the low emissions and air quality strategy for London is at the heart of our decision making.

In developing this Strategy, the Council has developed a hierarchy of needs for parking in the borough, based on the responses to our consultation. This hierarchy forms a core part of our decision making for parking controls, the design of parking schemes and cost of parking services. The hierarchy of parking needs are set out below:

- Residents with a disability (blue badge holder);
- Non-residents with a disability (blue badge holder);
- Local residents;
- Priority care workers;
- Local business essential servicing;
- Short stay visitors and shoppers;
- Long stay visitors and shoppers;
- Long stay commuters

The main point of consideration in relation to this assessment is that the parking service will essentially be improving, access to parking, road safety, air quality, congestion, and pedestrian safety by reducing the amount of vehicle usage on our local roads, estates and areas around schools which forms and significant part of the program.

Air Quality

If Barking and Dagenham is to transition to a low-carbon, clean growth borough to meet its 2030 and 2050 carbon reduction targets and address issues of poor air quality caused by nitrous oxides (NOx) from car emissions, the Council must improve resident and business appetite in choosing lower emitting vehicles which the CPZ program/permit structure encourages.

By doing this it will help to curtail exhaust emissions which are largely responsible for increased levels of cardiovascular diseases such as lung cancer, bronchitis and respiratory tract infections. This is especially telling considering Barking and Dagenham has disproportionately high levels of Compulsory Pulmonary Obstructive Disease (COPD) with **transport** accounting for almost 50% of the particulates which aggravate the conditions

This is also relevant with regards to our proposal to continue to apply our emission-based approach to permit charging when parking over a dropped kerb.

Road Safety and Congestion

The introduction of CPZ helps to improve these two factors in the following ways:

- Restricting the overall demand for parking.
- Mitigating instances of illegal and obstructive parking, which blocks our roads and creates an unsafe environment for pedestrians
- Limiting the prevalence of 'cruising for parking', resulting in less conflict between motor vehicles and pedestrians

Greater access to parking

Improved access to parking for residents, visitors, businesses and blue badge holders by designating only those with a valid permit or who have registered with pay by phone to park.

In addition to the above the potential reduction in Council staff permit parking including school staff will reduce the financial burden given the current cost of living crisis, which may help to reduce stress and anxiety amongst the workforce as well as staff retention with the borough.

Demographics

Barking and Dagenham has:

- 208,182 residents – 7th smallest population in London
- 56,613 under 16s – highest proportion in London and the UK
- 131,749 16 to 64s – 4th lowest proportion in London
- 19,820 over 65's – 10th lowest proportion in London
- 33 average age – lower than London average (36.0)
- 58.2 male healthy life expectancy – below London average (63.5)
- 60.7 female healthy life expectancy – below London average (64.4)
- 46.7 average attainment 8 score per pupil (GCSE) – below London average (48.9)
- 12.4% have no qualifications – 2nd highest in London
- 86.5 births per 1,000 women of childbearing age – highest in London
- 89.0 crimes per 1,000 people – below London average (93.7)
- £305,000 average house price – lowest in London
- 18.7% English not first language – below London average (22.1%) for aged three-plus
- 7.7% unemployment – 2nd highest in London
- 68.1% employment – below London average (74.0%)
- 13% Department of Work and Pensions (DWP) benefits claimants – highest in London
- 50.5% Black and minority ethnic (BME) population – below London average (55.1%)
- 30.9% born abroad – below London average (36.7%)
- 4.7% Nigeria most common birthplace outside the UK, followed by India and Pakistan.

Sources:

- Office of National Statistics revised 2016 Mid-Year population estimates (Number of residents;
- Age range of residents; Average age of residents)
- Office of National Statistics 2011 Census (BME population; Born abroad; Most common birthplace; English not first language)
- Office of National Statistics Annual Population Survey (January 2017 to December 2017)
- (Have no qualifications)
- Office of National Statistics Annual Population Survey (January 2017 to December 2017)

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

- (Unemployment, Employment)
- Department of Work and Pensions November 2016 (Benefits Claimants)
- Office of National Statistics (Year ending September 2017) (Average house price)
- Metropolitan Police Service rolling 12 months to November 2017 (Crimes)
- Department for Education Summer 2017 (revised)
- Office of National Statistics 2016 (Births)
- Office of National Statistics 2014 to 2016 (Healthy life expectancy)
- APR18

Potential impacts	Positive	Neutral	Negative	What are the positive and negative impacts?	How will benefits be enhanced and negative impacts minimised or eliminated?
Local communities in general	x			The positive impact has been outlined above. Our proposal will continue to provide improvements to air quality, road safety, congestion and better access to parking in a variety of ways including, blue badge parking, residential parking, when visiting community hubs such as health centres, community centres as well as shopping amenities.	By reducing the amount of car journeys and encouraging a shift towards cleaner and healthier modes of transport will lead to all the benefits mentioned and health benefits to which will only improve over time and in conjunction with net zero targets
Age	x			<p>The borough has the highest population percentage of 0-19 year olds in the country at 31%. The over 60 population accounts for one of the smallest percentages of population in England and Wales (Source: Census 2011).</p> <p>It is anticipated that some older people will be encouraged to use public transport, particularly those over 60 who access to freedom passes and children are entitled to free or reduced cost public transport.</p> <p>Its also anticipated that younger families and children will choose healthier methods of transport including walking, cycling and use of public transport which has many health</p>	

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

			related benefits which is particularly relevant around school where safety is key. The reduction in the use of the motor vehicle will not improve health due to air quality, and better access to walking but will also reduce the risk of road traffic accidents.	
Disability	X		The introduction of blue badge parking bays within the CPZ rollout will provide better access to parking near resident homes. Given blue badges are available to those residents with mobility needs as well as mental health related needs this will help those members of the community in respect of their parking needs and wellbeing. It should also be noted that those resident with a blue badge are not required to obtain a permit to park.	<p>There is provision for disabled badge holder parking throughout the borough with free parking in car parks and on pay and display bays. Badge holders may park for up to 4 hours in designated disabled bays and 3 hours on waiting restrictions denoted by yellow lines.</p> <p>We have a duty to minimise the effects on existing disabled users and those with access to blue badge holder parking bays.</p> <p>Better access for those with mobility issues will be created on pavements, as obstructive parking is reduced. This benefit could also apply to the pregnancy/maternity characteristic - e.g. those using prams.</p>
Gender reassignment		X	There is no evidence to suggest a differential impact (direct or indirect) of	

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			the proposals on those people with gender reassignment.	
Marriage and civil partnership		X	There is no evidence to suggest a differential impact (direct or indirect) of the proposals based upon this protected characteristic.	
Pregnancy and maternity		X	There is no evidence to suggest a differential impact (direct or indirect) of the proposals based on pregnancy or maternity related issues.	
Race (including Gypsies, Roma and Travellers)		X	<p>The population ethnicity is 24.6% Black (African, Caribbean and Black Other) residents; 15.5% Asian (Bangladeshi, Indian and Pakistani); and 8% from other or mixed ethnic groups (Source: GLA population projections).</p> <p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals based on race.</p>	
Religion or belief		X	There is no evidence to suggest a differential impact (direct or indirect) of the proposals on those people differing religions or beliefs. Its noted within the new CPZ areas there are many places of worship and accessible parking will need to be provided where possible. Equally those attending religious establishment as well other various community hubs will be expected to choose healthier modes of transport such as walking and cycling or the use of public transport.	
Sex		X	<p>51.5 % of the borough's residents are female, and 49.6% are male (Source: Census 2011).</p> <p>There is no evidence to suggest a differential impact (direct or indirect) based on sex. However we are aware of concerns about women's safety in particular when not being able to park near to their homes. This proposal will help to improve this.</p>	
Sexual orientation		X	There is no evidence to suggest a differential impact (direct or indirect) of the proposals on those people based on sexual orientation.	

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Socio-economic Disadvantage		x	<p>There is no evidence to suggest a differential impact (direct or indirect) of the proposals on those people based on economic disadvantage. However as mentioned a potential reduction in permit cost will have a positive impact on the current cost of living crisis. In many cases the cost of a resident permit will be free or quite low for those who own low polluting vehicles. It's noted that those who are economically disadvantaged are more likely to have an older, higher polluting vehicle, and a higher cost permit, however in order to achieve air quality targets it necessary to encourage a shift towards electric vehicle. Evidence suggests that the provision of electric vehicles is becoming more affordable with four new models of electric car joined the market this year in the sub-£20,000 price level; a zero emission.</p>	
Any community issues identified for this location?		x	<p>Applies to many locations across the borough including schools, community hubs and local shopping amenities. School safety is a particular concern given the vulnerabilities of young children attending school and contending with the motor vehicle.</p>	

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

Before CPZ's or changes to permit arrangements are introduced we consult with all affected stakeholders including local residents, businesses and other community hubs.

Statutory consultation involves public notices displayed on-street and within local publications. In addition, the Council will seek to gauge public support for the CPZ by sending leaflets to local residents and asking for a response where appropriate

When introducing a CPZ, the principals of the parking strategy are applied in respect of the hierarchy of needs and the following factors;

- Reduce congestion caused by parked vehicles and improve road safety;
- Make best use of the parking space available;
- Enforce parking regulations fairly and efficiently;
- Provide appropriate parking where needed;
- Ensure that the low emissions and air quality strategy for London is at the heart of our decision making.

This paper also explores additional ways in which we can successfully engage with the community which in summary includes;

- Introduce additional parking officers within the back office who are fully trained in dealing with CPZ related enquiries at any stage of the process, ensuring that we are promoting potential new schemes and can respond effectively to enquiries.
- Where possible, make use of the new "community hubs" throughout all stages of the process as these will often be ideally located within the zone in question and can provide an additional route for residents to get information and provide feedback.
- Consider alternative methods of engagement through digital media and the communications team, one borough newsletter and other LBBB literature, libraries, community groups etc

3. Monitoring and Review

How will you review community and equality impact once the service or policy has been implemented? <i>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.</i>		
Action	By when?	By who?
There will be a need to continually monitor our approach and it may be there are specifically cases that potentially require access to permits or special considerations to ensure any additional needs are met despite the status of the development being clear from the outset.	Ongoing	The Parking Service

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
The impact of our proposals has been outlined above and will have many positive benefits. We are mindful that members of the community will be required to obtain a permit to park, which in many cases will involve a cost. However, for electric vehicles owners and low emitting vehicles there is no charge, or the charge is low. If we are to meet carbon reduction targets, improve road safety and congestion and the health of our residents it's a necessary requirement to carry out our proposals.

5. Sign off

COMMUNITY AND EQUALITY IMPACT ASSESSMENT

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
Andy Opie	Operational Director for Enforcement	21/6/22

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CABINET

12 July 2022

Title: Parsloes Park 'Parklife' Project	
Report of the Cabinet Member for Community Leadership and Engagement	
Open Report	For Decision
Wards Affected: Parsloes	Key Decision: Yes
Report Author: Neil Pearce, Head of Sustainability, Net Zero & Parks Commissioning	Contact Details: Tel: 020 8227 5733 E-mail: neil.pearce@lbbd.gov.uk
Accountable Strategic Leadership Director: Abi Gbago, Strategic Director of Inclusive Growth	
<p>Summary:</p> <p>By Minute 4 (19 June 2018), Cabinet agreed proposals to work with grant-funder, the Football Foundation, to upgrade the pitch and pavilion facilities at Parsloes Park with a £5.6m capital investment as part of the nationwide Parklife Football Hubs programme for key strategic sport sites.</p> <p>The existing pitches in Parsloes Park were of poor quality and the sports pavilion facilities no longer fit for purpose. It was proposed to develop three artificial grass pitches (AGPs) and a new sports pavilion allowing for changing rooms for up to eight teams, gym facilities, sports café, multi-use areas and social space to be leased to the Foundation's charitable arm, now known as the National Football Trust (company no: 11535526).</p> <p>Overall project costs have been steadily rising through protracted procurement exercises, and despite one round of value engineering in 2021, costs have continued to rise. Since the end of last year, inflation in construction and component costs has more than doubled the total project cost to £13.6m.</p> <p>The Football Foundation increased their grant to £6.2m and is waiting for the Council to sign a Grant Deed which is at risk of HM Treasury decommitment; Alliance Leisure, the building contractor, has accrued circa £156,000 of access fees, design and pre-construction surveys and wants LBBD to go into contract for the delivery of the pavilion. Neither have been signed following the project review which identified a significant funding shortfall that the Foundation believed the Council could cover. Parts of the project have already been completed with the 3G pitches handed over and there is an outstanding bill of £2.1m, for which the Council is liable.</p> <p>The project review has found that the Council currently has only £1m set aside for the whole scheme with another £1.1m of monies and grant potentially attributable to the project over time, leaving a £5.7m shortfall. Having assessed all the options and weighing up the reputational importance to the Council of constructing these flagship facilities, it is recommended to fund the remainder of the scheme through borrowing.</p>	

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree that the Council proceeds with the Parklife project in Parsloes Park to deliver high-quality pavilion facilities to support local football growth in the Borough and associated sports and social activity and enter the Grant Deed and Delivery Agreements;
- (ii) Agree the provision of additional funding of up to £6.1m, via prudential borrowing, to address the project shortfall;
- (iii) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Cabinet Member for Community Leadership and Engagement and Chief Legal Officer, to let the facilities to the National Football Trust on the terms set out in the report subject to compliance with s123 of the Local Government Act 1972; and
- (iv) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Chief Legal Officer, procure and enter into all necessary contracts and agreements, in accordance with the Council's Constitution, to ensure completion of the Parklife project.

Reason(s)

The Council has responsibility for the management and improvement of parks and open spaces in the Borough and Parsloes Park has been identified as a key strategic sports site. Failure to fund and complete delivery of the project will result in immeasurable reputational damage to the standing of the Council among local sports groups and grant-funders of sports projects, as well as life-expired assets and new pitches with no revenue funding allocated to maintain them.

1. Introduction and Background

- 1.1 The Football Association, Premier League and Sport England, through their delivery partner, The Football Foundation, launched a national funding scheme called Parklife in 2016, which provides capital investment at sports sites of strategic importance. Prior to this the Council had been working with Sport England and the Essex County Football Association to develop new facilities in Parsloes Park when Cabinet approved Barking & Dagenham's participation in the project in June 2018.
- 1.2 The decision was taken because Parsloes Park was considered a critically important part of the Borough's urban infrastructure due to its size, location and catchment area and the potential regional significance for its football pitch provision. Investment was drastically needed because the quality of the grass pitches was evidently poor, and the associated changing facilities were life-expired.
- 1.3 The original report expected the scheme to cost about £6m and sought to encourage the growth of local football. Consultation with local stakeholders helped identify which facilities would be required to make Parklife a success, allowing for local football teams, like May & Baker FC, to gain promotion to higher leagues and

provide much needed high-quality facilities for other groups like the Muslimah Sports Association and Inclusive Fitness Initiative Gym for disabled users. West Ham United Foundation expressed interest in supporting community sports at the new pavilion and through the usage of the pitches.

1.4 The scheme aimed to deliver:

- New changing facilities incorporating 8 team changing rooms (suitable for use by children, adult teams and officials);
- 55 station gym and dance studio;
- Bar, café and social space
- Public toilets
- 3 artificial grass pitches (AGPs) with floodlighting that can be used for 11-a-side football matches and compartmentalised to accommodate multiple mini, junior and five-a-side games being played simultaneously

1.5 As part of the package, and as a condition of £3.6m grant-funding from the Football Foundation (FF), it was agreed that a London based Trust would manage the new facilities. This aspect has now changed and a pan-regional charitable football Trust (eventually becoming the National Football Trust) has been established and it is proposed that it manage the new facilities in Parsloes Park via a 30-year lease from the Council. The trust model supports football to have more responsibility and involvement in the management of its grassroots facilities and is a way of ensuring an affordable, consistent, and high-quality customer experience. As the Contracting Authority, the Trust is to procure the services of a leisure operator to manage the facilities on its behalf. A peppercorn rent was previously agreed recognising the Trust's responsibilities for repairing, maintaining and insuring the premises. The vesting of the facilities in this way also allows for the local authority to retain an exemption from VAT payments on the construction costs accruing from the project under 1994 legislation.

1.6 It was agreed that under the trust model, the FF would support the procurement of a leisure operator and with the Council it would jointly procure contractors to deliver the 3G pitches and pavilion under design and build contracts. To summarise what were complex and lengthy procurement exercises, SIS were appointed to develop the 3G pitches and Alliance Leisure identified as preferred supplier to design and build the pavilion facilities.

1.7 In late 2021, the National Football Trust (NFT) became the legal owner of Leisure United (LU) – the incumbent charity operator of 10 existing Parklife hubs in Sheffield, Liverpool, and Sunderland. The NFT can choose to procure an operator to manage facilities under Teckal exemption rules ie by a company that complies with Regulation 12 of the Public Contract Regulations, or it will have to carry out a tender procedure under those Regulations. The NFT is seeking to appoint LU as the operator of the new facilities at Parsloes Park due to LU's track-record and experience and it offers the most cost-effective and financially sustainable solution as a fully charitable model. The Council need to be satisfied that LU can carry out its obligations.

1.8 The NFT and LU have committed to ringfence all surplus income generated by the new facilities to be re-invested within Barking and Dagenham – there is no leakage through profit or cross-subsidy with other local authority areas. The NFT will use the

surpluses to support the achievement of the objects set out in its articles of association, which included the promotion of community participation in healthy recreation by providing facilities for the playing of association football and other sports capable of improving health and supporting persons who have need for such facilities by reason of their youth, age, infirmity or disability, financial hardship, poverty or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving their conditions of life. Generally advancing public education, recreation, physical education and with a focus on children and young people.

- 1.9 In the 2018 Cabinet report the FF had confirmed £3.6m of grant, with an ambition to obtain £500k from the GLA and £500K from the London Marathon Charitable Trust. The Council had committed to £400K of capital (on the proviso of borrowing), £600K SCIL and work towards obtaining £350K from the Beam Park development via s106:

Description	£'000s	Notes
LBBB capital funding	400	Committed
London Marathon Charitable Trust	500	Stage one bid successful. Stage 2 final bid decision expected in August 2018
Football Foundation	3,600	Earmarked. Formal funding application to be submitted in July 2018. Decision expected when planning permission is granted (estimated to be September 2018).
GLA	500	Earmarked by Football Foundation. Will be confirmed once planning permission is granted
LBBB Community Infrastructure Levy funding	600	Applied for. Decision by Cabinet on 19 June 2018
LBBB s106 funding	350	Linked to the Beam Park housing development and specifically earmarked for the proposed facilities at Parsloes Park. Expected to be confirmed in summer 2018.
TOTAL	5,950	

- 1.10 By the time the project was granted planning permission from the Council in September 2019, the costs had climbed to £7.3m.

2. Proposal and Issues

- 2.1 Progress on the scheme slowed during the pandemic and overall project costs have been steadily rising through protracted procurement exercises involving the Foundation, and despite one round of value engineering in 2021, it continues to rise. Since the end of last year, inflation in construction and component costs has more than doubled the total project cost. Some of the reasons are identified below:

- The Alliance Leisure offer contains equipment, fittings, IT and audio-visual systems, whereas under the original London Construction Programme framework the aim was to procure IT, AV, equipment and fittings separately. Hence, they fell outside the original estimate but were always project costs.

- The floor area of actual building being procured is now slightly larger (1650m² versus 1627m²) which while marginal still adds up to just over a £100K. This is partly due to the change from modular to a traditional build solution and because of some of the operator requested design changes to create a more efficient layout.
- The initial estimated costs for achieving the mandatory BREEAM (Building Research Establishment Environmental Assessment Method) Excellent, which is a planning requirement, seem to have been undervalued.
- The pavilion building has more CCTV and security alarm systems than originally envisaged, plus the building now has security shutters. The additional CCTV and shutters have come out of engagement with the lessee who will be responsible for insuring, maintaining, and repairing the new facility.
- Steel costs have just risen by 5%, contributing another £500K cost to the project

2.2 The FF has increased its grant contribution to £6.2m (which includes £500k GLA monies) but subsequently the costs of the project have hit £13.6m. If the Council do not contractually lock-in prices through the Delivery Agreement with Alliance Leisure promptly, then those costs are expected to carry on increasing because of the highest levels of inflation in 40 years.

2.3 Following a recent internal restructure, the cost problem was further magnified when a significant shortfall in the Council's funding commitment to Parklife was identified following a review of several parks commissioned projects. As a result, the Council has not been able to make further progress on signing the Deed of Grant with the FF or enter Delivery Agreements with Alliance Leisure for the build of the pavilion.

2.4 The Council has £600,000 of SCIL readily available to contribute to the project. In the original report it also agreed to honour a borrowing commitment of £400,000 but that arguably still only allows for £1m of agreed funding. There is £500,000 of additional grant from the London Marathon Charitable Trust which is due to be paid.

2.5 Long-term, a contribution of £350,000 allocated to the project from s.106 monies from Beam Park will fall due but will not be monetised any time soon. There are conditions that half will be paid when Phase 1 has 90% occupation and Phase 2 has 90% occupation. There is potentially some legacy s106 funding worth £289K from another scheme which could be utilised for the project.

2.6 Working in collaboration with the FF, we estimate that a further value engineering exercise may shave £288K off the project cost with contractor preliminaries and alternative products for fixtures and fittings also identified as targets to generate further savings. Alliance Leisure could also run a mini-competition among their contractors to provide additional assurance, if that is cost and time effective.

2.7 Even so, at best case scenario the Council shortfall would still be £5.4m. The Council would need to borrow £6.1m to cover the shortfall, the committed £400K pledged in the original report and cover the £350K upfront eventually due from the Beam Park development.

2.8 Equally, in the absence of accessing the FF grant, the Council is now liable for the payment of £2.1m following the completion of the 3G artificial pitches by SIS, which

were handed over to the Council in April. This is factored into the overall £13.6m project cost.

- 2.9 This a flagship project for both the Borough and the capital, which has had high profile media attention and significant stakeholder engagement. Senior officers, parks commissioners and Be First construction managers have reviewed the options and are of the view that the Council should continue with the planned project. The options are set out in the appraisal below:

3. Options Appraisal

- 3.1 **Option 1: Decide that due to inflation the project is unaffordable and stop the scheme** - The Council would be left with several 3G pitches for which there is nil grant funding and still be liable for the payment of £2.1m in costs to the contractor, SIS, following the completion of the pitches. There is currently no revenue budget for maintaining or securing the pitches as this was due to fall to the operator. There is also no funding to provide additional make-shift facilities to keep the pitches in use. The pitches are unlikely to attract the expected usage or deliver the expected community outcomes without the equivalent pavilion facilities.
- 3.2 The existing dilapidated pavilion is not suitable to cater for this clientele and there is no revenue budget to maintain and repair it. All grants would be withdrawn, and it would certainly hinder the Council's relationship with sporting bodies and its ability to attract funding for parks and roll-out of sporting facilities in the future. In addition to Parsloes Park, there are a further 11 priority projects in the Local Football Facility Plan (LFFP) for Barking and Dagenham, together worth in excess of £7m and earmarked for investment from the FF which would be severely inhibited if this project was not to progress. Relationships with local stakeholders, such as West Ham United Foundation and disadvantaged groups looking to utilise the facilities would also be impacted.
- 3.3 **Option 2: Pause the project and redesign, descope and retender the proposal for the pavilion** - The Council would still be liable for the £2.1m cost for 3G pitches with a nil grant scenario - this will almost certainly see the loss of all grant-funding from the FF and facilities which the operator cannot use without compromising the viability of their business plan. This would also be the third procurement exercise in relation to the project with a likelihood of even higher pricing due to the significant inflationary increase in construction costs. The Council did consider removing the gym facilities from the project, which make up a large proportion of the footprint, but this would have a major impact upon the sustainability of the facility and re-investment potential. In the current circumstances, if we reprocure we are likely to end up with the same or higher costs for a lesser product.
- 3.4 Even if the project were descoped, redesigned and planning consent obtained we are looking at a further delay of approximately nine months before construction could start. The grant funders and operator would likely withdraw, meaning the Council would have to budget or borrow for the entire build cost. There is no revenue budget to support the facility meaning the Council would need to procure a private leisure operator, which in the absence of gym facilities would probably need subsidy from the Council to run and with no investment back into community sports.

- 3.5 **Option 3: Accept the current designs, look for savings and borrow to support the project** - Collaborating with the FF, £288,000 worth of fixtures, fittings and design elements could be trimmed out of the current proposal, and potentially reduce very high subcontractor prelims. However, there is very little we can achieve in substantial cost reduction, without compromising the business plan. Stripping out health and fitness, cafe and social facilities will compromise the very purpose of the scheme and demands of the stakeholders who helped to develop the vision.
- 3.6 It should be noted that the Council cannot borrow and try to recoup the money through a fully-fledged commercial lease without losing the £6.2m grant or losing the exemption for VAT costs.
- 3.7 The Council did make the point that the operator, which is running other Parklife schemes throughout the country, could make a further, annual contribution from surpluses achieved on other projects to cover some of the servicing of the borrowing debt. This however has been rejected by the FF Trustees on the basis that they have already set aside the single most significant volume of grant that they have ever awarded, to Barking & Dagenham; it sets a precedent for future Parklife developments and would be an unfair arrangement in comparison to other local authorities which have Parklife schemes and have taken on the burden of several million pounds worth of borrowing themselves; it also creates a 30 year liability for repayment to the Council which would need to be underwritten by the FF, in case the operator suffers more challenging commercial circumstances than were projected.
- 3.8 More positively, the scheme will remove the Council's current liability for life-expired changing facilities. Importantly the quality of sports facilities in the park will be transformed and with it the potential to reduce the Council's existing grounds maintenance costs because fewer grass pitches need to be maintained. The Council will no longer be responsible for maintaining or operating the existing pavilion in the park. It is estimated that this will save £25,000 per annum in utility costs, non-domestic rates, cleaning and staffing, and a non-indexed saving of £750,000 over 30 years.
- 3.9 The average annual operating surplus of the new facilities is expected to be £241,000, of which 100% would be ringfenced for reinvestment to support grassroots football development, clubs and facilities within Barking & Dagenham. This has been incorporated into the lease. The Council will have a representative on the Advisory Board which will decide how the funds are invested in local football growth. Subject to further negotiation, the surplus could be used to eliminate the Council having to budget for maintaining and improving 30 other poor quality football pitches and surrounding grass areas in Parsloes, Barking, Old Dagenham and Valence parks. Each of these sites is identified as a priority within the borough's LFFP to bring the grass pitches up to a 'Good' standard for football as measured by the Grounds Management Association (GMA).
- 3.10 This would provide an approximate saving of £31,000 per year to the Parks & Environment service, a non-indexed saving of £930k over 30 years. The Council is likely to be preferred partner for the continued maintenance of the pitches and associated green spaces but would be charging the operator, Leisure United, for the cost of doing so. The Council could also sub-contract expertise to deliver the GMA required standard of pitches, also rechargeable to the operator.

- 3.11 The social value impact of this scheme and the reinvestment back into the sport locally from the operator’s surplus are both significant. Not only does the project bring £6.2m of FF funding to the project, plus £500K from the LMCT, but potentially an additional £6.8m+ in ringfenced funding in Barking and Dagenham for football projects and improved facilities over the term of the lease. The Football Association’s Social and Economic Value of Grassroots Football Report in March 2021 has estimated the value of economic, health, social interaction, volunteering, workforce contribution and participatory consumption of grassroots football in Barking and Dagenham at £38m.
- 3.12 Delivery of the project will enhance the Council’s reputation and its standing among sports bodies and local stakeholders. It will also secure new high-quality facilities in Parsloes Park; the enhancement of 30 poor-conditioned pitches; £7.2m in grant from collective funders and a potential £6.8m inject of capital and resource into Barking & Dagenham, making grassroots football in the borough more sustainable and less reliant on public subsidy. The Cabinet is therefore recommended to borrow the £6.1m required to ensure the scheme is delivered.

4. Consultation

- 4.1 The historic consultation with stakeholders which helped develop the general vision and requirements of Parklife has been well documented in the previous report.
- 4.2 The current situation regarding the increase in costs have been discussed with the senior leadership of the Council and the proposals in this report were considered and endorsed by the Corporate Strategy Group at its meeting on 16 June 2022.

5. Financial Implications

Implications completed by: David Dickinson, Investment Fund Manager

- 5.1 The report outlines total costs to upgrade the pitch and pavilion facilities at Parsloes Park. A breakdown of the costs is below, which show that there is a shortfall in funding for this project, based on an asset life of 30 years, of £286k per year. In addition, short term borrowing would be required to cover the potential Beam Park contribution of £350k.

Total Costs	13,600
FF Grant	-5,700
GLA Grant	-500
SCIL	-600
London Marathon Charitable Trust	-500
Beam S106	-350
Value Engineering	-288
Legacy S106	-289
LBBB Agreed	-400
Total Additional Net Funding	4,973
Funding	

Shortfall	4,973
Agreed	400
Short Term Borrowing (Interest only)	350
Total Funding Required	5,723
Asset Life	30 Years
Annual Borrowing Costs (fixed, includes repayment)	£286k

- 5.2 As outlined in the report the main drivers behind the increase in costs is that the Council is responsible for cost increases above the level of funding being provided. As build costs have increased and as the specifications have changed, the increased costs fall on the Council to fund.
- 5.3 A review of all projects is currently being undertaken as it is likely that the current high rate of inflation will impact schemes, especially where there is a fixed level of funding.
- 5.4 As outlined in the report, the FF has been contacted and there have been discussions with them around the potential to use surpluses from the lease to fund borrowing but they have confirmed that this is not possible as it would set a precedent and does not fit within the funding model they use.
- 5.5 The FF did confirm that the grant funding provided is the highest amount of grant they have ever awarded, and the site does benefit from funding of £8.23m for a much-improved site, including the pavilion.
- 5.6 The report confirms that the business plan forecasts an average annual operating surplus of £299k which would be reinvestment to support grassroots football development, clubs and facilities within Barking & Dagenham. Although the money would not be paid to the Council to pay the loan and interest repayments, there is the potential that this money could be used to reduce the Council's budget for maintaining and improving 30 other poor quality football pitches and surrounding grass areas in Parsloes, Barking, Old Dagenham and Valence. Each of these sites is identified as a priority within the borough's LFFP to bring the grass pitches up to a 'Good' standard for football as measured by the Grounds Management Association (GMA).
- 5.7 The report outlines a potential savings of £31k per year to the parks and environment service. This would reduce the annual cost to the Council to £259k.
- 5.8 Working closely with the Leisure United and the FF would focus the surpluses on improving the football pitches in Parsloes, Barking, Old Dagenham and Valence. This cost is currently not budgeted for and can be seen as a future cost that will be funded.
- 5.9 The Leisure United Business Plan does include provision for a sinking funding (£87.5k per year), an operating reserve of £200k and gym and general equipment leases of £96k per year. Surpluses also do not include summer partner income and it is likely that an agreement can be reached with partner clubs to play during the summer season at an agreeable rate. Additional contracts for the gym have not been included. Increased utility costs have been factored into the assumptions.

6. Legal Implications

Implications completed by: Ian Chisnell, Locum Special Projects Lawyer

- 6.1 The Council has power under s19 of the Local Government (Miscellaneous Provisions) Act 1976 to provide recreational facilities and give loans or grants to voluntary organisations in connection therewith.
- 6.2 In relation to any disposal of land or lease for more than seven years the Council must comply with s123 of the Local Government Act 1972, which requires that any such disposal is for best consideration unless the consent of the Secretary of State is obtained.
- 6.3 There is a General Disposal Consent issued by the Secretary of State in 2003 that provides that a disposal can be at less than best consideration provided that the difference between the price for which it is disposed and best consideration is less than £2M and:
 - a) the local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area;
 - i) the promotion or improvement of economic well-being;
 - ii) the promotion or improvement of social well-being;
 - iii) the promotion or improvement of environmental well-being;
- 6.4 The Park is designated Metropolitan Open Land and it is presumed that all planning requirements have been met and that nothing has changed in relation thereto since the inception of the project.
- 6.5 The Council will have no interest in the companies leasing or operating the facilities so any control of the use of the facilities will have to be by way of the lease.
- 6.6 As regards the contractual arrangements, if the increase in value of the contract with Alliance Leisure is more than 50%, then that contract will need to be retendered under the Public Contract Regulations 2015 (PCR), as any variation over that amount is not permitted without a new procurement by Regulation 72. The Council's Contract Rules reflect the conditions in Reg 72.
- 6.7 If it is necessary to tender for a new contract there may be breakage costs payable to the current contractor.
- 6.8 As the Lessee will be a Contracting Authority, in procuring an operator, it must comply with the PCR. If it lets the contract to a company wholly owned by it which complies with Reg 32 of the PCR then that will suffice. If it cannot then it must carry out a tender exercise according to the PCR.

7. Procurement Implications

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

- 7.1 Based on the principle that the lease owner will be contracting through an owned subsidiary, then the action would not constitute as a formal process that would be managed through PCR2015. In the event that the contract does not fall to the owned subsidiary, then the principles of PCR2015 would apply and a formal procurement process would need to be undertaken by the Lease owner.
- 7.2 Based on the information contained in the paper, and on the basis that the requirement to procure is negated through Regulation 32 then the decision is purely one of reputation and financial viability due to the cost increases.

8. Other Implications

- 8.1 **Risk Management Issues** – The main body of the report addresses in detail the risks involved in either not proceeding with the project or trying to descope and retender.
- 8.2 **Contractual Issues** – If Cabinet approved the strategy set out in this report, then the Council could execute the Deed of Grant with the FF; the Delivery Agreement with Alliance Leisure and eventually the lease for pitches and the pavilion with Leisure United. Contractual exchanges could take place imminently, locking in prices against any further cost inflation.

Due to the previous fragmented nature of the projects administration, going forwards it will be overseen directly by the Head of Sustainability, Net Zero and Parks Commissioning and the new Programme Manager for Green Spaces and Nature Recover and there will be weekly meetings comprised of Be First, Finance and Parks & Environment. This group will be responsible for monitoring the contractual arrangements and delivery of the programme and commissioners will report back monthly to the Assets & Capital Board.

- 8.3 **Corporate Policy, Customer and Equality Impact** - Grassroots football is estimated to contribute to improving the physical and mental well-being of 2.9m children and 8.2m adults. The provision of first-class pitches and pavilion facilities in Parsloes Park and beyond, over the course of the next thirty years, will transform the grassroots football offer to the residents of Barking & Dagenham considerably with an estimated 30,000 people expected to use the pitches and pavilion facilities every year, welcoming over 200,000 visits annually.

Other national Parklife hubs put on activities such as Care home cinema days with lunch and bingo, community Christmas markets, Young Asian Voice events, disability football access and toddler groups to encourage greater social interaction within the community and this is expected to be replicated here.

The proposal is positive in its impact upon the protected characteristics outlined in the Equality Act 2010.

- 8.4 **Health Issues** – As per the 2018 report these facilities would lead to increased physical activity and opportunities for women and girls; children and young people; disabled participants; amongst older people and adults.
- 8.5 **Crime and Disorder Issues** - There are no general crime and disorder issues, but the football hub will provide a programme of positive and diversionary activities for children and young people. High quality and accessible sports facilities with extensive operating hours should have a positive impact on levels of anti-social behaviour and wider perceptions of safety in Parsloes Park.
- 8.6 **Property / Asset Issues** – The scheme replaces life-expired facilities and poor-condition pitches and removes their ongoing maintenance and utility costs, which will be passed onto the operator.

Public Background Papers Used in the Preparation of the Report:

- Cabinet report on Parklife Project 19th June 2018:
<https://modgov.lbbd.gov.uk/Internet/documents/s124287/Parklife%20Report%20final.pdf>
- Football Association – Social Economic Value of Grassroots Football report – March 2021: <file:///C:/Users/npearce/Downloads/the-social-economic-value-of-grassroots-football-in-england-march-2021.pdf>

List of appendices: None

CABINET**12 July 2022**

Title: Draft Planning Obligations Supplementary Planning Document (SPD) Update and Consultation	
Report of the Cabinet Member for Regeneration and Economic Development	
Open Report	For Decision
Wards Affected: All wards	Key Decision: Yes
Report Author: Tim Thomas – Head of Transport, Infrastructure and Policy Planning	Contact Details: Tel: 07834 014334 E-mail: tim.thomas@befirst.london
Accountable Director: Caroline Harper, Chief Planning Director, Be First	
Accountable Strategic Director: Abi Gbago, Strategic Director of Inclusive Growth	
Summary	
<p>This report provides an update on the Draft Planning Obligations Supplementary Planning Document (SPD) and seeks approval to progress the draft document to statutory public consultation (intended to take place over a six-week period in Summer 2022). It is the intention, subject to the relevant approvals, for the document to be formally adopted in November/December 2022.</p> <p>The London Borough of Barking and Dagenham Draft Local Plan 2037 was submitted to the Secretary of State for examination on 20 December 2021. The Local Plan outlines how the borough's ambitious housing and employment targets will be met over the plan period and beyond, alongside detailing how supporting infrastructure will be delivered to support the level of growth projected. Developer contributions through planning obligations are the most significant mechanism through which this will be funded.</p> <p>The new SPD document will provide supplementary planning guidance to developers, planning officers and borough residents as to how the Council will seek developer contributions, the extent and nature of these contributions (both financial and non-financial), the justification for this approach and, in some cases, how these contributions will be spent.</p> <p>Cabinet should note that the Government's new Levelling Up Bill outlines changes to the current CIL and S106 regime in order to bring forward a proposed Infrastructure Levy. This will be kept under review, however given it is unlikely any new legislation will be come into effect for 1-2 years, it is necessary to press on with the SPD to support the Local Plan and LBBD's substantial development pipeline in train.</p> <p>The proposed timeline for this SPD is set out below:</p>	
	DATE
Cabinet	12 July 2022
Consultation period (6 weeks)	August/September 2022

Review responses and update SPD Adoption by Assembly	September 2022 November/December 2022
Recommendation(s)	
The Cabinet is recommended to:	
<ul style="list-style-type: none"> (i) Approve the Draft Planning Obligations Supplementary Planning Document, as set out at Appendix A to the report, for public consultation; and (ii) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Cabinet Member for Regeneration and Economic Development and the Chief Legal Officer, to make any appropriate amendments to the document following public consultation, prior to its submission to the Assembly for formal adoption. 	
Reason(s)	
To assist the Council in achieving its priorities of 'Inclusive Growth' and 'Well Run Organisation'.	

1. Introduction and Background

- 1.1 Supplementary Planning Documents provide guidance on policies set out in a Local Plan, such as site-specific information, or specific matters such as Developer Contributions. They provide a material consideration in planning decisions and are pivotal in helping to shape development in specific areas.
- 1.2 LBBD's Draft Local Plan outlines a target to build 44,051 new homes and create 20,000 new jobs over the next 20 years. This level of growth will require significant investment in infrastructure, which is outlined in the Council's supporting Infrastructure Delivery Plan (2020) along with the site allocations in Appendix 2 of the Local Plan.
- 1.3 As outlined in Policy DMM1 in Chapter 11 of the Draft Local Plan, the Council and developers have a responsibility, through the planning process, to manage the impact of this growth and ensure that any harm caused by development is mitigated, ensuring that the necessary infrastructure is provided. As such, clear and detailed guidance on developer contributions to achieve this is required.
- 1.4 However, although Barking and Dagenham has significant growth ambitions, viability is still challenging as set out in the [viability study](#) conducted by BNP Paribas in September 2020. Whilst this is likely to change over the coming years, given the level of Council-led regeneration proposed over the course of the Local plan period and the impact this is likely to have on land values, this nevertheless remains a key consideration when determining how the Council will seek planning obligations from developers.
- 1.5 The two main mechanisms for collecting developer contributions which are examined in this SPD are CIL and Section 106. For background, both of these mechanisms are described below.

- 1.6 The Community Infrastructure Levy (CIL) is a standard charge levied by Local Authorities, as well as the GLA, on most new development which creates net additional floorspace of 100m² or more. It is an important tool for delivering the infrastructure needed to support development in each borough and is collected not to directly mitigate the impact of the development in question, but instead is pooled in a single fund to be spent flexibly where it is considered necessary. It is non-negotiable, but most affordable housing is granted relief from CIL.
- 1.7 Planning Obligations are secured through legal agreement known as Section 106 (S106) agreement under Section 106 of the Town and Country Planning Act 1990, or unilateral undertaking. Negotiated between the Council and applicants, they can take the form of works, payments or restrictions on the way a property can be used. The Council uses Section 106 to secure important outcomes such as affordable housing provision, carbon offset payments and employment and training plans. Unlike CIL, the legal agreements usually define where monies contributed must be spent (usually in the vicinity of the development) and what the money must be spent on, with all of this agreed under the terms outlined in Section 2.1 below. This makes it a less flexible funding tool than CIL, with some monies only received several years after they are secured.
- 1.8 Prior to 2015, Section 106 was the primary mechanism by which the Council would collect developer contributions. However, since then CIL has been the primary method of collecting contributions, with £8,372,216 obtained in the seven years to March 2022 and £3,505,187.75 in 2019/20 alone. In contrast, only £53,817 was collected in financial contributions through Section 106 in the same financial year. The key aim of this updated SPD is to strengthen the role which Section 106 can play in obtaining developer contributions to help fund the borough's corporate priorities throughout the Local Plan Period. It will also help meet the requirement of the Infrastructure Delivery Plan by using CIL and Section 106 contributions to be best allocate towards the areas where greatest future need is identified.
- 1.9 This SPD forms part of a wider framework of planning tools to shape delivery of future development and regeneration across the borough. It provides Officers with the scope to acquire contributions to mitigate site-specific impacts of development and support infrastructure requirements which are outlined in the Council's Infrastructure Delivery Plan, Local Plan site allocations and their related topic papers, as well as area-based masterplans such as the Thames Road Transformation Area SPD.

2. Proposal and Issues

- 2.1 The Planning Obligations SPD must seek to balance a realistic response to the borough's limited viability context, which poses challenges to delivery, with the multiple expectations of stakeholders across (and indeed beyond) the Council. This SPD will provide clarity on the borough's expectations to allow consistent application but allow flexibility where site specific constraints or viability challenges necessitate this. Our approach has also been designed to 'fit' in the legal framework for the use of S106, as set out in the CIL Regulations (2010) as amended, which requires that anything we ask is:

- Necessary to make the development acceptable in planning terms;

- Directly related to the development; and
- Fairly and reasonably related in scale and kind to the development

2.2 While the viability and legal contexts act as a constraint, there remains a real opportunity to use this new guidance to strengthen our negotiating position and secure wide-ranging social, environmental and economic corporate objectives. The starting point for defining what goes into the new S106 guidance is the emerging new Local Plan which articulates our spatial strategy for achieving inclusive growth. The guidance will set out our approach to:

- Securing onsite policy requirements such as affordable housing onsite or payments in lieu
- Addressing the transport impacts of development:
 - securing contributions to public transport improvements eg new bus routes
 - highways improvements e.g., s278 such as the recent City Markets agreement to upgrade the A13 at Goresbrook
 - measures that support shifts to less polluting forms of travel, for example, cycle lanes, electric vehicle infrastructure or parking restrictions
- Where on-site standards cannot be achieved, contribution to mitigate the impact of carbon and air quality emissions
- Continuing to secure employment and training plans – and local employment targets – through S106
- Capturing monitoring fees consistently for all S106 agreements with specific monitoring fee associated with travel plans and employment plans
- Providing more standard means of calculation for payments where possible
- Reinforcing that we will take a more proactive approach to ensuring compliance.

Planning Obligations SPD - Structure and content

2.3 A summary of each section of the Planning Obligations SPD is below:

2.3.1 **Introduction** – Provides an outline of the purpose and status of the draft SPD, as well as outlining information on statutory consultation.

2.3.2 **Background** – Outlines the context of this document within the long term strategic aim of the Local Plan as well as how the document will broadly be used.

2.3.3 **Policy and Legislative Context** – Outlines the national, regional and local policy frameworks as well as the requirements laid out in the Town and Country Planning Act (1990) and CIL Regulations (as amended 2019).

2.3.4 **What Are Planning Obligations?** – Explanation of different standard planning obligations and CIL (Mayoral and Borough) and the difference between them, as well as planning conditions and Section 278 Agreements

2.3.5 **How Planning Obligations are secured** – A general explanation of how CIL and Section 106 contributions are sought, the appropriate thresholds used to determine where they are required, information on monitoring and the various S106 trigger points.

2.3.6 **Obligations and Charges** – A detailed description of the contributions that are/may be required for various housing and infrastructure needs

- 2.3.7 **Appendix 1** – A table summarising the key information within the SPD in relation to more specific development thresholds (e.g. commercial, 10+ unit residential)

Supporting Evidence Base

- 2.4 The Planning Obligation SPD has been informed by the following documents:

- LB Barking and Dagenham Infrastructure Delivery Plan (2020); and
- LB Barking and Dagenham Infrastructure Funding Statement (2020)

- 2.5 The Sustainability Appraisal, which has already been undertaken, is a key evidence base document, which not only fulfils the statutory requirements for Sustainability Appraisal (SA) and Strategic Environmental Assessment Directive (SEA) 2001/42/EU and associated UK Regulations. An SEA is unlikely to be required where a supplementary planning document deals only with a small area at a local level (see [regulation 5\(6\) of the Environmental Assessment of Plans and Programmes Regulations 2004](#)) unless it is considered that there are likely to be significant environmental effects. A screening document has been created, which supports this conclusion.

Next Steps

- 2.6 Be First will consult on this document in Summer 2022 for six weeks, in line with the Council's Statement of Community Involvement (SCI) Refresh 2019 (updated in August 2020). All representations made in response to the public consultation on the draft SPD will be processed and subsequently considered prior to adopting the final version of the masterplan.
- 2.7 Following the statutory consultation period, the Planning Policy Team will undertake a period of examination of the representations made and create a final draft of the SPD. Final changes will be cleared by the Strategic Director, Inclusive Growth in consultation with Be First's Chief Planner and submitted to Assembly for approval in November/December this year.

3. Options Appraisal

- 3.1 The options for consideration here were:

- Do not bring forward a draft Planning Obligations SPD
- Bring forward a draft Planning Obligations SPD, but at a later date
- Bring forward the draft Planning Obligations SPD now

- 3.2 The first two options were not considered viable, primarily because more in-depth supplementary planning guidance is required to support emerging Local Plan policy in Chapter 11, which is now a material consideration in planning terms. Consequently, Planning Officers and LBBB Officers have highlighted the requirement for such supplementary guidance to be brought forward to support emerging Local Plan policy which is already the benchmark for determining planning applications. Therefore, the third option is considered to be the only acceptable option.

3.3 Furthermore, whilst the Levelling-up and Regeneration Bill does set out the Government's intentions regarding changes to the collection of developer contributions, we feel it is unlikely that we are to see these changes in practise during the next couple of years. As such, bringing forward an SPD on the matter now is still judged to be the most appropriate option.

4. Consultation

4.1 The structure and content of Planning Obligations SPD has been informed by internal engagement with borough officers and Be First Development Management Officers. Early engagement has taken place to date as follows:

- Internal consultation and workshops with officers from across the Council
- Briefing session and presentation on draft SPD with Inclusive Growth and other LBBD Departments (inc. Education, Air Quality, Parks and Green Space, Universal Lifecycle and Health)

4.2 The proposals in this report were considered and endorsed by the Corporate Strategy Group at its meeting on 16 June 2022.

5. Financial Implications

Implications completed by: Katherine Heffernan, Head of Service Finance

5.1 There is no specific additional funding available for the development or consultation on the SPD and so this activity must be carried out from within existing resources.

5.2 A robust SPD is required to support the Council's planning regime and in particular to secure appropriate and sufficient section 106 contributions and to plan the most effective use of Community Infrastructure Levy.

5.3 The Cabinet should note that there is a risk that these contribution mechanisms could be changed as a result of Government policy changes and the new Levelling Up bill. However, it is important to continue to make use of the existing regime in the interim.

6. Legal Implications

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

6.1 The Planning and Compulsory Purchase Act 2004 (the "Act") required the Council to replace its Unitary Development Plan (UDP) with a Local Development Framework (LDF). As observed above the Draft Planning Obligations Supplementary Planning Document is a key LDF documents.

6.2 The Local Authorities (Functions and Responsibilities) (Amendment) (No 2) (England) Regulations 2004 provide that adoption of LDF documents are not an Executive function, so the resolution to adopt LDF documents under section 23 of the Act must be carried out by the Assembly.

7. Other Implications

- 7.1 **Contractual Issues** - This SPD is required to provide supplementary planning guidance to the emerging Barking and Dagenham Local Plan 2037. It is outlined in the Draft Local Plan that an SPD for planning obligations is required to ensure the Council can successfully “address a development’s impacts and ensure it aligns with the development plan for the borough.”
- 7.2 **Corporate Policy and Equality Impact** - The planning policy team has undertaken a full Equality Impact Assessment (EqIA) as part of the new Local Plan Regulation 19 document, which this document supplements. The Council’s Policy and Participation Officer has advised that a further assessment is not required for SPDs due to their supplementary status outside of the Development Plan, but separate EqIA may be required for individual schemes when brought forward in future.

Public Background Papers Used in the Preparation of the Report:

[Regulation 19 \(2\) Draft Local Plan 2037](#)

[LBBB Infrastructure Delivery Plan 2020](#)

List of appendices:

Appendix A: Draft Planning Obligations SPD

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PLANNING OBLIGATIONS SPD

July 2022



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1. Introduction



What is this SPD?

1.1. This Supplementary Planning Document (SPD) provides detailed guidance on the use of Section 106 (S106) planning obligations alongside the Community Infrastructure Levy (CIL). This SPD forms part of the Barking and Dagenham Local Plan framework, which guides the Council's decision making on planning applications.

Purpose of this SPD

1.2. The purpose of this document is to:

- Explain the Council's approach to using planning obligations to local residents, developers and the wider community;
- Establish the circumstances where planning obligations (requiring financial and non-financial contributions) will be sought and used;
- Explain how financial and non-financial planning obligations will mitigate the cumulative impacts of a development in the borough; and
- Clarify the approach to S106, CIL and the relationship between them.

Status of this SPD

1.3. This SPD has been prepared to meet the requirements of Part 5 of the Town and Country Planning (Local Planning) Regulations 2012 and associated regulations, national guidance on SPDs and relevant case law at time of publication. It will provide a material consideration in the determination of planning applications.

1.4. The guidance in this SPD is consistent with the National Planning Policy Framework (NPPF) and policies in the Publication London Plan (2021) and should be read in conjunction with these documents.

1.5. The period for this SPD aligns with the draft Local Plan which is 2021 to 2037. There may be other obligations, not covered in this SPD, which may be required, and arise on a case-by-case basis to mitigate against specific site development impacts. These will be discussed in detail on a case-by-case basis.

Consultation

1.6. This draft SPD will be published for public consultation in July 2022.

2. Background

2.1. Barking and Dagenham's (draft) Local Plan outlines a target of 44,051 new homes in the borough over the course of the Local Plan Period. In addition to this table 4.1 of Policy H1 in the Publication London Plan (2021) sets an annual target of 1,994 new homes per year over the first ten years of the plan period. This level of growth will result in increased pressure on local infrastructure, services and facilities, creating demands for new provision.

2.2. The Council and developers have a responsibility, through the planning process, to ensure that any impact caused by development is mitigated and that the necessary infrastructure is provided. The Council's Infrastructure Delivery Plan (IDP) identifies key infrastructure requirements to unlock future regeneration, and the associated costs where known. This SPD should be read alongside the IDP as the key reference point for such planning obligations.

2.3. The Council expects new development to contribute to site specific and wider infrastructure needs through a combination of the following mechanisms:

- Planning obligations to secure developer contributions or works in kind, e.g. S106 agreements (generally site specific);
- Community Infrastructure Levy (strategic local and borough wide infrastructure);
- Planning conditions (site specific); and
- S278 highways agreements.



3. Policy and Legislative Context

National Policy Context

3.1. The Government’s guidance on planning obligations is contained in the National Planning Policy Framework (NPPF)(July 2021) paragraphs 55 - 58. The National Planning Practice Guidance provides further advice on the nature of planning obligations at paragraphs 001 to 006.

Regional Policy Context

3.2. The Mayor’s policy for planning obligations is set out in Policy DF1(D) ‘Delivery of the Plan and Planning Obligations’ of the Publication London Plan (2021). Key weight is given to the prioritisation of affordable housing and infrastructure through planning obligations and policy DF1(E) indicates how these Mayoral priorities should feed into each authority’s Community Infrastructure Levy Charging Schedule, to determine which infrastructure will be funded through CIL contributions.

Barking and Dagenham’s Local Plan

3.3. Chapter 11 of the draft Local Plan sets out policies guiding development to fulfil the strategic vision and strategy for the borough. Policy DMM1 sets out how the Council will deliver the provision of adequate and appropriate infrastructure for the Local Plan. Other relevant policies are outlined in **Appendix 1**.

Legislative Context

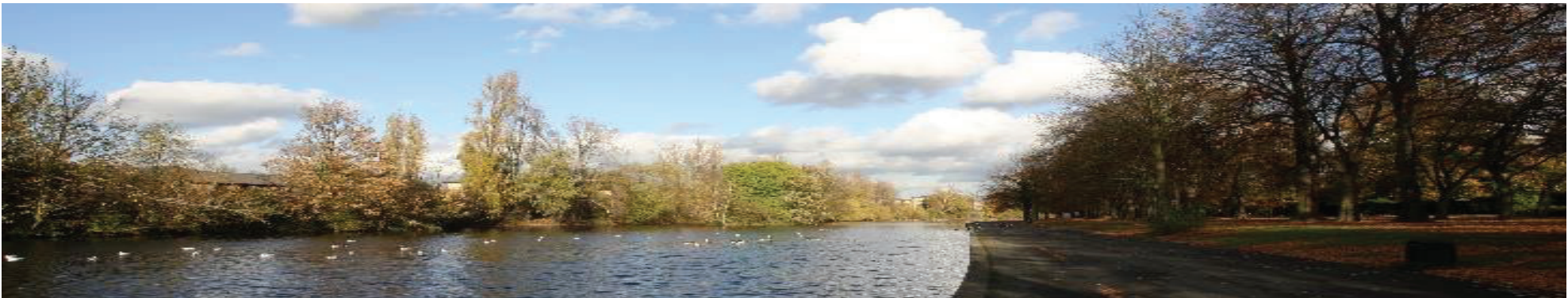
3.4. Section 106 of the Town and Country Planning Act 1990 (TCPA 1990) provides planning authorities with the ability to enter into agreements to obtain obligation(s) with a person interested in the land that is located within their area.

3.5. The Community Infrastructure Levy (CIL) was introduced in the Planning Act 2008, with further details set out in the Community Infrastructure Levy Regulations 2010. The purpose of CIL is to ensure that the provision of infrastructure to support the development of an area can be funded (wholly or partly) by levying a charge(s) on owners or developers of land when they secure planning permission for development that is subject to the levy.

3.6. Regulation 122 of the CIL Regulations (as amended) applies to determinations for the grant of planning permission and states that for a planning obligation to constitute a reason for granting planning permission it must be:

- a. Necessary to make the development acceptable in planning terms;
- b. Directly related to the development; and
- c. Fairly and reasonable related in scale and kind to the development.

3.7. LB Barking and Dagenham Council is required to publish an Annual Infrastructure Funding Statement to demonstrate how CIL contributions have been spent, the first of which was published in December 2020.



4. What are Planning Obligations?

4.1. Planning obligations enter the developer into a legal commitment to undertake specific works, provision of land/facilities, or providing a financial contribution towards the provision of a service or piece of infrastructure.

4.2. Section 106 planning obligations are used to address negative impacts of development and are designed to address additional burdens that new developments may place on local infrastructure. The agreement will vary depending on the nature of a development.

Types of Planning obligations – Standard Obligations

4.3. Some obligations are considered ‘standard obligations’ and are used as a starting point for drawing up a Section 106 agreement. Obligations are then added or subtracted from the list, depending on the nature and location of the scheme in accordance with statutory requirements.

4.4. The following ‘standard obligations’ apply to major developments (commercial/mixed use schemes of 1,000sqm or more, or sites providing 10 or more residential units). This includes, but is not exclusive to, the following areas:

- Affordable housing provision;
- Public realm;
- Highways works
- Parks, playspace and amenity areas
- Transport and parking restrictions;
- Health, education and other social and community infrastructure
- Employment, skills and suppliers;
- Sustainability, e.g. Carbon offset fund and district heating network;
- Air Quality; and
- Biodiversity

4.5. The Council may also seek to secure contributions where a development proposal is below the minimum threshold but creates an exceptionally large impact. The SPD does not cover all the planning obligations that may be sought. Larger development schemes may have wide ranging impacts which will require more significant measures to be put in place. These will be set out by the Council as and when necessary. Contributions for infrastructure such as education and health facilities will be assessed against the existing provision in the locality of the development.

4.6. The financial or non-financial contribution amount due for each obligation is calculated using the formulas and methodologies set out in this SPD or will be communicated throughout the application process. These formulas are based upon:

- An assessment of the scale and nature of the impacts of a development; and
- Needs and planning requirements applicable to development throughout the borough or in a particular part of the borough.



What is CIL?

4.8. The Community Infrastructure Levy (CIL) is a non-negotiable planning charge which is a tool to help the Council in delivering infrastructure to support development in their area. It was introduced to provide developers more certainty up front about how much money they will be expected to contribute towards local infrastructure needs.

4.9. CIL provides a standard charge (or charges) that can be levied on most new developments. It is based on the size and type of development and charged on the basis of '£ per m²' for developments that involve an increase of 100m² or more of gross internal floorspace, or creating a dwelling even where this is below 100m². Some developments are exempt, such as those incorporating social housing, developments by charities of buildings used for charitable purposes and self-build developments e.g new residential extensions or annexes.

4.10. CIL monies can be spent on, or contribute towards, new or improved infrastructure deemed necessary to deliver the Local Plan. Through the IDP, the Borough has identified several pieces of key infrastructure needed to support the successful delivery of the Local Plan objectives, which may benefit from CIL funding. These include strategic transport improvements listed in the Local Plan and Borough Transport Strategy¹, provision of several new schools and medical facilities to support 44,051 new dwellings and provision of additional green and blue infrastructure to combat climate change and deficiency in public open space.

4.11. There are two types of CIL charge payable in the borough: Borough CIL (Barking and Dagenham CIL) and Mayoral CIL.



Barking and Dagenham CIL

4.12. Barking and Dagenham's CIL became effective on 3rd April 2015. The borough's charging schedule can be viewed on the Council's website¹.

4.13. CIL generates funding to deliver infrastructure to support growth in the borough. CIL funding is split as follows:

- Strategic CIL 80%
- Neighbourhood CIL 15%
- Administration 5%

4.14. Strategic CIL is spent on infrastructure such as transport, education, cultural facilities, parks and health facilities. Required infrastructure is identified in the borough's Infrastructure Delivery Plan which will be updated on an annual basis.

4.15. Neighbourhood CIL must take into account the views of the communities where development is taking place and is spent on a range of projects to support development. This may be related to infrastructure, but it may also be used to address the demands that development places on an area.

Mayoral CIL

4.16. LBBD is a Collecting Authority for Mayoral CIL (MCIL) in the borough. The Mayor's CIL Charging Schedule can be viewed on the Greater London Authority website².

4.17. MCIL 1 was introduced in April 2012 to help finance the construction of Crossrail. In April 2019 MCIL2 came into force, superseding MCIL1 (for all planning consents from 1st April 2019 onwards) funding Crossrail 1 (the Elizabeth Line) and Crossrail 2. Barking and Dagenham is a 'Band 3 borough' and is assigned a charge of £25 per square metre (plus indexation) for MCIL 2.

¹ https://www.lbdd.gov.uk/sites/default/files/attachments/2021_10_07_Barking%20Borough-Wide%20Transport%20Strategy.pdf

Relationship Between CIL and Planning Obligations

4.18. CIL Regulations were updated in September 2019, changing the relationship between CIL and Section 106 obligations. These updates removed the pooling restrictions on Section 106 monies as well as the requirement for charging authorities to produce a list of possible projects or categories of infrastructure that CIL monies will be spent on (Regulation 123 list).

4.19. To improve transparency and accountability on the spending of CIL funds, local authorities are now required to produce an Infrastructure Funding Statement (IFS) on an annual basis, with Barking and Dagenham's first IFS published in December 2020. The Infrastructure Funding Statement is intended to be a more flexible tool in setting out infrastructure priorities and delivery and provide a framework for improving communication with local communities about delivery of Section 106 planning obligations. The IFS will report on how planning obligations have and intend to be spent in future years.

What are planning conditions?

4.20. Planning conditions are requirements made by the local planning authority, in the granting of planning permission, to ensure that certain actions or elements related to the development proposal are carried out. They may also be used as a mechanism for the provision of essential on-site design requirements. While they mainly relate to the proposed development and associated site, they can also be used to secure off-site provision in some circumstances. In order to speed up the delivery of development, the local authority will only impose conditions which are absolutely necessary and encourage developers to provide the necessary detail in their planning application to limit the number of conditions required.

4.21. Planning conditions may cover items such as the following:

- The submission of reserved matters;
- Controls over materials to be used;
- Controls over the occupation of new buildings or further stages of development until certain other action are completed;
- The requirement to undertake further investigations as work proceeds (e.g. archaeological investigation);
- Construction in accordance with the submitted method statement; and
- The requirement to implement works in accordance with the submitted plans such as landscaping, tree planting, drainage works etc.

Section 278 agreements

4.22. Works which are required to the public highway will often be secured through an agreement made under section 278 of the Highways Act 1980. Examples of these works include:

- New junctions (with and without traffic lights);
- Roundabouts;
- Right turn lanes;
- Improved facilities for pedestrians and cyclists;
- Improvements to existing junctions;
- Traffic calming measures;
- Traffic regulation orders

4.23. Requirements for S278 agreements will be negotiated separately, although the obligation for applicants to enter into a s278 agreement will form part of the s106 agreement itself. The Council encourages applicants to undertake discussions with its Transport Development Management Officers at the early stages of an application to identify any works on the public adopted highway network that will be necessary for planning permission to be granted.



5. What is the procedure for securing Planning Obligations?



CIL

5.1. The amount of CIL to be paid depends on the size and type of development. Not all development is CIL liable. Please speak to your case officer to clarify this.

The CIL process for CIL liable developments is as follows:

- A CIL Liability Notice is issued after planning permission is granted outlining the potential CIL charge;
- The developer must submit a Commencement Notice prior to commencement of development stating the proposed commencement date;
- A *CIL Demand Notice* is issued after notification of commencement and developer must pay within 60 days of commencement, in line with Regulation 69B of the Community Infrastructure Levy Regulations 2011 (as amended). If the total amount payable is over £100,00.00, the Council will allow payments by two instalments with the greater of £100,000 or half the total payment payable within 60 days of commencement of development and the balance payable within 240 day of commencement of development.

5.2. Further information is available at:

- [National Planning Policy Framework](#)
- [DLUHC](#)
- [Planning Portal](#)
- [Local Plan review | LBBD](#)

Section 106 Agreements

The Council's role and approach to planning applications and obligations

5.3. The Council encourages applicants to undertake the correct process when negotiating, preparing and completing planning obligations to ensure applications and obligations are dealt with in a timely and efficient manner. They should:

- Engage in pre-application discussions as early as possible;
- Agree detailed heads of terms with the Council; and
- ensure all documents are submitted on time and in line with validation requirements.

Pre-application Advice

5.5. Applicants, agents and developers are encouraged to seek pre-application advice (fee applicable) prior to submission of a formal planning application. The pre-application process offers the opportunity to discuss with Planning and other Council officers, without prejudice, the acceptability of the proposed scheme. This will enable informed and detailed discussion on the types of obligations to be entered, both on-site or off-site, 'in kind' or financial contributions. If discussions for draft heads of terms fail to result in an agreement, the applicant will be invited to provide justification and alternatives for consideration. Please refer to the guidance note 'Charging for pre-application advice' for further details³. Please note that where planning applications meet the criteria for referral (Mayor of London or TfL), the applicant should engage with these bodies.

Application Stage

5.6. When draft heads of terms have been identified as part of the application, it is essential that they are submitted as part of the application, and as part of the validation process to avoid delays.

Thresholds

5.7. Appropriate thresholds have been set for each type of Section 106 obligation in order to provide clarity as to when particular contributions will be sought. In setting thresholds, the Council's intention has been to balance the objective of ensuring that new development makes a proportionate contribution to the requirements it will generate, so as not to overburden smaller developments which do not typically generate the economies of scale that larger schemes can realise.

5.8. The Council has sought to develop a simplified approach, so whilst different thresholds are applied in relation to the various types of S106 obligation, these have been kept to a minimum where practicable. The table in Appendix 1 below sets out examples for the delivery mechanism for securing mitigation, with reference to the associated Local Plan policies. This table is a guide only and mitigation for each individual application will be subject to specific details.

Monitoring

5.9. The Council will start managing and monitoring each S106 agreement from the moment it is signed. The requirement on the Council to monitor all aspects of S106 agreements carries a financial cost that constitutes an impact from new development. Accordingly, the Council will require as follows a flat monitoring fee as a financial contribution for each S106 agreement of:

- £500 for each standard Head of Terms
- £1500 for additional, more complex clauses
- Separate fees, commensurate with the scale of development, to monitor complex travel plans and employment and skills plans, if no co-ordinator is provided by the developer.
- An additional fee of £500 each for calculation and assessment of carbon offset obligations and air quality obligations.

5.10. All monitoring costs should be index-linked to the Building Cost Information Service BCIS All-in Tender Price Index from the date planning permission was granted to the date of actual payment, to ensure that the value of the obligation does not reduce over time due to inflation.

5.11 These monitoring fee excludes all legal costs associated with the preparation of S106 agreements. All planning obligations, whether financial or in-kind, require monitoring to ensure the obligation is fully complied with and in line with the trigger date as well as the relevant legal requirements.

Financial contributions

5.12. Upon receipt of a financial contribution, Monitoring Officers will notify the service area or organisation with the responsibility for delivery of the associated project. Some of these projects will be specific to the development, such as specific works in a park, or the public realm, and identified as such in the legal agreement. Others may be more generic, such as for carbon offset or air quality. Projects funded through CIL and S106 planning contributions will be selected through strategic objectives underpinned by Local and Regional requirements which identify the infrastructure needed within the Borough.

Non-financial obligations

5.13. The delivery of non-financial contributions, or obligations in-kind, will be monitored by the appropriate service areas responsible for project delivery within the Council. To ensure the smooth and efficient monitoring and collection process, Be First will:

- Monitor all 'trigger points' (stages of development) for delivery of obligations;
- Ensure that all obligations, financial and non-financial, identified in the Agreements appropriate to these triggers are secured;
- Manage initial receipt of monies

The Council will

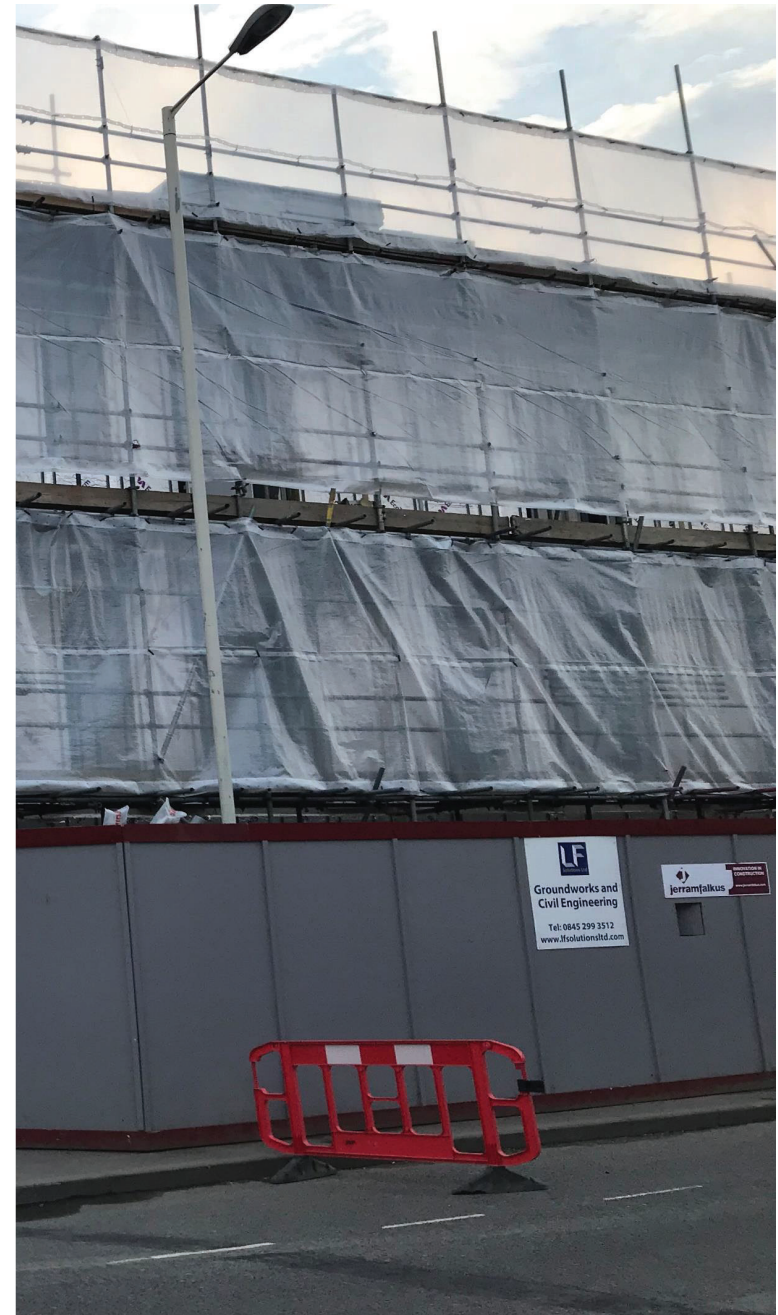
- Receive monies and the setting up and monitoring of the bespoke accounts relating to each mitigating project, as well as managing and accounting for the spending of S106 and CIL money and infrastructure delivery provision

S106 Trigger points

5.14. During the negotiation process, trigger points for each obligation will be agreed between the developer and the Council. There are established trigger points which are suitable for S106 agreements and triggers selected in each case will be based on the nature of the obligation and the stage at which the mitigation is required. The established trigger points are:

- Upon the date that the agreement is signed;
- Upon or prior to commencement of the development;
- Upon or prior to practical completion of the development;
- Upon or prior to occupation of the development.

5.15. Development may also be phased, so the trigger points may relate to specific construction phases of the development.



Payment of S106 and CIL contributions

5.16. Payment of S106 financial contributions should be paid in line with the trigger points above. This will enable mitigation and improvement works to commence during construction of the development and, where feasible, be co-ordinated with the completion of development. The payment process for CIL contributions is as follows:

- The developer must submit a Commencement Notice to Be First not less than 14 days prior to commencement of development stating the proposed commencement date;
- Upon receiving a notice of commencement, Be First will issue a Demand Notice and developer must pay within one month from the Demand Notice being sent.

5.17. Details of how to make a payment to the Council is provided within the Demand Notice. A payment form as standard will be appended to the agreement and any payments should be made using this form, following the instructions provided. The payment should be made through a BACS/CHAPS payment. Once received, the payment will be logged onto the Council's systems.

Index-linking payments, interest and enforcement of obligations

5.18. All S106 financial contributions should be index-linked to the Building Cost Information Service BCIS All-in Tender Price Index from the date planning permission was granted to the date of actual payment, to ensure that the value of the obligation does not reduce over time due to inflation. Should a payment not be made on the date payment is due, interest will be charged to disincentivise late payment. As a final recourse, where obligations are not subsequently complied with, the Council will take legal action against those in breach of a S106 agreement and enforce against non-payment of CIL.

Interest Bearing Accounts

5.19. In order to compensate for any loss of value of received S106 receipts arising from inflation, pending expenditure all monies received will be held in interest bearing accounts. Any interest accrued will be applied by the Council to s106 related projects.

5.20. Specific numerical information relating to prices, formulas and, subsequently, the level of contributions due will need to be updated on a regular basis in order that the document remains relevant. Area-based planning obligations strategies will also need to be reviewed as part of this process to ensure the tariffs are based on the most reliable and up to date evidence. The changes will be published in the Annual Monitoring Report. Any amendments to fee schedules will also be published on the Council's website.

5.21. Be First has a S106 Monitoring Officer who is responsible for monitoring legal agreements, managing the implementation of developer contributions and non-monetary heads of terms. Most s106 payments have to be spent within 5 years of receipt, or returned to the developer. Be First has an established process for recording and monitoring Section 106 Agreements and other relevant legal agreements, including a database with details of all agreements. The Inclusive Growth team of the Council are responsible for allocating CIL and s106 money, and monitoring spend.



6. Section 106 – Standard Obligations and Charges



6.1. This section sets out the standard obligations and associated charges which may be sought by the Council through Section 106 agreements. While this is intended to provide clarity and transparency to officers and developers alike, it should not be considered an exhaustive or complete list of planning obligations which might be required. Some developments may require additional, case-specific forms of mitigation to address all site-specific impacts and be acceptable in planning terms. This will be negotiated on a case-by-case basis.

6.2. There may be exceptional cases where on-site provision of obligations necessary to make a development acceptable cannot be delivered on-site, in which case the council will expect off-site contributions, whether as alternative provision or a commuted sum. This section is supported by the information included within **Appendix 1**.

Affordable Housing

Context

6.3. There is a significant shortage of affordable housing across London, with the GLA SHMA (2017) identifying that this comprises 65% of London's overall housing need. The shortage of access to affordable dwellings across all tenures is felt as strongly in Barking and Dagenham as anywhere across London, with the 2020 SHMA indicating a net annual requirement for affordable housing of 1,557 units per annum. In the period to 2029, the Borough's indicative housing delivery target is 29,287, averaging 2,928 per annum. Policy DMH 1 includes a 50% on-site affordable housing target, which could potentially deliver 14,644 affordable units up to 2029. This is slightly short of the projected demand, but it is considered proportionate as setting an affordable housing target level higher than this could deter new development coming forward.

6.4. Additionally, the Council will seek to maximise affordable housing delivery from all sources, including non-conventional housing such as some C2 class uses (such as student housing, or housing for vulnerable or older adults), as well as conventional residential developments (in Use Class C3). This is justified by the need for affordable homes in conjunction with the borough's challenging viability context.

6.5. S106 agreements are the most appropriate mechanism for securing affordable housing and the Council will use this mechanism to deliver it. Current CIL Regulations do not enable affordable housing to be allocated funding or to be delivered as infrastructure in-kind from CIL funding.

Indicative Section 106 requirements

6.6. Residential schemes of ten units or over should deliver the Local Plan strategic target of 50% of units as on-site affordable housing. The S106 agreement must also ensure that the affordable housing delivered is compliant with the policy requirements and acceptable under the terms of the planning application. This should be shown in a breakdown of numbers which demonstrate the development can meet the required mix of affordable housing tenures and the required mix of housing sizes within the affordable housing units, including family housing (3 bedroom dwellings and above).

6.7. Off-site provision will only be accepted in exceptional circumstances where it can be demonstrated that development viability cannot accommodate affordable housing on-site. This must be provided in the borough and, where possible, in the vicinity of the site.

6.8. Only in exceptional circumstances, when it is demonstrated to the Council's satisfaction that on-site delivery is unviable and off-site provision is not possible, will payment of a commuted sum to support the delivery and supply of affordable housing elsewhere in the borough be considered, as set out in paragraph 62 of the NPPF and paragraph 2.56 to 2.59 of the Mayor's Affordable Housing SPG. This will be calculated on a case-by-case basis and should be paid as soon as is practicably possible.

6.9. Where the required level of affordable housing provision does not meet the 50% target, this should be demonstrated via a viability assessment. The Council may appoint a suitably qualified independent third party to assess any financial information submitted related to development viability, the costs of which will be met by the developer. There will always be a review mechanism in place, so that viability can be re-assessed at the point of delivery, and additional payments towards affordable housing made where appropriate.



Carbon Offsetting

Context

6.10. To address the issue of climate change, both the London Plan and Barking and Dagenham Local Plan both seek to ensure that new proposals make the fullest contribution to standards which are designed to lead to zero carbon developments. Local Plan policy DMSI 2 outlines the borough's target of becoming Carbon Neutral by 2050 and states that proposals must submit a detailed Energy Assessment to demonstrate how the development has been designed in accordance with the energy hierarchy and the London Plan. The same policy also sets out that major developments should be designed to enable future connection to planned district energy networks, with a commitment to connect into this network once it is in place. This can be demonstrated either through a planning condition, with clear detail as to technical information required to discharge, or through a S106 agreement.

6.11. A Section 106 Agreement is considered to be the most suitable mechanism for securing financial contributions to offset carbon emissions, as the off-site mitigation of carbon emissions through a Carbon Offset fund is not determined to be infrastructure, as defined in the Planning Act (2008).

6.12. The requirement to off-set carbon emissions not mitigated on-site is related to the specific development and so cannot be effectively achieved through the CIL allocation process. The site specific nature of connections to a future decentralised energy network makes a S106 agreement the most appropriate mechanism. Non-site specific infrastructure required to operate the wider decentralised energy network may be funded through CIL.

Indicative Section 106 requirements

6.13. Off-site mitigation measures will be sought for all major residential and commercial developments that do not meet the on-site carbon reduction requirements outlined in London Plan policy SI2 which are at least 35% beyond Building Regulations.

6.14. If a developer can demonstrate off-site provision on an alternative site, where delivery can be ensured, this will be acceptable provided that this site is also within the borough. Otherwise, financial contributions will be required to the borough's Carbon Offset Fund. This will be calculated at the recommended GLA rate of £95 per tonne x 30 years = **£2850 per tonne.**

6.15. This will be subject to ongoing monitoring to ensure obligations are met. All, or part of the monitoring fee for this obligation may be spent to fund a technical assessment of the energy statement, to ensure that the stated outcomes are being met, and this will be inspected at practical completion

6.16. This funding will be spent on initiatives including, but not exclusively:

- Retrofit of social housing
- Retrofit of schools and civic buildings
- Implementation of a decentralised energy network
- Investment in renewable energy projects
- Low-carbon lighting projects
- Tree Planting
- Implementation of 5 nature reserves across the borough
- Low carbon transport, electric vehicle charging points, car clubs



Air Quality

Context

6.18. As identified in the Council's Air Quality Action Plan (AQAP), the entire borough of Barking & Dagenham has been declared an Air Quality Management Area (AQMA), which highlights pollution levels that exceed the Government's Air Quality Objectives. The Council will continue to seek planning obligations when it is identified during the planning process that the construction of a development or the operation of a certain use of a development will potentially harm or impact upon the surrounding environment (including introducing new receptors to an exceedance area).

6.19. The Council's AQAP sets out proposed measures to improve air quality within the Borough boundaries. Further review and assessments have confirmed earlier findings which identified road traffic as the main source of pollutants. The Council's review and assessment of air quality is periodically updated and the report of the latest review and assessment, including maps of predicted Nitrogen dioxide (NO₂) and Particulate Matter (PM₁₀) concentrations, can be downloaded from the Council's website.

6.20. Developments which may have a negative impact on air quality or are located in an area where the existing air quality is poor and therefore will have a further detrimental impact on the local environment, will require a contribution towards the implementation of the AQAP.

6.21. The following are identified as the primary ways in which a development may have a significant air quality impact:

- If the development is likely to cause a deterioration in local air quality (i.e. once completed it will increase pollutant concentrations);
- If the development is located in an area of poor air quality (i.e. it will expose future occupiers to unacceptable pollutant concentrations/new exposure);
- If the demolition/construction phase will have a significant impact on the local environment (e.g. through fugitive dust and exhaust emissions);
- If the development prevents implementation of measures in the AQAP; and
- If the Air Quality Assessment concludes that the Air Pollution Exposure Criteria is five per cent below the 2010 proposed objectives for each pollutant (APEC – from the London Council Planning Guidance).

6.22. A Section 106 Agreement is considered to be the most suitable mechanism for securing financial contributions towards air quality, where air quality neutral cannot be achieved on site.

Indicative Section 106 requirements

6.23. Contributions will be used towards monitoring of air quality and implementing the Air Quality Action Plan across the Borough. Payment will be required upon practical completion. Contributions will be determined on a case-by-case basis. Further guidance on Tariffs and specific Air Quality guidance is being reviewed and will form part of a Sustainability SPD planned for 2022/3.

6.24. The air quality monitoring costs relate to the purchase, service and maintenance of specialist monitoring equipment to be used to ensure the construction and operational phases of the development do not negatively impact on the local area. Funding will also be used to implement measures contained in the Council's AQAP, which will improve air quality. Local air pollution is not confined to a development, therefore Section 106 obligations will be used to mitigate residual emissions which have a wider impact on borough air quality.

6.25. This funding will be spent on, for example:

- Implementation of the actions contained within the Borough's Air Quality Action Plan; and
- Purchase, upkeep and maintenance of air pollution monitoring equipment.



Employment, skills and supply chain development

Context

6.26. The Council is committed to maximising the number and variety of jobs and apprenticeships available whilst improving the skills, training and employment opportunities for local residents as the borough grows in the coming years. By ensuring such opportunities for local people, the Council seeks to foster economic and social inclusion and combat deprivation, especially among the borough's younger population.

6.27. Policy SP5 affirms that new developments will generate employment, skills, training and supply chain opportunities during both the construction and end occupation phases and the Council will ensure that residents have ample access to such opportunities. This seeks to both meet the needs of the construction industry and the communities in which the Council works – addressing skills gaps through the creation of clear employment and training pathways that also enable local people to access good jobs in the construction industry, and building the capacity of local supply chains.

6.28. Access to jobs and training in construction developments should be provided to borough residents through the Construction team in the Council's established job brokerage service. Prior to and throughout the application process, developers will be expected to engage with designated Council officers who broker employment, training and supply chain opportunities to support delivery of the Employment, Skills and Supplier Plan, as well as contributing to monitoring.

6.29. The Planning Act (2008) does not define employment and training as infrastructure, it is not eligible to be allocated funding or to be delivered as infrastructure in-kind under the CIL Regulations. Therefore, Section 106 is the only appropriate mechanism for securing contributions towards employment and training.

Associated Section 106 requirements

6.30. Contributions to provide employment and training opportunities, both financial and/or non-financial and during both the construction and occupation stages, will be sought for all major residential and commercial developments via S106. This agreement will also set out monitoring targets and reporting arrangements, to ensure that the associated benefits are delivered.

Construction Phase

Employment and Skills Plan:

6.31. Applicants are required to submit an Employment and Skills Plan no less than 6 months prior to commencement on site to the Council's job brokerage team. This plan is to include but is not limited to a forecast of the estimated FTE workforce, the estimated duration of the development, number of vacancies, training opportunities and work experience placements that will be created over the lifetime of the development.

6.32. This must be accompanied by a method statement setting out how this will be delivered, including who in the organisation will be responsible for managing recruitment and training, how they will ensure compliance by trade contractors, how health and safety issues will be managed, and how they will engage with the council, community and key local training partners to meet their commitments on employment and training.

Employment during Construction:

6.33. Developers will be required to:

- Ensure that a minimum of 20% of the total jobs created (calculated on a full-time equivalent basis) during the construction phase are new jobs;
- Ensure that at least 25% of the total workforce (calculated on a full-time equivalent basis) during the construction phase are residents of Barking and Dagenham;
- Advertise all vacancies for jobs through the Council's job brokerage service – with notification for job vacancies made available exclusively through these services for a minimum of 10 days before being advertised more widely;
- Work with the Council to achieve the targets, including by providing a skill forecast for the development and highlighting any shortages to the Council's job brokerage service;
- Work to ensure that all construction workers on the development are directly employed and paid at least the London Living Wage. This would apply to the developer as well as sub-contractors.

Training during construction:

6.34. Developers will be required to provide at least one training opportunity for every 10 construction workers (calculated on a full-time equivalent basis) – including short courses, work experience, internships and other training related opportunities to support Barking and Dagenham residents to obtain and progress within employment. These training outputs must include the following opportunities for local residents:

- At least one apprenticeship for every 20 FTE workers, delivered at or progressing to at least a Level 3 qualification;
- At least 10 weeks work experience for every six months of the duration of the build;
- At least one educational workshop / visit per educational term for the duration of the construction phase to support local schools and careers services.

6.35. When delivering these, developers and their sub-contractors are asked to support our efforts to create clear routes into the sector for residents by using the council’s preferred local education and training providers where possible.

Financial contributions relating to employment and training:

6.36. There will be some exceptional circumstances where the above obligations cannot be met, such as where new developments are built off-site via Modern Methods of Construction (MMC), where there are lots of unfilled vacancies and a shortage of candidates, or, in some cases, where the length of a build doesn’t allow for an apprenticeship. In such cases, the Council will seek a financial contribution to generate alternative training, employment and local procurement opportunities elsewhere in the borough, using the following formulas:

The target number of jobs for LBBD residents (25% of FTE workforce) X £5,000 (average cost of supporting an unemployed borough resident into work)

AND

The target number of apprenticeship starts (1 in 20 of FTE workforce) X wage costs of a one-year apprenticeship paid at the London Living Wage rate

6.37. These contributions are only due when targets cannot be met. For example, if the development has an FTE workforce of 200, the targets will be to ensure 50 jobs and 10 apprenticeships are created and filled by residents of Barking and Dagenham. If the developer is unable to meet any of the employment targets, a financial contribution would be due of £250,000 (50 x £5,000). For apprenticeships, the cost would be calculated based on 10 (the target) X 1,820 (35 hours a week for 52 weeks) X the most recent hourly London Living Wage rate (as set by the Living Wage Foundation). If they can meet some of these obligations, the contribution will be calculated based on the shortfall against these targets.

6.38. In addition, all developers are asked to contribute financially towards training and employability support for local residents. This is towards the cost the council incurs within its employment and brokerage services to successfully train and support local candidates:

£4 (based on the HCA Employment Densities Guide, 2nd Edition 2010 or subsequent updated document) X sqm of the total new development floorspace (GIA)

6.39. For example, when applying the formula to a development consisting of 8,000 sqm of new floor space (GIA) - £4 x sqm (8,000) = £32,000 is obtained in contributions. In considering this requirement, due regard can be made to other site-specific requirements being addressed in the Section 106 Agreement, including CIL, and overall economic viability.



Supply chain development:**6.40.** Developers are required to:

- Supply the Council's Construction Team with a full Procurement Plan identifying the different trades to be on site, the tender event schedule, and how they will achieve a minimum of 25% local supply chain. This includes but is not limited to: goods, materials and services;
- Ensure companies based in Barking and Dagenham will be given a genuine opportunity to tender for all contracts and sub-contracts arising from a development, ensuring feedback where possible when a business is unsuccessful;
- Submit a list of work packages being offered to competitive tender for the developer and all sub-contractors, including timeframes, values of packages and framework requirements;
- Provide details when a package is awarded including information about any local contractors that have tendered for work (both successful and unsuccessful, with reasons why);
- Participate in at least two events in each year of the development to promote opportunities to local suppliers and build their capacity, and/or contribute financially to the delivery of such activity to ensure local suppliers are able to access opportunities arising from the development.
- Provide support to local businesses through the council's Business Forum and meet the buyer events

Monitoring:

6.41. Once the development has commenced monitoring information must be submitted to the Council by the designated coordinator responsible for managing recruitment and training monthly for the first three months of the construction phase and quarterly thereafter. The Council's job brokerage service will advise and agree with developers what evidence will be acceptable as evidence of compliance.

6.42. This designated coordinator will attend with the Council regular site visits or meetings to ensure compliance with their commitments and discuss progress. These visits and meetings will take place quarterly. In cases where the Council has concerns about compliance, these visits and monitoring reports may be required monthly, and additional evidence may be required. Where there are no concerns, such visits and meetings will be held on a less regular basis at the Council's discretion. The designated coordinator is also encouraged to attend the Council's quarterly Construction Advisory Forum meetings, which enable us to identify common challenges developers face when meeting Section 106 employment, skills and supply chain commitments and coordinate efforts to resolve these across the sector.

6.43. Monitoring costs will be incurred of £1500 for a scheme of up to 149 units and £3000 for schemes exceeding 150 units or 1000sqm of commercial floorspace.

6.44. Confirmation that all obligations have been met – or appropriate compensation agreed – must be provided before the Council will approve a developer's application for discharge. Employment and training compensation will be calculated based on the shortfall against:

The target number of apprenticeship starts x wage costs of a one-year apprenticeship paid at the London Living Wage rate

The target number of jobs for LBD residents (25% of FTE workforce) x £5,000 (average cost of supporting an unemployed borough resident into work)

6.45. When assessing whether developers have used 'best endeavours' to meet their obligations, the Council will take into account the following: whether the developer has provided a designated coordinator to manage recruitment, training and supply chain commitments; whether this person has responded positively to requests for meetings, monitoring information and evidence as required; whether all vacancies have been advertised through the Council's job brokerage services; and whether any problems affecting the developer's ability to meet targets have been raised with the council's job brokerage services and alternative options agreed, such as appropriate financial compensation.

Occupation stage

Employment and Skills Plan:

6.46. Applicants are also expected, within their Employment and Skills Plan, to outline operational phase employment opportunities. End users are expected to meet with the job brokerage service prior to occupation to discuss their employment, skills and training plan, and to provide a skills forecast for the development and highlight any shortages to the council's job brokerage service.

6.47. End users are to ensure that:

- In retail use and hotels (A-class), a minimum of 25% of the estimated total jobs (FTE) are filled by residents of Barking and Dagenham
- In Business class floorspace (B-class), a minimum of 10% of the estimated total jobs (FTE) are filled by residents of Barking and Dagenham
- New apprenticeships are created for Barking and Dagenham residents – calculated on a case-by-case basis with the council based on the total FTE.
- All vacancies are advertised through the council's job brokerage service, with notification of job vacancies exclusively available to residents for a minimum of 10 days before being advertised more widely;
- End-users commit to pay at least the London Living Wage to their staff.

6.48. If the above obligations cannot be met, the Council will seek a financial contribution to support training, employment and local procurement at the occupation stage, using the following formula:

The target number of jobs for LBBD residents (10% or 25% of FTE workforce) x £5,000 (average cost of supporting an unemployed borough resident into work)

6.49. Monitoring costs for the above will be sought by the Council at a fixed fee of £1500 for a scheme of up to 149 units and £3000 for schemes exceeding 150 units or 1000sqm of floorspace.



Affordable workspace

Context

6.50. The Council has a target to deliver at least 20,000 new jobs as part of the forthcoming Local Plan, creating a wider employment base by focusing on growing a thriving and productive enterprise and small business economy, alongside new inwards business investment. It is important that the Council supports a diverse range of new and existing businesses to develop and grow and to do this, there is a defined need for flexible, affordable premises as outlined in Local Plan policy DME2. This will also provide a long-term economic benefit to the borough, with the Institute of Public Policy's 2016 study estimating that London's open and flexible workspaces host 31,000 people and generate £1.7billion in Gross Value Added.

6.51. All major mixed-use development within the borough will be required to make provision for affordable workspace to meet the needs of local start-ups, small-to-medium enterprises (SMEs) and creative industries, along with sectors which have a social value such as charities, voluntary and community organisations or social enterprises.

6.52. Planning obligations will be required to secure and maintain this supply of affordable workspace in new development. As such provision is, by nature, site-specific and the Planning Act (2008) does not define workspace as infrastructure, it is not eligible to be allocated funding or to be delivered as infrastructure in-kind under the CIL Regulations. Therefore, S106 is the most appropriate mechanism for securing contributions towards this.

Indicative Section 106 requirements

6.53. S106 will be used to secure the provision of affordable workspace where there is demonstratable need, at capped rental levels in perpetuity where it is provided, with at least 10% of floorspace being secured at rents maintained at least 20% below current market rates and with priority given to companies based in the borough.

6.54. Workspace to be fitted out to Category A prior to being leased. Leases of affordable workspace should be for a minimum of 15 years, with the first 12 months' rent-free.

6.55. Additionally, affordable workspace should be activated prior to occupation of residential units or remaining commercial floor space and, when positioned within a development, should be designed to be balanced with other commercial units in terms of visibility, to help accessibility.

6.56. The Council will require developers to provide a Workspace Management Plan to show how this will be delivered and that an annual return on delivery will be achieved. This will also include ensuring that the space provided is appropriate and affordable, taking into account rent paid – along with other fees such as service charges that an operator may levy. The Council will monitor and where necessary enforce this on an on-going basis.

6.57. Where a scheme involves the redevelopment of existing low-cost workspace provision, a requirement may be sought within the S106 agreement for existing occupants to be given the option of being accommodated in the new development where possible.

6.58. In the following circumstances, LBBDD will consider alternative options that will achieve equivalent value and impact via an off-site contribution to be agreed with Planning Officers, for example to existing facilities in the borough or provision of new facilities on another site:

- Where viability appraisals demonstrate that on site provision is not feasible;
- Where an area is already considered to be well served with affordable workspace, or where it is unlikely to work on the development site;

6.59. Any off-site contribution should be of an equivalent or greater value than the rental discount that would have otherwise been offered and will be spent on options including, but not limited to:

- provision of, or funding towards affordable workspace on another site within the borough
- include targeted subsidies for either businesses or workspace providers
- a fit-out capital programme or refurb capital programme.

Education, Healthcare and other Community Infrastructure

Context

6.60. As outlined in Local Plan policy DMS2, new developments must help to meet the increasing demands that they will place upon the borough's social infrastructure by contributing towards supporting the upgrading or enhancing of existing facilities or provision of new facilities. Social and Community Infrastructure includes, but is not limited to:

- Education
- Healthcare
- Community Facilities
- Sport and Leisure Facilities
- Libraries, museums and other cultural facilities
- Youth centres

6.61. The Council will work proactively with key local government delivery partners and borough officers on an ongoing basis to ensure that suitable levels of infrastructure development take place.

6.62. Overall, there is considered to be a cumulative impact of development on social and community infrastructure across the borough and as such, CIL will remain the primary mechanism for funding new education and healthcare facilities. However, where the impact of a development gives rise to a site-specific requirement for new or enhanced social or community infrastructure, this can be mitigated through developer contributions agreed through S106.

Indicative Section 106 requirements

6.63. S106 will be typically used where the development proposed creates a need for facilities that isn't met by existing infrastructure, and where provision of on-site facilities forms part of a Local Plan site allocation. These allocations are included within Appendix 2 of the Local Plan, where specific requirements are outlined. Provision should be specific to site allocations and agreed through S106 agreements, with engagement with relevant Council officers to ensure that infrastructure is appropriately located and designed to meet future needs and appropriate rental levels charged. S106 may also be used to secure provision of off-site social and community facilities if a development will lead to a loss of a social and community facility.

6.64. The exact requirements to be sought through Section 106 will vary with each development proposal depending on the proposed development, any site allocation, projected population growth (determined through the GLA Population Yield Calculator) and other factors such as current capacity and projected expansion or loss of facilities. However, further information can be found below:

Educational facilities

6.65. As a general rule any new homes will generate additional pupils an impact on delivery of adequate school places. The Borough Education team will review planning applications to ascertain whether the forecast numbers of homes would impact on school places. For larger developments as a guide 1,500 homes would generate a requirement in the locality for a new 3 form (630 pupils) entry primary school, 5,000 new homes would generate a demand for a new secondary school up to 10 form (1800 pupils).

6.66. Where there is no site allocation for new educational facilities, but where development comes forward which creates additional demand for school places, the Council may seek contributions through S106 for increased or improved education provision where this cannot be met through CIL, and where there are not sufficient places locally. This includes early years, primary, secondary, SEN, and further education.

6.67. The local education authority will not seek to secure additional places where it is known that there will be a long-term surplus, as schools receive revenue funding based on pupil numbers and low numbers can cause financial difficulties. Any funding secured through CIL or S106 identified for school provision will be used to improve the school facilities in the Borough to improve the offer to local children.

6.68. Financial Contributions received for education will also be used for day care nurseries and will fund the provision of additional early years childcare places for the benefit of local workers. This may be in the form of a start-up grant for a new childcare provider or a financial contribution to expand existing childcare provision at an existing facility in the vicinity of the development site.

Healthcare and Social Care

6.69. All major development will be expected to mitigate its impact on health infrastructure through a s106 financial contribution to expand existing capacity. The NHS Healthy Urban Development Unit (HUDU) "Planning Contribution Model for London" should be used to calculate the financial contribution. For developments including potential health facility sites this should be provided as a fully fitted out unit, in accordance with DHSC guidance at a market rental as confirmed by the district valuer for shell and core provision.

Community Facilities, sports facilities and cultural facilities

6.70. Where there is a requirement for on-site community facilities, sporting facilities or cultural facilities to form part of a development has been identified in a Local Plan site allocation, this may be secured through S106. New community facilities are required to be fully fitted out, with leases of at least 20 years.

6.71. S106 may also be used to secure provision of off-site social and community facilities (including faith spaces/places of worship) if a development will lead to a loss of such facilities and cannot be re-provided. Provision should be proportionate to the scale of the development, and should have regard to the existing local supply, as in some cases contributions may be more effectively used to upgrade existing community space instead of providing new floorspace or amenity space. This will be determined on a case-by-case basis in conjunction with the Council's Community Participation and Engagement team

Emergency Services Provision

6.72. Emergency Service infrastructure requirements are set out in the Council's Infrastructure Delivery Plan. This includes details on S106 infrastructure for policing which is not limited to buildings and could include equipment such as surveillance infrastructure, CCTV, staff set up costs, vehicles, mobile IT and Police National Database. The Metropolitan Police is currently preparing a formula to enable collection of financial contributions and this will be used when available by the Council.



Public realm and streetscape

Context

6.73. The Local Plan outlines the key ‘transformation areas’ where significant levels of development will take place over the Local Plan period. Many of these areas, such as Dagenham Dock, Thames Road and Castle Green, have very poor public realm and others where public realm is of a better quality, such as Barking Town Centre, are projected to see significant levels of growth within the Local Plan period which will place pressures on its streets and public spaces.

6.74. The Council will seek a contribution from developers towards a fund for public realm improvements relative to the development site:

- Barking Town Centre;
- Dagenham Dock, Beam Park and Ford Stamping Plant;
- Thames Road, River Road and Castle Green;
- Dagenham East and Dagenham Village;
- Becontree;
- Becontree Heath and Rush Green; and
- Chadwell Heath and Marks Gate

6.75. In some cases, where there is considered to be a cumulative impact of new development on the public realm on a borough-wide basis, CIL will be the preferred mechanism for funding this. However, for public realm upgrades required in specific areas as a result of local development, S106 is a suitable mechanism for securing financial contributions. These contributions will be used to source contributions to a Public Realm Fund ensure that this can be supported.

Indicative Section 106 requirements

Public realm fund

6.76. Major schemes of between 10 and 149 units will be required to make a financial contribution of £250 per unit and schemes of 150 units or more will be required to make financial contributions of £500 per unit to a public realm fund to mitigate the impact of large-scale development.

6.77. This funding will contribute towards public realm initiatives, determined on an area-by-area basis, such as:

- upgrading existing public realm, improving the quality of pavements and new walkways to improve permeability
- new pedestrian crossings
- improved public amenity spaces;
- the delivery of a network of *Green Links* and pedestrian-friendly streets which connect new communities with public green spaces, strategic cycle routes, and key destinations



Highways and sustainable transport

Context

6.78. The Local Plan's Transport Impact Assessment outlines the current pressures facing Barking and Dagenham's highways and transport network and highlights the reality that the levels of development proposed within the Local Plan will place significant additional stress on the Borough's transport infrastructure over the course of the local plan period. The Council will use planning obligations, both financial and non-financial, to not only mitigate these impacts, but ensure that the infrastructure needed to support the proposed levels of development, as identified in the Borough Wide Transport Strategy (2021) and Infrastructure Delivery Plan (2020), is supported by funding contributions from developments.

6.79. In doing so, the Council also seeks to strengthen its focus on sustainable modes of transport and supports the current Mayoral target of 75% of journeys being taken on foot, bicycle or public transport by 2041. Policy DMT1 outlines the borough's wider approach to making better connected neighbourhoods, with "high-quality, safe and attractive cycling and walking routes" (see Borough Cycling and Walking Strategy 2021) and active travel routes connecting developments to local amenities and green space and "reducing the dominance of vehicles on London's streets whether stationary or moving".

6.80. Strategic transport and connectivity infrastructure items required to support the wider growth of the borough and which are not mitigating site-specific developments will be funded largely through the borough's CIL receipts. Examples of these types of schemes are identified within the Infrastructure Delivery Plan, also included in **Figure 22** of the Local Plan.

6.81. The Council collects the Mayor of London's CIL which contributes to London-wide strategic schemes and is currently applied to costs associated with Crossrail. Policy SP8 outlines the borough's commitment to "work proactively with the GLA, TfL and other network operators to develop strategic transport plans which enhance growth by improving local connectivity across the borough and the wider London area".

6.82. However, where transport and connectivity measures are required to make a site acceptable in planning terms or are directly related to the site, these mitigations will be sought through S106 agreements to ensure that they are delivered at the right time and scale to mitigate the impacts of the development. It is expected that developers will submit a Transport Assessment which will help to determine the impact of a development and required mitigation measures.

6.83. On occasion, the site-specific impacts of a development on the nearby highways network may be better mitigated by a Section 278 agreement, which will be agreed between the developer, the Council and the Be First's Transport Development Management Team during the application stages and will be used to secure the measures required instead of a Section 106 Agreement.

Indicative Section 106 requirements

The following types of mitigation will be sought through S106 agreements:

Travel Plans

6.84. Travel Plans are a long-term management strategy for integrating and encouraging sustainable travel into a new development, based on evidence of the anticipated transport impacts of development travel, and to ensure that transport other than private motor car is used, to reduce the number of cars on the roads.

6.85. The Council will require a Travel Plan from all new major schemes of ten units or more, all major commercial development and any large scale social infrastructure with a high level of trip generation. It should outline how the plan will be managed, implemented and reviewed. Developers will need to meet the cost of publicising, implementing and monitoring the travel plan outcomes - including any financial penalties - until such time as the travel plan objectives are met.

6.86. Monitoring of the travel plan is to be undertaken on an annual basis for a minimum of 5 years or 5 years after all phases of a development are complete (whichever is longer). During this period, it may be appropriate to amend the Travel Plan, by agreement with the Council in the light of development circumstances. Each version of the travel plan should report on its effectiveness.

6.87. The Council will seek to agree a fixed monitoring fee, based on the scale of development. This will be charged at £2,500 for developments from 10-149 units and £5,000 for developments exceeding 150 residential units, commercial developments exceeding 1000sqm and large scale social infrastructure schemes of high trip generating characteristic.

Sustainable Transport

6.88. In some cases, other requirements may result from Transport Assessments. Additional requirements, to be agreed during the application process, may include contributions to the following:

- New Active Travel Zone (ATZ) routes;
- Public transport upgrades;
- CPZ, Car Clubs or other Car Pooling Schemes;
- Provision of new, or existing cycle facilities such as cycle lanes and parking;
- Sustainable travel incentives for new residents or employees (dependent on scheme)
- Contribution to Council's EV Charging Points installation programme; and
- Events Management Plans to be submitted on an annual basis for schemes which may attract traffic, due to events.

Parking

6.89. Many new schemes will require that future occupiers (both residential and business) are not allowed to be issued with car parking permits for residential or business parking schemes. If no schemes are actually in place surrounding a proposed development, it is expected that all major schemes of ten units and above and all commercial schemes of 1000m² floorspace or above will contribute to the extension of on-street parking controls, including implementation and enforcement of Controlled Parking Zones, in order to mitigate the impacts of development on parking conditions and the local highway network.

6.90. Legal agreements will be required to secure a financial contribution to the Council to implement parking controls and to ensure that owners or occupiers of car-free residential units are not entitled to apply for parking permits.



Parks, open space and playspace

Context

6.91. Barking and Dagenham has a large number of parks, green spaces and sports pitches which are of a high quality and provide a benefit in terms of enhancing both the local environment and also the health and wellbeing of residents. Local Plan policy DMNE1 is key in protecting and expanding this network of open space and green infrastructure across the borough and ensuring that the levels of this key amenity are sustained and enhanced and remain accessible to all residents, where practical, in line with the increase in future development and proposed population growth.

6.92. On-site provision of children's play space is also important for the wellbeing and development of physical and social skills in children and plays an important role in improving health and reducing health inequalities. Policy DMNE1 reflects the requirements in London Plan policy S4 for provision of new, well-designed play space on site per young person, with projected demand to be calculated through the GLA population yield calculator.

6.93. Major schemes will be expected to make a financial contribution towards the provision of public open space in the borough, especially where there is a deficiency of public open space, or to make on-site amenity space and public realm publicly accessible. Additionally, obligations will be sought through S106 to make financial contributions where playspace cannot be provided on-site to the levels required in the London Plan, to improve nearby play areas and public open space.



Indicative Section 106 requirements

Parks and blue and green infrastructure:

6.94. Contributions will be sought towards the enhancement of the borough's parks and blue and green space, as well as the implementation of new or existing green infrastructure such as parks and pocket parks and planting of new trees where appropriate, enhancing the borough's green grid network. A financial contribution towards off-site provision of infrastructure elsewhere or a commuted sum may be accepted if this cannot be provided on, or near to, the development site.

6.95. Additionally, where residential development is proposed and the Council has identified a deficiency in public open space, financial contributions will be expected towards provision at a rate of £1,000 per 10m² deficiency.

Playspace:

6.96. In the exceptional (and only exceptional) circumstance where sufficient play space cannot be provided on site, a financial contribution will be required.



Nature and biodiversity

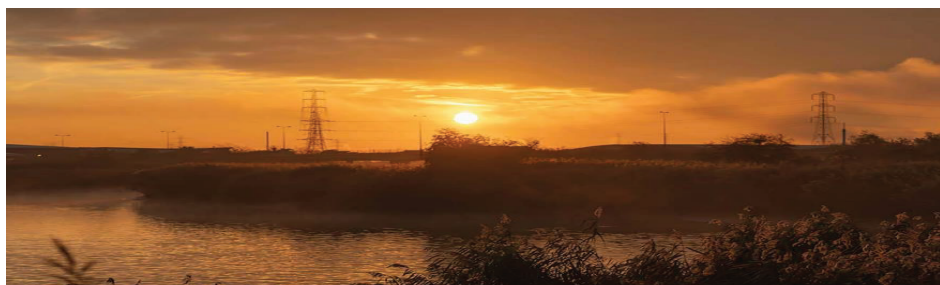
Context

6.97. The significant levels of development envisaged during the Local Plan period will place increasing pressures upon the quality of the natural environment in the borough. The NPPF outlines the Council's responsibility to ensure that the borough's natural environment is conserved and enhanced as development takes place and to ensure that opportunities are taken to protect biodiversity, wildlife and habitat connectivity. Tied into this is the increasing importance of mitigating the impacts of climate change. Significant harm to biodiversity and the borough's blue and green infrastructure resulting from a development proposal should be avoided.

6.98. Policy DMNE3 outlines the requirement of developers to manage impacts on biodiversity and aim to secure biodiversity net gain, as well as minimising the impacts of development on biodiversity and nature in accordance with the mitigation hierarchy set out in London Plan Policy G6.

6.99. Policy DMNE4 outlines the requirement for developments within the vicinity of the borough's blue infrastructure to protect and enhance the character of its waterways as well as improve water quality and biodiversity where possible.

6.100. Some larger scale biodiversity projects will be funded through CIL where there is a direct infrastructure requirement to support future development, or for schemes identified within the Green Infrastructure and Biodiversity Strategy. However, in many cases site specific measures relating to biodiversity will be needed to make a development acceptable in planning terms. Section 106 Agreements are the most appropriate means by which to seek this type of planning obligation to ensure that they are delivered at the right time and scale to mitigate the impact of the development.



Indicative Section 106 requirements

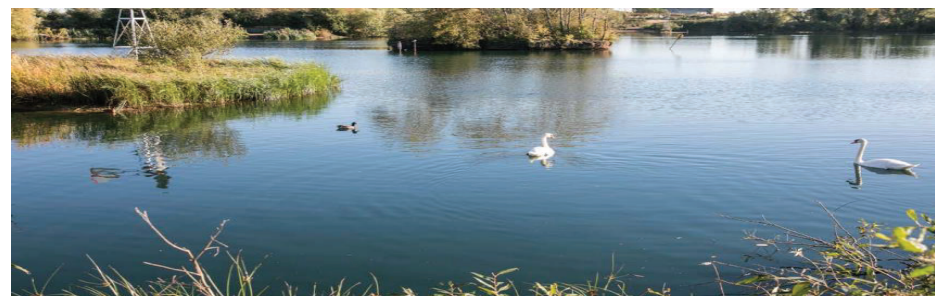
6.101. All major schemes of ten or more units and all commercial developments exceeding 1000m² of floorspace will be expected to demonstrate an equivalent contribution to 10% biodiversity net gain off site using the DEFRA metric, to be agreed with Officers.

6.102. If direct off-site provision cannot be agreed, a commuted sum to contribute to a Biodiversity Fund at a rate of £5,000 for every per cent below 10% net gain in line with the DEFRA metric, will be required to support measures including, but not limited to:

- securing, reinstating or enhancing existing habitat features;
- creating five new nature reserves across the borough;
- habitat creation;
- wildlife corridors; and
- maintenance and enhancement of amenity associated with rivers, lakes and waterways, as well as riparian equipment

6.103. For larger schemes, a commuted sum to contribute to green and blue infrastructure may be sought in addition to direct off-site provision.

6.104. Where sought, planning obligations may be used to require developers to carry out works to secure or reinstate existing habitat features, enhance existing features, create new features or to undertake habitat creation schemes.



7. Summary and further information

7.1. The obligations listed in Chapter 6 above should not be considered to be exhaustive and other obligations may be sought depending on the development site and nature of the proposal. The precise requirements which the Council will seek will be determined through engagement with Council officers.

7.2. As such, the Council encourages applicants to engage in discussions with planning officers at the pre-application stage, to further discuss the specific contributions which will be sought.

Appendix 1

Indicative Planning Obligation Checklist		Residential development of 10 + units	Commercial Development of 1000sqm or more	Large scale social infrastructure of high trip generating characteristic	Large scale schemes (typically 150 units or more/GLA referable schemes)
LOCAL PLAN POLICY					
Affordable Housing					
DMH 1: Affordable housing	Affordable housing on site or, if acceptable, off site or a financial contribution in place of this. 50% on-site affordable housing, split 50:50 between social and intermediate housing. This includes all residential developments incorporated under Use Class C2, such as housing for older and more vulnerable residents.	X			X
Transport and Public Realm					
DMT 1: Making better connected neighbourhoods	Highways works or payments to address any impacts of the specific development To be agreed with Be First's Transport Development Management Team and the Council, through S278 Agreements as well as S106 Agreements.	X	X	X	X
DMT 1: Making better connected neighbourhoods	Other sustainable transport requirements arising from Transport Assessments Sustainable transport requirements involving financial and non-financial contributions, may result from Transport Assessments.	X	X	X	X
DMT 1: Making better connected neighbourhoods	Car free / parking restrictions and controlled parking zones Contributions required towards the extension of on-street parking controls, including implementation and enforcement of Controlled Parking Zones, to mitigate the impacts of development on parking conditions and the local highway network.	X	X	X	X
DMT 1: Making better connected neighbourhoods	Travel Plans and contributions towards associated monitoring costs Travel Plans are a long-term management strategy for integrating and encouraging sustainable travel into all new major schemes. Travel Plans are monitored, with costs met by the developer.	X	X	X	X
DMNE 1: Parks, open spaces and play space	Financial contributions towards a public realm fund to address impacts in Local Plan sub areas	X	X		X
DMSI 4: Air quality	Financial contributions will be sought for a Public Realm Fund, to develop/improve public realm in all Transformation Areas.				X

	Environment				
DMSI 2: Energy, heat and carbon emissions	<p>Carbon offset payment, where policy requirements are not met on site</p> <p>Where on-site reduction of at least 35% beyond Building Regulations is not met, a payment to LBBD's Carbon Offset Fund will be required.</p> <p>Proposals of 1-9 units which cannot achieve zero carbon will also be required to contribute to the Carbon Offset Fund.</p>	X	X		X
DMSI 2: Energy, heat and carbon emissions	<p>Connecting to existing or capability to connect to future district energy networks</p> <p>Large scale residential and commercial schemes will be expected to demonstrate their capability to connect to existing or future district energy networks.</p>			X	X
DMSI 4: Air quality	<p>Financial contributions towards Air Quality</p> <p>Contributions will be sought towards the Borough's Air Quality Fund, to support measures outlined in the Air Quality Action Plan.</p>	X	X	X	X
DMNE 3: Nature conservation and biodiversity	<p>Measures or payment to increase biodiversity where net gain is not feasible on site.</p> <p>All major schemes will be expected to demonstrate an equivalent contribution to 10% biodiversity net gain off site using the DEFRA metric, to be agreed with Officers.</p> <p>A commuted sum to contribute to future schemes such as habitat creation, wildlife corridors and urban nature reserves may be agreed if direct off-site provision cannot be agreed.</p>	X	X	X	X
DMNE 1: Parks, open spaces and play space	<p>Financial contributions towards play space provision where not provided on site</p> <p>New major developments must provide play space per child as per Publication London Plan Policy S4. Projected demand to be calculated through the GLA population yield calculator.</p>	X	X		X
DMNE 1: Parks, open spaces and play space DMNE4: Water Environment	<p>Financial contributions to new or existing green and blue infrastructure and ecological resilience</p> <p>For larger schemes, contributions will be sought towards new or existing green infrastructure such as parks and pocket parks, enhancing the borough's green grid network as well as towards planting of new trees.</p> <p>Where residential development is proposed and a deficiency in public open space has been identified, financial contributions will be expected towards enhancing existing open space, including lakes and rivers where appropriate.</p> <p>For larger schemes in the vicinity of the borough's blue infrastructure, contributions towards the maintenance and development of amenity associated with rivers and waterways will be required.</p>	X	X		X

	Employment and Training				
SP5: Promoting inclusive economic growth	<p>Construction phase employment and procurement targets and contributions towards associated monitoring costs</p> <p>Obligations include an Employment and Skills Plan, including recruitment and procurement targets, apprenticeships and monitoring costs</p> <p>If these obligations cannot be met, the Council will seek a financial contribution to support training, employment and local procurement at the occupation stage.</p>	X	X		X
SP5: Promoting inclusive economic growth	<p>Occupation stage employment and procurement targets and contributions towards associated monitoring costs</p> <p>Obligations include an Employment and Skills Plan, including recruitment and procurement targets, apprenticeships and monitoring costs</p> <p>If these obligations cannot be met, the Council will seek a financial contribution to support training, employment and local procurement at the occupation stage.</p>	X	X		X
DME 2: Providing flexible, affordable workspace	<p>Affordable workspace where required by policy or a payment in lieu (applied flexibly in line with the policy)</p> <p>Planning obligations will be used to secure affordable floor space in perpetuity where there is demonstratable need, and determine other elements such as leases, fit outs and other costs such as service charges.</p> <p>A Workspace Management Plan will be required to show how this will be delivered and an annual return on delivery will be achieved.</p> <p>Off-site contributions and/or provision elsewhere in the borough may be considered in some circumstances, as outlined in the document.</p>		X		X
Education, Health and Community Facilities					
DMS 2: Planning for new facilities	<p>Delivery of on-site social infrastructure to mitigate the specific impacts of development</p> <p>Appendix 2 of the Local Plan includes site allocations with specific requirements for on-site social infrastructure.</p> <p>Exact requirements will vary depending on the site allocation, projected population growth (determined through the GLA Population Yield Calculator) and other factors such as current capacity and projected expansion or loss of facilities.</p>	X	X	X	X
Monitoring Fees					
DMM 1: Planning Obligations (Section 106)	<p>S106 Monitoring fees</p> <p>The Council will seek flat Section 106 monitoring fees of £500 per <i>principal clause or heads of terms up to 50 units</i>, with £1,500 for more complex clauses.</p> <p>In addition, monitoring fees will be sought to monitor complex travel plans and employment and skills plans, if no co-ordinator is provided by the developer. An additional £500 fee will be charged for calculation and assessment of carbon offset and air quality obligations.</p>	X	X		X

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CABINET**12 July 2022**

Title: Corporate Plan 2020-22 – Q3 and Q4 2021/22 Performance Monitoring	
Report of the Cabinet Member for Finance, Growth and Core Services and the Deputy Cabinet Member for Performance and Data Insight	
Open Report	For Decision
Wards Affected: None	Key Decision: No
Report Author: Richard Caton, Head of Performance and Programme Management Office	Contact Details E-mail: richard.caton@lbbd.gov.uk
Accountable Strategic Leadership Director: Fiona Taylor, Acting Chief Executive	
Summary	
<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 fourth report under the current performance regime. It summarises performance in quarters three and four of the 2021/2022 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 2021/22, 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 2023 and will cover performance and delivery progress in quarters one and two of 2022/23.</p>	
Recommendation(s)	
The Cabinet is recommended to:	
<ul style="list-style-type: none"> (i) Note the performance highlights and areas of improvement relating to quarters 3 and 4 of the 2021/22 financial year, as set out in Appendix 1 to the report; and (ii) Agree any actions to address areas of concern. 	

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 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. It 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 LBBDD 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 2023 and will cover Q1 and Q2 of the 2022/23 financial year.

2. Key performance and delivery highlights

2.1. Inclusive Growth

- 2.1.1. A new Inclusive Growth Strategy coming later in the year will give fresh impetus to the delivery programme with a sharp focus on people, delivering outcomes for them, and creating opportunities for them to thrive in the local and wider London economy, as well live well in their neighbourhoods. Integral to the next six months will be supporting residents through the cost-of-living crisis so that people are protected from falling into poverty and hardship, or existing poverty and hardship becoming more entrenched, widening inequalities and stalling progress on key socio-economic and health and wellbeing outcomes.
- 2.1.2. Pending that strategy there have been important developments and milestones achieved. As part of the agenda to help residents with debt and give them financial support, which is critical in the current climate, the Barking and Dagenham Money website launched in April. It provides an essential focal point and universal source of financial guidance and self-help tools for households struggling with the cost-of-living crisis. The website enables residents to directly access financial support. It is also a resource for Council staff and public and voluntary sector partners to use to support residents. In the first month, 545 people accessed the website.

- 2.1.3. By March 2023, over 3,000 affordable homes will have been completed in the borough increasing the supply of local housing. Inflation is a risk to construction and with material and labour shortages the building of more homes in future years may slow down. The current target is for more than 9,000 homes to be built by 2026.
- 2.1.4. After self-referral to the Regulator of Social Housing in February 2022 because of safety concerns, the overall compliance position has improved. After considerable work to respond to audit findings and recommendations, we expect to be complaint in all six areas of building safety by the end of Q3 2022/23.
- 2.1.5. There are still challenges with the quality and promptness of housing repairs for tenants and leaseholders as seen through low levels of tenant satisfaction, complaints, and contacts into the Contact Centre relating to repairs. Void turnaround times are also a problem area which is costly for the Council in terms of rent income and affects moving people from temporary accommodation into social housing which has implications for the housing waiting list. Improvement plans are in place and over the next six months we expect BDMS to show demonstrable and sustainable signs of improvement.
- 2.1.6. Driving economic growth in key sectors such as creative, care, construction and food industries continues. This is critical to creating jobs as unemployment in the borough remains high. 31.5% of residents are economically inactive, up from 25% before the pandemic. Over 11,000 economically inactive residents 'would like a job', up from 5,400 before March 2020. A flagship 'Make It Here' Film Barking and Dagenham programme was launched in March 2022. It will deliver career pathways and employment in the film industry and its supply chains.
- 2.1.7. The Council continues its tough stance on matters of enforcement. Performance has improved regarding the numbers of Fixed Penalty Notices issued, numbers of zero-rated food premises, and £300k of fines were issued to landlords in the last year. A steady stream of prosecutions is also now happening following court closures due to Covid-19. In response to resident's concerns and experiences of anti-social behaviour, two new teams have been created to deal with cases and support victims, and to deal with street-based issues such as drinking and begging. These pilot services will become fully operational in Q1 2022/23. In addition, through the Barking Town Centre Action Plan, issues of crime, safety and anti-social behaviour in this location are being addressed.
- 2.1.8. There have been further developments to improve the ecology of the borough and to deliver green initiatives which address the climate crisis. For example, the Cosy Homes Programme has delivered 1,160 energy efficiency measures, across tenure, in 1,012 homes, delivering £4.7m of expected lifetime bill savings for residents over the next 25 years – this is hugely important given the energy price rises which are putting residents into fuel poverty. Another example of our commitments to becoming a greener borough is the conservation and re-wilding work at the Chase Local Nature Reserve. Later in 2022 we will publish Zero Carbon Roadmap setting out the actions needed to be a carbon neutral council by 2030 and a carbon neutral borough by 2050.

2.2. **Prevention, Independence and Resilience**

- 2.2.1. As we begin to emerge from the pandemic the impact of the past two years is evident. Demand for care and support across all age cohorts is up. For Adults Care and Support services, the past year has seen a 7% increase in those needing

support; with increases seen in the number of safeguarding concerns raised, a record number of Deprivation of Liberty Safeguards applications, and a steady increase in the number of admissions to care homes.

- 2.2.2. It is a similar picture for Children's Care and Support services with the number of children meeting the threshold for statutory intervention from Children's Social Care increasing. At the time of writing 3,357 cases are open to the service, a 43% increase over the past two years from 2,349 at the end of 2019/20. The number of children meeting the extremely high child protection threshold is at record levels, with 451 children subject to Child Protection Plans (a 31% increase over the same period). The number of children in the care of the Local Authority is 406, slightly down on the recent (February) highest ever number recorded in the borough.
- 2.2.3. The nascent cost of living crisis seems likely to only exacerbate these trends. There are, however, positive signs.
- 2.2.4. The take-up of vital Early Years provision has returned to pre-pandemic levels and in 2021, a record number of Year 11s progressed to an education destination. This is above the sub-regional average of 97.7%. The borough has the lowest ever recorded number of young people aged 16-18 who are Not in Education, Employment and Training: in the top 20% of local authorities. 95% of the borough's schools are rated 'Good' or better by Ofsted, with the borough above the London benchmark for the first time.
- 2.2.5. In Adults Care and Support, short-term Crisis Intervention services remain effective and timely, with outcomes improving significantly. The new Integrated Discharge Hub is working well, and two new jointly commissioned services with the Clinical Commissioning Group have launched to support discharge; the 'Discharge to Assess' beds and the 'Home First' pilot. We have published a new Carers Charter and Cabinet has recently approved a new Aids and Adaptations Policy that will make a real difference to how residents are supported to remain in their own homes for longer. In May our ambitious new Care Technology service was launched, delivered in partnership with Medequip. This exciting new service is focused on using the most innovative technology in the care and support arena to support residents to be empowered and live as independently as possible, with an ambition to become the national leader in this area.
- 2.2.6. In Children's Care and Support the process of responding to the recent Ofsted Focused Visit in May 2022 is underway. Plans are being refreshed to account for the learning from this exercise as we map out the next 12-months worth of activity building towards a likely full Ofsted Inspecting Local Authority Children's Services inspection in the first half of 2023 – a significant challenge given the pressures the service is experiencing as outlined above. The implementation of the new Early Help Target Operating Model continues apace, with the staffing reorganisation and growth at an advanced stage and starting to positively impact. This will be the subject of a full report to Overview and Scrutiny Committee in September 2022. The partnership Early Help Strategy has been developed and will be presented alongside our plans to meet the governments 'Start for Life' agenda, over the summer.
- 2.2.7. Following the report of the Domestic Abuse Commission early in 2021, a strategic review of local domestic abuse service provision has been carried out to tie together the Commission's recommendations with those of Ofsted and the Early Help audits. Tackling violence against women and girls is a main priority for the Community Safety Partnership and Children's Safeguarding Partnership. A new Domestic Abuse

Commissioning Plan will look to bring cohesion and strategic direction to what was a 'patchwork' system; this will be presented in June 2022.

- 2.2.8. Public Health has been supporting the local vaccination programme through which two-thirds of adults in the borough have had the required vaccine doses, with attention now turning to a wider redevelopment of the Health and Wellbeing Strategy for tackling health inequalities in the borough. Finally, there continues to be considerable work with health partners to develop an Integrated Care System across the sub-region. Work on the detail of the place-based partnership arrangements will continue over the summer. This landmark partnership agreement will drive forward integration between health and social care and in the process transform services.

2.3. Participation and Engagement

- 2.3.1. The Social Infrastructure contract has been extended, delivered by the BD Collective, who launched networks in the areas of: Adult's Social Care; Early Help for Families, Food Banks and Young People. The sector's capacity continues to grow, including securing £50,000 from the National Lottery for the Neighbourhood Networks programme to continue past its pilot phase. The collaborative strength of the networks can also be seen in the securing of £295,000 funding from NHS Charities for the BD Community Wellbeing Support programme, by a consortium of the Adult Social Care Network partners. Social Infrastructure partners held two collaborative workshops on Debt and Social Isolation to start embedding a coordinated approach to tackling the issues borough-wide. This new, collaborative and partnership-led approach is increasingly being embedded throughout the Borough and it is increasing the capacity of our community groups to support residents. There is increasing potential for Council services to work together with the developing Social Infrastructure and community partners, to provide a whole systems model of support for residents that makes early interventions and sees tangible improvements to people's lives. In order for the positive potential of this developing social infrastructure to be fully realised, it will need buy-in from across the organisation and with partners.
- 2.3.2. More residents are being able to make decisions on funding in their local areas than ever before. The Neighbourhood Fund's sixth and seventh rounds saw the highest number applications from community groups that it has ever had, with £150,000 available for resident funders to allocate in each round. The success of this participative funding process has paved the way for similar resident-led participative funding processes to be explored in other areas of the Council. Closely linked to this, Barking and Dagenham Giving has launched its Investment Policy, which was co-created with a Community Steering Group of committed residents as well as Trustees. The Steering Group has been meeting monthly with BD Giving and will be reporting their success at The House of Commons in June. They will soon begin to invest the Endowment back into the local community, while continuing to play an active role as part the growing local social infrastructure.
- 2.3.3. The Barking and Dagenham Faith Forum is working alongside Faith Action to deliver a £50,000 capacity-building contract, due to be completed in May 2023. This includes developing the Faith Forum's objectives and delivery of their work.
- 2.3.4. Collaborative efforts across the council have taken place to consolidate and refine policy recommendations for a community assets approach, due to be presented at Cabinet Q4 2022-23. Steering group engagement has established the lease for a consortium of 11 community groups at John Smith House, led by Future M.O.L.D.

Communities, while Studio 3 Arts are due to take over the lease for Heath Park Community Centre, running a programme of regular events and activities for the benefit of the local community.

- 2.3.5. Every One Every Day has been extended for another three years in Barking and Dagenham, with over £2m of committed external funding, alongside council investment. A new project agreement is being drafted which seeks to stimulate increased collaboration between Every One Every Day and the wider participatory and community eco-system, building on the success of the project's Organizational Membership scheme which supports over 100 local organisations in the Borough. Universal Services staff met with project designers to better align place-based work in shops and community hubs, looking to embed participation as part of frontline service delivery while also improving connections between Every One Every Day staff and Universal Services meaning that more residents can be better supported and signposted to additional help when needed.
- 2.3.6. The Citizens' Alliance Network launched seven online neighbourhood pages allowing local people to find out what's going on in their area and to share their views on local issues. The Citizens' Alliance Network has exceeded most of its targets, while still seeking to grow resident-led projects, community conversations, and the number of people engaging with the platform. These figures were impacted by Covid-19 winter outbreaks which in turn, delayed in-person engagement, as well as a pause in engagement during the pre-election period.
- 2.3.7. The Engagement Champion Network launched with just over 50 council and Be First employees, meeting monthly to connect, learn, and share experiences and expertise. The Network is due to launch the second phase of its programme in the coming months.

2.4. **Well Run Organisation**

- 2.4.1. Over £175 million of savings have been delivered since 2010 to keep the Council solvent but the financial context has never been more challenging. Further savings initiatives are required to balance the budget over the course of the next Medium Term Financial Strategy, and we will have to continue to seek out commercial opportunities to supplement revenues from the General Fund with new sources of income. LBB's commercial portfolio has been very successful in doing this, bringing in around £12 million each year in shareholder dividends from the companies we set up and own (wholly or partially). However, in the coming years the commercial portfolio will need to continue to grow and be profitable to help offset growing financial pressures. High inflation is a big risk to the Council's financial position in the next 12 months as operating costs rise and what we procure becomes increasingly expensive.
- 2.4.2. Social Value outcomes and impacts are being generated since the launch of the Social Value Policy in September 2020. There has been investment in the community to improve the public realm, and investment directly in people, helping them with practical support such as goods and equipment, and creating job opportunities or helping to improve their employability. Going forward we think can leverage more social value from contractors which benefit residents and furthers the Council's strategic aims.
- 2.4.3. On 1 April 2022 a new Enterprise Resource Planning system was launched. Key to the new system is a focus on effective business process management, digital service

design, and mobile working where appropriate. These will drive improvements in financial and personnel management in all areas of the Council as well as a much-improved user interface. The migration from the old to the new system was not without challenges but the transition was successful. The next six months will require teething issues to be resolved and embedding of new processes which ensure the benefits of the system are maximised. Supporting staff to use the system and be compliant with when and how they perform tasks within it is a priority.

- 2.4.4. The Council achieved highly commended in the Public Sector People Managers Awards for innovation in recruitment, for the work on senior recruitment and under-representation, and for equality and diversity in recognition of strengthening the role and voice of staff networks. Forthcoming work through the Inclusive Employer Programme will strengthen the approach to harassment and bullying, talent management, succession planning, recruitment and selection, and representation at all levels of the organisation. Our aspiration is to be sector leaders on equality, diversity, and inclusion and to be representative of the diverse community we serve.
- 2.4.5. It is hoped in the next six months we can achieve the Mayor of London's Good Work Standard and in doing so become an accredited London Living Wage employer. These developments and achievements, among others, feed into progress to meet the aim of being awarded Investors in People Platinum and demonstrate the Council to be an excellent employer.
- 2.4.6. Campaign activity has ramped up again following the pandemic restrictions and safety measures which limited approaches and methods of engagement. The Cleaner Barking and Dagenham Campaign has been very successful with 100 residents participating in litter picks. We have seen an increase in recycling since the extended recycling scheme was introduced in Spring 2021. The campaign has been shortlisted for the Local Government Chronicle Campaign of the Year Award.
- 2.4.7. Improving customer experience is always a priority. Since the launch of the Chat Bot, which automates simple interactions and acts as a virtual assistant, there have been 16,600 interactive conversations. The success of the Chat Bot has been key to driving the performance improvement in call handling and call volumes. In the next six months we want to move forward with re-designing the Council's website to improve navigation and accessibility. In addition, we will continue to implement innovative digital solutions across the Council to modernise services and improve how residents can transact and interact with us.

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 Delegation¹, 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. The Council's Corporate Plan works alongside the Council's Medium Term Financial Strategy (MTFS) as two key elements of the Council's planning process. The Council's financial context is increasingly challenging as a result of the legacy of austerity, the impact of the pandemic and the wider economic environment. The MTFS was mostly recently approved as part of the budget setting process for 2022-23 in February/March 2022. It is regularly reviewed and an update will be presented to Cabinet in July.

4.2. In any current financial year the Corporate Plan is to be delivered through approved budgets and where new initiatives or remedial actions are proposed in response to delivery issues funding will need to be found from within existing resources.

4.3. Regular budget monitoring reports to Cabinet detail the financial risks, spending performance and budgetary position. The Council faces a large number of financial risks including increasing demand for services, cost increases and inflation and reduced income in some areas following the Covid pandemic. However, there are robust processes in place to manage these. The provisional outturn for the 2021-22 financial year was an underspend of £1.7m.

4.4. A specific theme of the Corporate Plan is concerned with ensuring value for money and good financial management and controls (see page 41 of Appendix 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 third and fourth quarters of 2021/22 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 2022/23 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

¹ [Council Constitution](#), Part 3, Chapter 1

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 43 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, 2021/22) 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 Corporate Plan. That EIA was submitted as part of the documentation when it was agreed by Assembly in May 2020, and further 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 2020/21 (Assembly, November 2021) has key performance headlines showing LBBD'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 March 2022.

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 Director of Public Health Report will be published later in 2022 and will include an update on a review of the equity of key health improvement services (NHS Health Checks, stop smoking and weight management services) by gender, ethnicity and socio-economic status.

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 are therefore monitored through the Health and Wellbeing Board.

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 2021/2023 was agreed in December 2021, it is underpinned by the most recent Crime and Disorder Strategic Assessment (September 2021) which provides a framework through which intelligence and performance data and information is monitored.

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 LBBB assets and the services/functions/responsibilities provided by My Place, with particular focus on the quality and stewardship of LBBB housing stock. Cabinet will find an overview of performance relating to that sub-theme on page 5 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 \(Cabinet, January 2021\)](#)
- [Corporate Plan 2020-22 - Quarter 3 and 4 2020/21 Performance Reporting \(Cabinet, July 2021\)](#)
- [Corporate Plan 2020-22 - Quarter 1 and 2 2021/22 Performance Reporting \(Cabinet, January 2022\)](#)

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- Appendix 1: Corporate Plan 2020/2022 Performance and Delivery Update

Barking & Dagenham

Corporate Plan 2020/2022 Performance and Delivery Update

01 October 2021 to 31 March 2022

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Inclusive Growth

Building new homes

Key performance and delivery messages:

- On the latest figures, over 3,000 affordable homes will have been completed in the borough between May 2018 and March 2023. This figure includes affordable homes built by all providers operating in the borough. Be First is the largest builder of affordable homes in the borough, but residents will also benefit from a significant number of affordable homes built on Barking Riverside and those built by Housing Associations such as Clarion.
- Reside data shows that around 92% of their homes go to local people and with agreements in place for Registered Provider developments at 100% of first let for social rent properties.
- A large number of new homes were built by Be First completed in the previous six months, including: 95 new affordable homes on the former Sebastian Court site; over 200 new homes on the latest phase of the Gascoigne regeneration; and 169 new homes at the Crown House scheme in Barking Town Centre.

Priorities for the next six months:

- In August, the Council received an additional £171m of affordable housing grant, the largest allocation of any London borough. This grant will fund additional affordable homes that will start on site between 2022 and 2026. The first schemes from this allocation will start in 2022/23.
- Housing delivery schemes in the Be First portfolio will be reviewed as a matter of priority. Inflation, material, and labour shortages are leading to construction delays. In some cases this will mean schemes in the pipeline will be unviable or plans need to be adapted. If any schemes are deemed unviable then new development plans will be sought for those sites.
- The Be First Business Plan completions due to happen this year include 159 units at Gascoigne East, six units at Mellish Close, and 56 units at Woodward Road.

Key risks in the next six months:

- Construction delays owing to material and labour shortages, or difficulties in procuring from the supply chain. The war in Ukraine has caused additional material supply issues and construction cost inflation is a major risk which could delay the completion of new homes. In addition, increasing costs could jeopardise scheme viability hence why work is being undertaken to review schemes accordingly.

Improving the quality and management of homes

Key performance and delivery messages:

- The Council's landlord compliance position has improved since the self-referral to the Regulator of Social Housing in February 2022. At the time of referral, the Council was non-compliant in all six of the main compliance areas. As of 30 April 2022, two of six of those areas remain non-compliant (electrical testing and fire risk assessments). Both areas are expected to be compliant at the end of Q3 2022/23.
- Responsive repair performance remains below target and we are working closely with BD Group on a comprehensive improvement plan which includes a reduction in the number of open repair jobs, improved reporting on emergency jobs and specific improvements relating to the approach in surveying works.
- Customer satisfaction with repairs remains significantly below target at 41.1% in April 2022 (up from 36.7% in March 2022). This is 45.9% below the target of 87% satisfaction. My Place is working collaboratively with BD Group to influence performance in this area with a key focus on 'right first time' and 'appointments made and kept' as these are key drivers of customer satisfaction.
- The average void turnaround time for General Needs properties in 2021/22 was 96.93 days. Performance has deteriorated from 2020/21 when average void turnaround time was 83.01 days and performance is considerably worse than in 2019/20, which was 45.07 days.
- The stock investment spends based on the Capital outturn for 2021/22 was £15.5m against a budget of £35m which shows the slippages and delays to completing Decent Homes works. The 97% target has not been met but should be by the time the programme completes with catch up activity this year and next. Presently, 93% of all council housing stock meets Decent Homes standard.

Priorities for the next six months:

- Achieve and maintain compliance in all landlord areas of health and safety including delivery of any remedial works following third party inspections.
- Continued working with BD Group to deliver on their service improvement plans covering disrepair, complaints, responsive repairs, and void works.
- Review and revamp My Place to ensure it is fit for purpose and meets the changing needs of residents and the regulatory environment.
- Ensure delivery of the Stock Investment Programme is optimised to underpin the Decent Homes Programme and provide residents with good quality and safe homes that they are proud to call home.

Key risks in the next six months:

- BD Group lacking capacity and expertise to deliver the remedial works required to support the compliance position leading to further judgement by the Regulator of Social Housing.

- Cost of disrepair claims increasing due to delays in delivering good quality repairs in a timely manner.
- Increased levels of complaints due to poor or no repair could lead to increased scrutiny from the Housing Ombudsman Service.
- Loss of income from long standing voids not being filled quickly. Longer wait times for families in temporary accommodation affects placements into social housing.
- The Decent Homes target for end of 2022/23 will not met due to impact of delays to the Stock Investment Programme.

Tackling Homelessness

Key performance and delivery messages:

- The total number of households in Temporary Accommodation was 1,399 as at end of Q4 21/22, down from 1,469 households at the start of 2020/21.
- The number of households in Private Sector Leased Temporary Accommodation was at 947, down from 1,086 at the start of 2020/21. This reduction resulted in a financial saving to the Council of more than £200,000.
- Rough sleeping numbers remain low with three people sleeping rough identified in the annual count and numbers remaining around this level on subsequent bi-monthly counts.

Priorities for the next six months:

- The Private Sector Lease contract is in its final year and therefore needs to be tendered to enable the Council to fulfil our statutory homeless obligations. The procurement is underway and will be finalised by year end.
- £382,525 has been awarded through the Rough Sleeper Initiative fund. This money will be used to commission and recruit to deliver the Rough Sleeping Reduction Plan which aims to achieve a notional zero rough sleeper number by 2025.

Key risks in the next six months:

- The cost-of-living crisis, no end to 'no fault' evictions, and the end of almost all protections against evictions in place during pandemic are all expected to have impact on demand for homelessness support. Between April and December 2021 there was an average of 157 new approaches each month, compared to an average of 191 approaches between January and April 2022. At current levels this would equate to an additional 408 approaches this year. It is anticipated approaches will increase further, risking Temporary Accommodation reductions and requiring greater spend on prevention (rent deposits and arrears clearance). To mitigate the risk we will step up support, targeting residents who are already struggling for financial awards through Household Support Fund grant, hardship and Discretionary Housing Payments.
- Some demands into homelessness services are attributed to the war in Ukraine, with those approaching due to break-down in relationships with family/sponsor or issues with property. Discussions are on-going with Home Office regarding these issues which are largely the result of the Home Office issuing Visas before checks are completed. Strong

cross-team working around DBS checks, property inspections, welfare visits and community support are helping to manage these issues.

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 and avoid cost escalation. There have been monthly panels since January 2022. Examples of outcomes include:
 - Placement in suitable Temporary Accommodation while specialist accommodation being made ready for family
 - Issue of immigration status resolved, enabling on-going housing support to be delivered
- The Brocklebank site has now been demolished and plans for development being finalised. Significant cost-avoidance for the Disability Service is invested in the successful redevelopment of the Brocklebank site which is a complex project with surrounding risks.

Priorities for the next six months:

- Set out proposals for the next phase of the vulnerable housing programme. An updated assessment of all vulnerable housing needs will comprise:
 - Updated assessments of vulnerable housing needs across all vulnerable groups (young people, career leavers, mental illness, old age, learning disability, physical disability, or other special reason).
 - Projected trends (growth or decline) over the next 15 to 20 years.
 - A updated review on current pathways into vulnerable housing and looking at the current stock and the tenure mix required to meet demand.
 - An asset review of potential builds and empty spaces.
- Continue to improve the pathways to approve and complete extensions and major adaptations to council homes.
- Complete the housing for older people review which will consider options for repurposing stock which is currently under-utilised. That stock can then be used to meet the housing needs for other vulnerable groups.

Key risks in the next six months:

- The housing offer for older people is likely to propose that the Council owned 'Sheltered Plus' sites (Millicent Preston House, The George Crouch Centre and Ted Hennem House) provide the same service offer as other sheltered housing, which would mean a reduction in the hours staff are on-site. This risk will be mitigated through the review of resident's needs being undertaken now and comprehensive consultation with residents, families, and advocates.

- The vulnerable housing programme has no dedicated project support to drive this work forward. Proposals are being developed to ensure this work is sufficiently resourced over the next 12 months.
- To achieve the priorities in the next six months, there will need to be a dedicated resource/ or project team to look across all sections of those who require vulnerable housing (young people, career leavers, mental illness, old age, learning disability, physical disability, or other special reason programme). This resource will enable the update of assessments and delve deeper to understand how LBBD better supports and provides the right housing to vulnerable residents. Currently proposals are being developed to ensure this work is sufficiently resourced over the next 12 months.

Improving the quantity and quality of jobs in Barking and Dagenham

Key performance and delivery messages:

- The Council distributed £48m in Covid-19-related grants to local businesses between March 2020 and March 2022. Of this, over £300k in grants was provided to 86 local businesses who were supported through the Barking Enterprise Centre Business Recovery Programme to mitigate job losses in the retail, hospitality and leisure sectors.
- The 'Make It Here' Film Barking and Dagenham programme, set up to deliver careers, employment, supply chain and community benefits linked to the new film studios, launched in March 2022. This includes a new integrated web platform (<https://filmbarkinganddagenham.com>) to promote the borough as a filming destination and help residents and businesses to understand opportunities in the recorded media sector.
- A Food Sector Development Lead and Food Education Co-ordinator were recruited to co-ordinate the development of a local food strategy linked to the relocation of the City of London Markets, which are expected to start operating in the borough from 2027. Key projects include a new Borough Food School to improve pathways into good jobs in the markets and wider food sector; a Good Food Economy Plan to improve access to affordable, nutritious, and sustainable food; and a food hub to support local food entrepreneurs and improve the food offer in Barking Town Centre.

Priorities for the next six months:

- Launch the 360 and Roycraft House developments to provide new affordable workspace in Barking Town Centre.
- Working with Barking Enterprise Centre to develop the approach to supporting local businesses to manage costs and reduce carbon, including a two-year programme of workshops and support for energy intensive businesses, and access for up to 500 local businesses to a self-assessment tool to help them develop carbon reduction plans.
- Deliver learning and development for teachers and a flagship careers event for up to 800 local young people on opportunities in film under the 'Make It Here' programme; develop a crew list and database of relevant local businesses to promote to visiting productions; support the borough's World Cinema Film Festival; and provide courses for community groups to create short films, with post-production supported by Barking and Dagenham College.

- Recruit a Health and Social Care Co-ordinator to implement a set of interventions to improve pay and standards in adult social care, with actions to improve recruitment, retention, and career progression; develop the personal assistant workforce; launch a business support programme for the sector; and develop the funding and commissioning model to better support good quality jobs and services in adult homecare.
- Identify opportunities to grow the green economy in the borough to support net zero ambitions while creating more good jobs and supply chain opportunities for residents and local businesses. A review, currently being conducted by CAG Consulting, is due to report in Summer 2022.
- Map existing food-related initiatives and resources in the borough and engage residents and community organisations to inform the priorities and approach to developing the Good Food Economy Plan and partnership working with Company Drinks and Sustain.
- Review the approach to Social Value and procurement to maximise impact, including work to increase the number of local businesses whom we procure from.
- Submit a bid (led by Be First) to Round 2 of the Levelling Up Fund to support improvements to Barking Town Centre including the development of a Meanwhile Food Hub and explore opportunities to secure further resources through the UK Shared Prosperity Fund.

Key risks in the next six months:

- A decision by the City of London or Parliament not to approve the re-location of the wholesale markets would reduce the resources available for the food programme to the two fixed-term posts which have been recruited to.
- If the Levelling Up bids are unsuccessful there will be less resource to invest in the Barking Town Centre Strategy and Meanwhile Food Hub.

Supporting residents to access new opportunities in the borough

Key performance and delivery messages:

- Unemployment has come down from the peak of 8.5% between April 2020 and March 2021, but at 7.7% it is still the second highest in the country. 31.5% of residents are economically inactive, up from 25% before the pandemic. Over 11,000 economically inactive residents 'would like a job', up from 5,400 before March 2020.
- Barking and Dagenham was one of three unemployment hotspots alongside Blackpool and Walsall named as Department for Work and Pensions and Department for Education 'Pathfinder' employment and skills pilot areas in the Levelling Up White Paper. This has not come with any additional funding or resource. Instead, the Council is working with the Department for Work and Pensions to map existing funding, identify gaps, and make recommendations for improvements in local employment and skills integration.
- The Job Shop achieved its strongest performance in 2019/20, with 1,251 residents supported into jobs. This reduced to 765 in 2020/21 due to Covid. In 2021-22, 856 residents were supported into work (including s106 outcomes).
- The Kickstart scheme, set up by the Government in September 2020 to prevent long term youth unemployment and 'scarring', closed in March 2022 for new starters, who will be supported until September 2022. The Employer Engagement Team worked with 40

employers to create 233 Kickstart places for local young people, over 207 of which were filled. Wraparound support has been provided to 199 of these places to ensure sustained job outcomes with ongoing work to improve the pathways available at the end of their placements, including apprenticeships. The Council has placed 30 young people at the end of their Kickstart placement, 14 of whom have progressed into permanent employment.

- Residents are being supported to access opportunities in growth sectors, including a Community Renewal Fund programme supporting up to 500 residents to understand and access opportunities in the green economy.
- Through membership of the Inclusive Growth Network, support has been secured to design an innovative Social Value programme to create more supported training and work placements for people in receipt of social care support. A focus will be creating opportunities for those with learning disabilities and mental health conditions.
- The Adult College currently has 1,708 learners, 1,117 of which are unemployed. This compares with 1,323 (875 unemployed) in 2020/21 and 1,341 (796 unemployed) in 2019-20. A new training facility, the Barking Riverside Innovation Centre, opened in January 2022 to support entry routes into construction and the green economy (e.g. waste management) for residents. The Centre is in the process of seeking accreditation as a Construction Skills Certification Scheme test centre.

Priorities for the next six months:

- Work with the Department for Work and Pensions to develop the concept and approach to the Pathfinder, alongside efforts to work with them and others to continue to drive up registration and employment outcomes for residents as the economy recovers – including work to improve visibility of employment and training pathways in target sectors.
- Pilot and roll out the proposed supported employment scheme with BD Group, HR, Community Solutions and Adult Care and Support Services.
- Promote greater apprenticeship take-up among local employers by re-launching and promoting the Council's Apprenticeship Levy Transfer Scheme through a series of events and development of a prospectus outlining the local offer of apprenticeship courses available at the Adult College, CU London and Barking and Dagenham College.
- Establish the Barking Riverside Innovation Centre as a Construction Skills Certification Scheme test centre, developing its offer more broadly, and working with Be First to improve the co-ordination and visibility of work experience, training, and supply chain opportunities in construction.
- Recruit to a new strategic post to oversee economic development, the employment and skills strategy, and operational work and skills services. The postholder will review the overall employment and skills offer and long-term financial sustainability options for the service.

Key risks in the next six months:

- The impact of inflation could impact on businesses who might be less willing to hire and train local people in a difficult economic climate.
- Funding and capacity risks relating to achieving 1,000 jobs in 2022/23 through the Job Shop:

- Local NHS commissioners are changing the way they commission employment support for people with mental health conditions, putting funding for the Vocational Support Team at risk for the next financial year.
- European employment and skills funding is winding down, with uncertainties around how these will be replaced – including how the Shared Prosperity Fund and Multiply announced by the Government will be allocated.
- Potential gaps in the Work and Skills Team’s funding if other bids in the pipeline are not successful.

Safe and liveable neighbourhoods

Key performance and delivery messages:

- A Barking Town Centre Action Plan and working group is in place and delivering long term solutions to improve safety and reduce crime and anti-social behaviour in this location.
- Performance has improved in several enforcement areas including the numbers of Fixed Penalty Notices issued, numbers of zero-rated food premises, and £300k of fines were issued to landlords in the last year. A steady stream of prosecutions is now happening following court closures due to Covid-19.
- Two new Anti-Social Behaviour Teams are in place. A pilot team to ensure that cases are better co-ordinated and victims are better supported, has been evaluated and will become permanent; and a new Community Safety Enforcement Team that is focussed on dealing with street-based issues such as begging, and street drinking has started and will be fully established in Q1 2022/23.
- The Controlled Parking Zone programme is progressing although it has been delayed and will not be completed until 2023.
- The Safer Barking and Dagenham campaign has been delivered and received widespread coverage and excellent feedback.
- Keeping our Streets Clean campaign has been shortlisted for Best Campaign at the Local Government Chronicle Awards 2022.
- A new in-house street cleanliness monitoring system has been put in place to allow for operational managers and supervisors to undertake NI195¹ surveys. This is a move away from the previously outsourced process that only allowed for four-monthly assessments via an external partner. This new approach will enable monthly reporting and provide a larger data set which will allow the service to review and remodel itself based on data. Initial data has already shown a decrease in levels of litter, detritus, graffiti and fly posting from the last outsourced assessment. Current levels of litter are at 10.53%.
- Initial unreconciled data regarding 2021/22 recycling performance is currently showing an indicative performance of 30.5%, an increase from 26.9% in 2020/21. This will be largely

¹ Improved street and environmental cleanliness (levels of litter detritus graffiti and fly-posting)

due to the increase in materials now accepted as part of the dry recycling service introduced in 2021.

Priorities for the next six months:

- Deliver the Barking Town Centre Action Plan, ensuring long term solutions are in place to make this area safer.
- Continue to rollout Controlled Parking Zones with the final schemes in the first programme to start consultation in Q1 and Q2.
- Evaluate the privately rented property licensing pilot and decide about the future resourcing of this work.
- Induct the new Community Safety Enforcement Team, ensuring they are working effectively to tackle street based anti-social behaviour, and recruit into a new Anti-Social Behaviour Team following successful delivery of the six-month pilot.
- The Keeping our Streets Clean programme will launch of two key pilots. The first of which focuses on utilising variable interventions (such as letters, engagement, and leaflets), the second focuses on behaviour change of residents with the aim of increasing recycling quality and participation. The first pilot will start at the beginning of July 2022.
- Begin development of a joint Keeping our Streets Clean Strategy between Public Realm and Enforcement which builds on the discovery work as part of the initial programme. This will focus on formalising processes around how street cleanliness and fly-tipping are addressed (including hot spots), and also about utilising behaviour change with residents and other key stakeholders to address root causes.
- Review and remodel the street cleansing service utilising data and intelligence to ensure the most appropriate and effective use of resources.
- Foster resilience within the Waste Collection Service with a focus on recruitment to boost service capacity. Four driver and 14 loader posts (four of which will be apprenticeships) will be recruited. This will allow greater development of staff and improved customer service.
- Implementation of an in-cab waste management system for the Waste Collection Service following the award of the contract award to a preferred supplier. The new system will improve operational delivery as well as drive significant developments in customer service and customer self-service. It will also contribute to the development of the Trade Waste Service and potential to increase commercial scope.
- Dependent on the outcome of the Resource Waste Strategy consultations, progress will begin on understanding the impact of any legislative change on the structure of waste collection within the borough.
- Opening and launching the Barking Library of Things at Barking Learning Centre. This initiative will allow residents to share and hire objects rather than purchasing from new contributing to the circular economy by focusing on re-use.

Key risks in the next six months:

- Delays to the Controlled Parking Zone programme mean there is now a challenging timetable to deliver the remaining schemes in 2022 and capacity may be an issue, particularly as there are requests for existing schemes to be reviewed too.
- Recruitment within Enforcement is a challenge. The service has been carrying vacancies and is working under capacity in certain teams. A workforce development plan is in place to address this.
- Delays around the outcome of the Resource Waste Strategy consultations, as well as the detail within the outcome in terms of legislative decisions, could have significant impact on service design moving forwards.

Investing in physical and social infrastructure

Key performance and delivery messages:

- The Levelling Up White Paper was published on 02 February 2022 and the prospectus for round two on following on 23 March 2022.
- Feedback was received on the unsuccessful Levelling Up Fund bid and has been taken on board as part of the development of bids for round two of the fund. Bids will be submitted for Barking Town Centre and Dagenham Heathway. The deadline for the submission of bids is 06 July 2022.
- The Council and Barking Riverside Ltd continue to work on the delivery of a Health and Leisure Hub at Barking Riverside. The centre will bring together primary health services and community spaces, with a leisure centre and pool together under one roof. There have been delays in the appointment of the main contractor but this is expected to get back on track in the next month. The centre is expected to be open in 2024.
- Thames Clipper services to the borough are now operational providing a new transport link to Canary Wharf and Central London.
- The draft Local Plan was submitted to the planning inspectorate and published on the Council's website in March 2022. The plan sets out in spatial terms how the Council will facilitate the delivery of the new homes which are needed to be provided, as well as setting out what infrastructure is needed to support those homes. We continue to progress with getting the Local Plan to examination with the Planning Inspectorate with the preliminary hearings scheduled for July 2022. The examination is likely to commence toward the end of the year.
- We continue to explore options for tunnelling the A13 to improve connectivity across the borough, utilising the funding provided by Homes England to develop the business case. Exploratory discussions are taking place regarding funding options including with the Government and other institutions.
- As part of the Becontree Forever programme and funded through Community Infrastructure Levy, Create London have now completed works on two playgrounds in Parsloes Park by artists Yinka Ilori and Eva Rothschild which are now open to the public. 17 Commemorative plaques designed by Leonor Antunes have been installed across the estate honouring past and current residents of Becontree including Hardy Amies, Diversity, the women strikers of Dagenham Ford, Paul Ince and Dudley Moore.

Priorities for the next six months:

- Preparing the bid for the second round of Levelling Up funding which launched in the Spring. Two bids are being prepared, for submission in early July, for Barking Town Centre and Dagenham Heathway.
- The UK Shared Prosperity Fund, worth a total of £2.6 billion, was launched on 13 April 2022. Despite local authority allocations being published by Government, lead authorities have been identified to administer the funds. For London the lead authority is the Greater London Authority. Submissions to the Greater London Authority on proposed interventions are to be made by the end of June, although the process for allocations remain unclear. Detailed work on this and delivery mechanisms etc will follow in Q2.
- As part of ongoing development of the Becontree Forever programme, Create London will undertake installation of street furniture designed by Studio Morison in key areas across the Becontree Estate in the coming months. They will also complete consultation and continue development of an amenity green project with Nimtim Architects which will see a new planting scheme and development of the green spaces located at the junction of Fuller and Lindsey Roads.

Key risks in the next six months:

- Rising costs of materials and labour is putting pressure on the delivery of construction projects which may lead to delays on progress of schemes. Account will need to be taken regarding any bids submitted which include construction projects both regarding budgets and delivery timescales should matters not improve.
- As there is little clarity regarding the UK Shared Prosperity Fund. Expectations will need to be managed with local stakeholders regarding the published borough allocations and availability of funding. In addition, there is an expectation that investment plans will need to be submitted in early July, despite funding levels yet to be confirmed for local projects/schemes.

Shaping aspirational places

Key performance and delivery messages:

- Following a visit from the Government's high street task force to Dagenham Heathway, initial engagement work with the community has been initiated and is feeding into the Levelling Up Fund round two submission.
- Following a visit to Barking Riverside in April 2022 by the Minister for Art and Parliamentary Under Secretary of State in the Department for Digital, Culture, Media and Sport, the Council continues to push forward in supporting Tate Galleries to develop a state-of-the-art, experimental, accessible and inclusive facility for the acquisition, management, preservation and sharing of the Museum's national art, library and archive collections locally. We have also partnered with the National Portrait Gallery and Horniman Museum to bring collections and archives to the borough. The Tate National Visual Arts Collections Hub will be based along the Thames at Barking Riverside and comprise training and digital facilities, library and archive spaces, study and research hubs, accessible storage, artist studios, cafes, laboratories, and social spaces.
- Capital grant has been received from Arts Council England to develop the Woodward Library site into a community arts centre and digital hub that will open September 2023, becoming a base from which the legacy of Becontree Forever activities continue to grow and flourish. Key to the centre's importance is its role in forming a central arts and digital hub currently lacking on the Becontree Estate with both young and elderly residents, and more broadly in the Dagenham area. On the estate there is a clear demand and need for shared digital facilities, as well as a community arts space that has the capacity to host small to mid-scale arts events and activities, extending the creative potential for existing Dagenham-based organisations like Green Shoes Arts and The White House, whilst also forging new pathways for constituents and artists to engage meaningfully in the evolution of the local cultural landscape.
- The Council has agreed to lease Roycraft House in Barking Town Centre to an affordable workspace provider. This initiative will bring new businesses to the Town Centre and provide new public realm in the immediate vicinity. Planning approval has also been granted.

Priorities for the next six months:

- Continue to advocate and build support in central government and the Department for Digital, Culture, Media & Sport for Tate National Visual Arts Collections Hub, with a goal of Tate securing funding in 2022/2023.
- Ongoing development of Woodward Library Steering Group and engagement with residents to inform next stages of the community arts and digital hub.
- Barking Station improvements, including creating the second gate line and moving utilities.
- A pop-up exhibition on Barking's history which forms part of the Barking Heritage project is touring three venues in the Town Centre over the coming months.
- Work continues on exploring the vision and opportunities for Thames Road to support the development of an employment-led community that combines homes for Londoners while

providing a unique location for the industrial sector and supporting businesses of all sizes.

Key risks in the next six months:

- Delays to projects caused by increasing costs of construction and lack of funding secured through the Department for Digital, Culture, Media & Sport and private sector.

A decarbonised, local energy system

Key performance and delivery messages:

- 152 retrofit and renewable installs completed across the borough under Green Homes Grant 1B.
- Barking Town Centre Strategic Heat Network first phases completed as part of the successful Heat Network Improvement Programme and Public Sector Decarbonisation Scheme funding, with connection to the Town Hall and Broadway Theatre completed.

Priorities for the next six months:

- Beginning of works delivering phase one of retrofit and renewables installs across the corporate estate and securing borrowing following delays involving potential grant opportunities which did not come to fruition.
- Beginning conversations with UK Power Networks, the electricity district network operator, and other stakeholders, to develop a Local Area Energy Plan, based on existing local and national plans to roll out of heat pumps, electric vehicle charging infrastructure and electricity generation resources to support grid balance and demand.
- Working with B&D Energy on the next stages of their plans to accelerate the decarbonisation of the network.

Key risks in the next six months:

- Decarbonisation of the corporate estate falters due to lack of funding. The Government pulled 0% interest Salix grant-funding and initial conversations with the Mayor of London's Energy Efficiency Fund have been more promising, but the package is less attractive than council borrowing. However, cost inflation is making delivery and borrowing expensive.
- Potential decarbonisation options for the network being undeliverable, at least in the short-term, because of difficulty in finding adequate local renewable sources.

Energy efficient homes and buildings

Key performance and delivery messages:

- The Cosy Homes Programme delivered 1,160 energy efficiency measures, across tenure, in 1,012 homes, delivering £4.7m of expected lifetime bill savings for residents over the next 25 years. The scheme has leveraged in more than £1.3m of Energy Company Obligation (ECO3) funding and is due to save 14,000 tonnes of carbon.
- Installs begin of Green Homes Grant Phase 3 and Homes Upgrade Grant 1 awarded for the delivery of external wall, underfloor insulation and solar panels across 340 vulnerable owner-occupied properties.
- Grant deadline for delivery of the deep retrofit pilot on the Becontree Estate has been extended to December 2022, a contractor for the works has been appointed, and several key planning permissions have been granted.

Priorities for the next six months:

- Continued roll-out of measures under the Cosy Homes programme, transition to ECO4 (which was delayed until June) and delivery of grant-assisted retrofit programmes.
- Agreeing final costs, securing further planning permission, and completion of works on the delivery of 39 deep retrofit properties by December 2022.
- Beginning the process of devising a Stock Decarbonisation Programme for the Council's 17,500 homes.

Key risks in the next six months:

- Due to the unique nature of the deep retrofit scheme delivery has been consistently challenging and that will not dissipate with potential issues arising over cost inflation which threaten the project and could lead to a pause until 2023.
- No agreement is reached on borrowing to kickstart the retrofit of the corporate estate. Construction, component, and supply chain costs are being fuelled by high inflation.

A green local environment

Key performance and delivery messages:

- Cabinet approved a direct award of contract to Connected Kerb to deliver 250 additional electric vehicle charge-points across the borough throughout 2022.
- Urban Challenge Fund and the Treescape Funded trees planted on amenity greens across the borough and patches of street planting in the north of the borough.
- Created a partnership with Thames 21 and Thames Chase Community Forest and awarded a grant of £34,000 from the Re-Wild London Fund for habitat improvement works at The Chase Local Nature Reserve.
- £40,000 Development Grant awarded by the Greater London Authority Green and Resilient Spaces Fund towards the Gores Brook Living Landscape project for new areas of riparian habitat including areas of reed, rush, wet meadow, and wet woodland would be created as well as safe points to access the brook linked to a wider network of paths.

Priorities for the next six months:

- Deliver The Chase Local Nature Reserve River, Wetland & Meadow Restoration and Creation Project by the end of 2022.
- Deliver the Gores Brook Living Landscape project.
- Finalise the Tree Planting Action Plan which will continue to help capitalise on opportunities for additional tree planting in the borough's parks and open spaces.
- Tackle the issue of lakes management and maintenance by putting in place sustainable arrangements to maximise the benefit of blue infrastructure for wildlife and residents.
- Recruit a Programme Manager for Green Spaces and Nature Recovery with a specific remit to draw in grant funding, to devise our local ecological recovery plan, and the development of a borough-wide Green Grid. The Programme Manager will also liaise with Be First on Biodiversity Net Gain, and with My Place on public realm improvements and environmental initiatives.
- Recognition of the planting of 49,000 trees across the Borough as a contribution to Queen's Platinum Jubilee Green Canopy.

Key risks in the next six months:

- Insufficient capacity to deliver grant funded projects on time.
- Wider funding challenges mean we cannot develop further long-term projects to improve parks and open spaces such as Ripple Nature Reserve.
- Office for Zero Emission Vehicles and Local Electric Vehicle Infrastructure grant funding to support the deployment of 250 charge-point sockets is not forthcoming.
- Failure to commission or recruit specialist expertise to help devise an air quality tariff base rate which can be used to calculate developer's contributions to the Air Quality Action Fund would result in a lack of funding for Air Quality Focus Areas in the borough.

Money and Debt

Key performance and delivery messages:

- The Barking and Dagenham Money website (www.BDMoney.co.uk) launched in April 2022. It provides an essential focal point and universal source of financial guidance and self-help tools for households struggling with the cost-of-living crisis. The website enables residents to directly access financial support. It is also a resource for council staff and public and voluntary sector partners to use to support residents. In the first month, 545 people accessed the website.
- Council Tax collection for 2021/22 was 93.64%, exceeding the target of 93.2% and last year's collection rate of 93.18%. Prior to the impact of Covid-19, collection rates ranged from 95.5% to 95.8% (2016/17 – 2019/20).
- Business Rates collection for 2021/22 was 94.82%, exceeding the target of 86.9% (also last year's collection rate – an increase of just under 9%). Prior to the impact of Covid, collection rates ranged from 97.95% to 98.3% (2016/17 – 2019/20).
- Rent collection for 2021/22 was at 92.16%, below the target of 93.6% and last year's collection rate of 92.6%. Prior to the impact of Covid, collection rates ranged from 96.36% to 97.01% (2016/17 – 2019/20).
- Income maximisation for 2021/22 was £1.759m, an increase of more than two thirds (69%) on the previous year. Income generated in February and March 2022 are the two largest monthly amounts generated since recording for this measure began.
- There were 592 Discretionary Housing Payments awards made in 2021/22, with 124.1% of the £1.026m Discretionary Housing Payments allocation spent, exceeding the 95% target and totalling £1.274m.

Priorities for the next six months:

- Delivery of the Council Tax Energy Rebate Scheme & Household Support Fund
- Activity to analyse and progress historic debt across the Council Tax, business rates, rents and social care income streams.
- Deliver a new structure and operating method for rent collection.
- Embed the One View predictive analytics platform into the recovery processes across all income streams.
- Achieve a sustainable budgetary position for Becontree Enforcement.
- Launch a scheme to promote affordable credit to low-income households and those financially excluded.
- Work with our delivery partner to introduce a new Credit Union offer into the borough, offering affordable credit and good savings options.
- Progression of the Council's participation in a No Interest Loans Scheme pilot. The scheme offers consolidation loans to those that do not meet the criteria for other forms of affordable credit, lessening the burden of high-cost credit to these households and helping to ease the pressures that the cost-of-living crisis is causing them.

- Continued development of the BD Money website, offering increased signposting to local partners and introducing an interactive element which allows residents to be quickly directed towards the best possible offer of financial support for their individual needs. The implementation of a 12 month marketing and communication plan, together with a programme of demo sessions to internal and external stakeholders will continue to increase the reach of the website. Phase two of the project is being planned in conjunction with the wider affordable credit offer to develop an interactive facility to help triage resident's financial issues and provide tailored financial support and service outcomes based on individual circumstances.
- Continued resident engagement and input into the affordable credit and money advice offers, putting a co-designed approach at the heart of development.

Key risks in the next six months:

- The cost-of-living crisis is placing additional demands on low-income households, with the expected impact being additional pressure on in year collection and available discretionary support.
- The continued natural migration to Universal Credit and planned full migration from 2023 will create additional support needs and increase the risk for rent and Council Tax collection.

Participation and Engagement

Building capacity in the social sector

Key performance and delivery messages:

- The Social Infrastructure contract, delivered by the BD_Collective, has been extended. Networks have been established in areas such as: Reimagining Social Care, Food Banks, and Young People. The Neighbourhood Networks programme was launched by the BD_Collective, and involving local partners, to build upon relationships and trust between residents, the social sector, and the Council. Groups involved include Kingsley Hall; Thames Ward Community Project; Community Resources; Studio 3 Arts; and Radiant Ambitions. Recently, £50,000 of additional funding was secured from the National Lottery Community Fund to continue the programme past its six-month pilot phase.
- The capacity of the social sector continues to grow and offers increasing potential to support the Council to deliver services through groups collaboratively accessing funding to tackle social need. The Social Infrastructure partners published a Social Infrastructure Guide, using teachings from the pandemic to suggest how working collaboratively and putting people and place at the centre of our response to challenge can bring the most effective results. This was followed up by two collaborative workshops on Debt and Social Isolation to begin to embed a more co-ordinated approach.
- BD Giving set up a Community Steering Group of residents for the community endowment which has been meeting monthly and has collaboratively crafted the BD Giving Investment Policy, making decisions on how to invest the endowment and use any financial returns to achieve financial, social, and environmental impact for the borough.
- The Neighbourhood Community Infrastructure Levy participative funding process has continued to grow, with more residents taking part and a higher number of applications from community groups than ever before. Round 6 in October 2021 saw £103,000 distributed to 13 local community groups by resident funders. Round 7 is currently being run with £150,000 being distributed to 16 local groups. This round has seen the first collaborative application from a consortium of local organisations, further displaying the increasing connectedness of the sector and local community groups. Furthermore, many of the groups applying for funding have mentioned working with or being supported by different partner organisations in the borough. This further demonstrates the increase in collaborative working amongst partners and the positive impact of the developing social infrastructure locally. Neighbourhood Community Infrastructure Levy resident funders have been interviewed during this round, discussing their motivations for getting involved with the process and the positive impact participation of this kind has had upon them. Their feedback will be released in a visual medium in the coming months to draw together the impact on participants.
- There is a review underway to evaluate the success of the Better Impact volunteer management system which is currently used to promote and register volunteering opportunities across the Council and with some partners. Over 35,000 hours of volunteering have been registered on the platform since its launch. The review will seek to investigate the effectiveness of the platform as a support tool for community partners

and whether it should be included in the next iteration of the Social Infrastructure contract.

- Collaborative efforts across the Council have been taking place to consolidate and refine policy recommendations for a community assets approach that are now due to be presented at Cabinet in Q4 2022/23. Engagement has continued through steering groups, both internally and with our voluntary sector colleagues. During this period an open process has been run to establish a lease for 11 community groups at John Smith House. Future M.O.L.D's is leading a consortium and Studio 3 now run Heath Park Community centre for the community following a similar process.
- The Barking and Dagenham Faith Forum is currently working with national charity Faith Action to build their capacity. This work is due to be completed in May 2023 and includes Faith Action acting as a capacity builder, offering administrative support and input into the development of the Faith Forum's objectives and delivery of their work.

Priorities for the next six months:

- Cabinet to agree on a Community Assets Policy with core actions, principles, and roles and responsibilities which are aligned with a review of commercial assets.
- Grow the Endowment Fund through the BD Giving Investment policy incorporating participatory processes in deciding how the funding is shaped and distributed in line with social and environmental standards.
- Bring the volunteering review through the organisation, assessing how volunteering can be used to increase capacity and better support residents in different areas of the Council, and to ensure a consistent high quality and rewarding experience for volunteers.
- Grow the BD Lottery's ticket sales through a two-pronged approach. Firstly, working with local community groups to support them in advertising their good causes more effectively and selling more tickets. Secondly, running a promotion and publicity campaign within the Council to increase awareness of the BD Lottery amongst staff to encourage ticket sales from employees.

Key risks in the next six months:

- There are several interdependencies across the development of the community assets and the commercial portfolio which require a collaborative approach to resolve issues and develop a community-centred policy which all areas of the Council support and serve. How the next phases of work are delivered in partnership between internal stakeholders and the wider community is key to success and progress.
- Despite increased efforts to promote and stimulate BD Lottery ticket sales, there is still no guarantee of increased ticket sales. Promotion efforts may prove difficult in the context of the ongoing cost-of-living crisis where residents and staff may struggle to justify additional expense in the form of buying tickets.

Developing opportunities to meaningfully participate

Key performance and delivery messages:

- The Every One Every Day platform completed its Autumn and Spring programmes, offering in-person activities to residents. Another 4,000 hours of participation were registered over the last six months.
- 245 projects have been initiated by the Every One Every Day and 4,373 residents are registered on its platform. In March 2022, the organisation launched its Makers in Residence programme offering free space within the warehouse to provide more opportunities for local residents to learn, make, repair, and connect. These activities and the social benefits of them are key to create thriving, resilient, and greener neighbourhoods.
- Integration efforts between frontline Community Solutions and Every One Every Day staff are developing. A workshop was held in April to establish ways of working together through Community Hubs and the Every One Every Day shops. Shared activities have taken place at various locations in the borough with Every One Every Day engaging with new council service users as a result.
- The number of residents registered on the Collaborative Business Programme at Every One Every Day stands at 467. This programme provides residents with the skills and tools to launch local collaborative businesses at varying scales. It gives them the platform and opportunities to utilise and put into practise the skills they have developed through the participation programme that can support them in future pursuits, both recreational and professional, while also giving increased opportunities for social connection.
- Every One Every Day's presence in Barking and Dagenham has been extended for another three years. Over £2m of external funding has been committed, alongside the Council's investment, to continue this ground-breaking participation project.
- Ongoing development of the Cultural Partnership Group comprised of local cultural partners has continued through the establishment of a series of facilitated workshops and discussions over the course of 2022/24. Focus of these workshops will be assessing the needs of residents and the local culture sector, broadening engagement and addressing equality and inclusion barriers.
- In September 2021 Arts Council England announced Barking and Dagenham would become one of 54 'Priority Places' across England as part of their Delivery Plan for 2021/24. As a priority place, the Arts Council identified the borough as a place in which their investment is too low and where the potential for effectively increasing engagement is high. As a Priority Place we will work with the Arts Council and local stakeholders to set bespoke objectives and support their investment across a range of partners and initiatives to increase participation with local people.
- More than 20,000 residents took part in the Jubilee celebrations in early June across Barking and Dagenham, with four days of events taking place in the Abbey Ruins and at Valence House Museum. Events comprised jazz and folk concerts, family activities, participation in the national lighting of a beacon, heritage-focused crafts and activities, community-initiated street parties and the Youth Parade.

- Through the New Town Culture programme 600+ young people and 40+ foster care families have been engaged. This cross-sectoral and cross-service approach pioneering in the realm of children's social care as it sits very much outside of statutory provision. In the long-term New Town Culture has the potential for scalability and replicability in other UK regions. Conversations are already underway with external funding bodies and stakeholders to share learnings and practice.
- Creative Barking & Dagenham has been awarded £900,000 funding from Arts Council England to continue development of their programme of activities focused on increasing participation of local people in community-based arts and culture. This funding will see an expansion of the Cultural Connectors network, with a view to grow the group of residents who will become key decision-makers in shaping activities and take a more active role in events and activities happening in the borough. As a show of strength and support from the Arts Council, Creative Barking & Dagenham has become part of their Creative People and Places National Portfolio Programme 2022/25.

Priorities for the next six months:

- Further integrate the work of Every One Every Day with frontline Community Solutions and partners locally, adopting collaborative processes for working with residents through place-based initiatives.
- Re-envisage and provide greater access to the cultural assets and outdoor green spaces which form part of the Valence Park area on the Becontree Estate in Dagenham, including: Valence House Museum and gardens, archives, culture and heritage collections, culture and heritage education programme, Valence Primary School and Valence Library and gardens.
- Further realise heritage assets as dynamic hubs of arts, culture, heritage, well-being and sustainable initiatives for the local community and broader UK audiences through the development of resilient masterplans that are imbued with community consultation. Eastbury Manor House and Valence House Museum are key sites.
- With the high proportion of large-scale change and additional large-scale cultural infrastructure taking place in the borough, there is work underway to mitigate risk that the smaller Barking and Dagenham originated organisations could be overshadowed or marginalised. Working in partnership with Arts Council England and other key stakeholders, we aim to develop the individual skills, capacities, and capabilities of local creative organisations including Arc Theatre, Green Shoes Arts, Company Drinks, Barking and Dagenham Youth Dance and UKON Careers with a view to raising ambition and participation of local people in the arts.
- Considerable fundraising endeavours underway to support development of heritage sites and projects, and to continue New Town Culture initiatives across Adults and Children's Care and Support.
- Take a more active role as a Consortium Partner in supporting the growth of Creative Barking and Dagenham and the Cultural Connector network.

Key risks in the next six months:

- Lack of funding to continue New Town Culture programming initiatives beyond 2023.

- Lack of funding and core staffing to run heritage sites safely and to meet statutory responsibilities.

Facilitating democratic participation

Key performance and delivery messages:

- The Citizens' Alliance Network has exceeded the majority its targets. Participation has been strong. More than 7,000 people are aware of the Citizens' Alliance Network and 34 projects have been delivered through it. This is despite Covid-19 restrictions and the recent pre-election period during which Citizens' Alliance Network activity was reduced, particularly in face-to-face engagement, and traffic through the online platform. Looking ahead the priority is to grow the number of resident-led projects and community conversation meetings to increase participation.
- The online neighbourhood pages were launched in February, comprised of seven local areas showing what's going on in the neighbourhood, where money has been spent, ways to access services, and ways to participate and share views. Initial engagement levels were high but saw a drop-off as no new promotion or activity was published during the pre-election period.
- The first Ward Budget consultation took place in Gascoigne Ward, whereby residents decided how £20k of spending was used to make improvements to Greatfields Park. Over 40 people engaged through the online platform.
- The Citizens' Alliance Network is working with the BD_Collective's Neighbourhood Network's programme to promote online presences, for example, using interactive tools such as mapping and surveys.

Priorities for the next six months:

- Incorporate the Citizen's Alliance Network into the face-to-face offer of Community Hubs, engaging with residents in all wards of the borough and exploring topics that arise from more informal in-person conversation.
- Incorporate the use of the Citizen's Alliance Network platform and networks into the Net Zero Strategy ensuring that local people are offered the chance to shape the agenda and work with the Council to reduce the borough's carbon footprint.
- Take on teachings from the pilot of the Ward Budget consultation in Gascoigne Ward and implement it in several more wards during 2022/23.
- Develop another participatory budget process with residents.

Key risks in the next six months:

- There is an ongoing need for capacity and skill building on engagement practice across council services. Engagement is often poorly understood or seen as the end of a project rather than a crucial part ensuring the best outcomes for local people.

Designing relational practices into the Council's activity

Key performance and delivery messages:

- The Engagement Champions Network has been meeting monthly over the past six months with over 50 council and Be First employees signed up to the Network. Numbers of those attending each session have dropped despite a survey sent out to members in December to identify the best days and times for meeting, as well as to canvass for ideas for the sessions.
- Both internal and external speakers have presented at the Engagement Champion Network, including presentations on Citizen Assemblies at Newham Council, and the Resident Advisory Board that Be First set up.
- An intranet page has been set up for Engagement Champions, offering a place where recordings of the sessions are uploaded, and training guides will be shared.
- There has been collaboration between staff from across Engagement Champions, Organisational Development, Community Solutions and Care and Support to shape and define principles and conditions to foster relational practice and identify good work which is happening.
- Over 100 individuals from the local government sector were brought together across three events to discuss 'what it means to build a relational council?'. The events showcased the work in Barking and Dagenham around social infrastructure and New Town Culture and provided opportunity for learning exchange between local authorities.
- New Town Culture continues to seek ways to effect change at a systemic level whilst also taking a bottom-up approach that gives young people, foster care families, artists, and third sector partners agency in shaping and defining a model that is cognisant of local needs and priorities. Specifically, we continue to explore how this can be achieved by developing three core areas:
 - Developing the Creative Social Work model relating to practice frameworks, standards and policy within Children's Care and Support through training social workers.
 - Building knowledge and competency within London's cultural ecology around working within a social care context.
 - Creating the conditions in which a fully embedded and connected creative offer in the borough gives vulnerable young people agency and ownership in building their creative capacity and personal resilience through a robust referral system and supporting infrastructure.

Priorities for the next six months:

- Seek to continually improve the way residents are engaged, involved, and listened to across the Council through the work of the Engagement Champions.
- Develop relational council principles and objectives reflecting and enhancing the DRIVE values. Shape a Relational toolkit or frame of reference and develop a set of case studies and stories.

Key risks in the next six months:

- Lack of senior-level buy-in, lack of diverse representation from council departments/services, and a continuing drop-off in attendance of the Engagement Champion Network sessions will undermine the aims and impact of the Network. It will be difficult to build momentum and deliver a structured training programme if attendance from Engagement Champions is low or unreliable.

Prevention, Independence and Resilience

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:

- The take up of early education places continued to rise between October 2021 and March 2022 and has returned to pre-pandemic levels.
- Take up of places for three-and-four-year-olds remains slightly below pre-pandemic levels at approximately 82%.
- 97% of children are accessing a place in Early Years settings rated 'Good' or better by Ofsted.
- 95% of the borough's schools are rated 'Good' or better by Ofsted. The borough is above the London benchmark² for the first time.
- Schools have continued to cope remarkably well during the pandemic and as we emerge from it. Education and Barking & Dagenham School Improvement Partnership have worked together to support schools to help pupils to catch up, particularly the most vulnerable.
- In September 2021, a successful Race & Social Justice Conference was held with all schools and facilitated by Barking & Dagenham School Improvement Partnership.
- Greatfields Secondary School Phase 2b was completed in Q4 2021/22. Pupils taught at the temporary City Farm site have moved to their permanent location.
- Pressure on Special Educational Needs and Disability (SEND) specialist places continues to be acute. There are not enough local places and the new special school to be built by the Department for Education has been delayed.
- To help alleviate some of these pressures, Riverside Bridge Special School has agreed to expand by 90 places onto the City Farm site. The proposal is subject to Department for Education approval and, if agreed, will commence in September 2022.
- Mallard Primary is a three-Form Entry school which will be built on the Riverside Development to meet the future need from this community. A site, and the size of that site, has been agreed with the developer.
- Pathways Special School secured planning permission on the former Dagenham Motors site in South Dagenham. Works are shortly to commence with completion expected in late 2023.
- The Winter Holiday Activities and Food programme was successfully delivered reaching over 900 children and young people who were eligible for Free School Meals.

² 93% at Dec. 2021 – Source: Ofsted DataView

Priorities for the next 6 months

- Increase take-up levels in the Early Years, with a particular focus on increasing take up for three- and four-year olds, and to support the sustainability of the sector.
- Evaluating the impact of the 'Doubling Down' project on the provision of extra Early Years education for 50 of the borough's most vulnerable children.
- Developing an understanding around the borough's forthcoming provisional 2022 national test and examination results in the context of the significant impact of the pandemic on children, young people and families.
- Delivering a further successful Year 6 and 7 Arts Award transition programme, aiming to reach at least 75% of the borough's Year 7 cohort.
- The Education White Paper and SEND Green papers were published by the Government in March 2022. Planning Barking and Dagenham's response to these consultations is a key priority.
- Ford View Primary is a new three-Form Entry school which will be built on the Beam Park development and delivered by the Department for Education. Construction will begin in Autumn 2022.
- Oxlow Bridge Special School will provide much needed specialist places and will be located on the former Pondfield site. Construction will begin in Autumn 2022.
- Mayesbrook Alternative Provision ideally require a new site to enable the school to expand pupil intake and improve facilities and their offer to young people. Work is underway to look at possible locations for this.
- Developing an exciting, broad and inclusive 2022 Summer Holiday Activities and Food programme that has an increasing number of opportunities for secondary aged pupils.

Key risks in the next six months:

- The demand for specialist provision and places for pupils with SEND remains high, requiring an ongoing, determined, and consistent focus to meet need in a challenging financial climate.
- The increasing numbers of children and young people with complex needs is also placing pressure on the Council's Education, Health and Care Team, whose role is to administer the Education, Health and Care process and identify appropriate placements. Despite recent increases in staffing there is still a backlog of applications and reviews which is being addressed.
- Increased market costs from contractors for new buildings and improvements, due to several factors may prove challenging in terms of affordability for some projects.
- Numbers of elective home education children have grown during the pandemic and remain relatively high, placing pressure on the Elective Home Education Officer and Manager.

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

Key performance and delivery messages:

- In 2021, a record number of Year 11s (98.4%) progressed to an education destination. This is above the sub-regional average of 97.7%.
- The borough has the lowest ever recorded number of young people aged 16 to 18 who are Not in Education, Employment and Training (NEET). This puts Barking and Dagenham in the top 20% of local authorities.
- 1,062 young people progressed to Higher Education from borough institutions in 2021. The highest ever figure for the borough, and an increase of 70% from ten years ago.
- Careers Hub East has launched, providing support to schools around accessing work-related learning opportunities.
- Successful delivery of the fifth Colin Pond Scholarship Awards, incentivising our highest attaining pupils to stay in borough when studying A-levels.

Priorities for the next six months:

- Delivery of a successful 'What Next?' careers event for schools and young people who are NEET.
- In partnership with Barking & Dagenham School Improvement Partnership, work experience has been reintroduced, following a pause because of the pandemic.
- Looking at how the Colin Pond Scholarship Awards can be sustained against reducing funds.
- Launching a renewed post-16 Partnership with schools to work to improve A-level and technical qualification performance in the borough.
- Completing the development of a 'Young People's Employability Covenant' for the borough.
- Development of a Supported Employment Pathway for vulnerable young adults, including those with SEND.
- Facilitation of the borough's first ever Cultural, Creative and Digital Industries Month with schools.
- Embedding the new Food Education Hub Co-ordinator post with a view to starting work around building pathways into industry.
- Embedding the work of the new Key Stage 4/5 Transition Worker to further support outcomes in the Virtual School for Looked After Children.

Key risks in the next six months:

- Sustaining the borough's strong NEET/ Unknowns performance against an increasing cohort.
- Demand for work experience placements exceeding supply, following the impact of the pandemic on some industries and workplaces.

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

Key performance and delivery messages:

- A dedicated Housing Officer continues to work jointly with Children's Services and young people to identify appropriate housing offers. This has included the setting up of rent accounts, regardless of the accommodation type, to assist young people with getting used to managing a tenancy.
- From 01 April 2020, care leavers aged between 18 and 25 who have been looked after by the LBBD are exempt from paying Council Tax, including those living outside of the Borough and at University.
- Access to the enhanced leaving care grant (£2,500) and the person's individual savings is standard practice for furnishing move-on accommodation. Access can be requested to a further discretionary grant of up to £1,000 that we would support care leavers to access where applicable (subject to assessment).
- Dedicated resource from the Job Shop to assist with preparing CVs, completing job applications and interview preparation is now in place.
- The Council will pay travel costs to attend work or university until the first pay cheque/student loan is available.
- Access to New Town Culture arts and drama programmes and opportunities specifically for care leavers which are beneficial to emotional wellbeing.
- Dedicated substance misuse support from Subwise who work with young people until the age of 25 years old.
- A full-time mental health practitioner has been recruited to sit within the Leaving Care Team to support young people with low levels of mental health needs.

Priorities for the next six months:

- Pilot a scheme to assist Care Leavers to find suitable, long-term Private Rented accommodation by offering a Rent Guarantor Scheme.
- Establish a group of young inspectors, who are Looked After Children and Care Leavers, who will be supported and trained in undertaking 'mystery' shopping' visits to providers.
- Establish a 'One Borough, One Voice' portal to capture the voice of our Children in Care and Care Leavers views as to their placements.
- Commence health workshops to include sexual health including contraception, dental health, and emotional wellbeing.

Key risks in the next six months:

- There is an on-going need to address identified gaps in Looked After Children, Children in Need, and mental health provision, while taking a holistic view on the prevention of escalation to statutory services regarding children and young people's mental health service provision.

- There is a gap in wellbeing and emotional support provision for Looked After Children and Care Leavers who do not meet secondary mental health threshold once they turn 18. Commissioners are working with social care, voluntary sector, the Clinical Commissioning Group and NELFT to consider the gap in provision. Further work will be undertaken to consult with those who have left care and those who are leaving care to fully understand those needs.

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:

- 88 young people, drawn from eight secondary schools, attended the Young People's Safety Summit in May 2022. Valuable data was gathered regarding safe and unsafe spaces in schools, in the community, online and within peer groups. Spark2Life, BoxUp Crime, Fearless and TootToot, whose services support young people, including those at risk of exploitation, were promoted.
- The Young Londoner's Programme has returned and outcomes are at pre-pandemic levels and is in line with project targets. Project partners are BoxUp Crime, Spark2Life and Studio 3 Arts. This project, as well as other streams of work highlighted in this section of the report, contribute to the borough's Step Up, Stay Safe multi-agency programme which aims to help keep young people safe.
- The Violence Reduction Unit has extended funding for after-school activities in Mayesbrook Park, the borough's Alternative Provision. The Council has also been selected to participate in the Violence Reduction Unit's Inclusion Programme.
- In support of young people's health and wellbeing, trauma informed training was offered to all schools.
- Partnership work continues with the Youth at Risk Matrix and schools' Safeguarding Leads to map risks in the borough and target support.
- LifeLine was commissioned to deliver training for parents on the risks of online safety. 100 parents engaged in the training.
- Youth Independent Advisory Group sessions have continued to take place quarterly, bringing together young people with Police representatives.
- The School Health Survey, completed across 29 schools, will provide valuable insights to feed into partnership working in support of children and young people's health.
- School inclusion work with partners to prevent exclusions from schools has been recognised in the LGC Awards 2022 Public/Public Partnerships category.

Priorities for the next six months:

- Increasing the number of places available to secondary-aged pupils as part of the Holiday Activities and Food programme and developing a comprehensive programme for the 2022 Summer Holidays.
- Developing a bid for the Youth Investment Fund to develop new youth centres focused on two sites in the borough, Marks Gate and Thames View.

- The TootToot safeguarding app will be rolled out this year.
- Analysis of the School Health Survey at the Young People's Health Summit will inform commissioning and outcome priorities for the Council's 'Best Chance' plan.

Key risks in the next six months:

- Winding down the Young Londoners Fund programme in December 2022, while looking at how to sustain elements of the programme without continuation funding available.
- Exploring options to identify coordination funding support for the Step Up, Stay Safe programme.

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

Key performance and delivery messages:

- Domestic Abuse has been established as one of the key priorities of the Children's Safeguarding Partnership and work is being undertaken specifically in the Early Help and Neglect sub-group.
- A needs analysis has been specified and work has started to identify need and ensure services are tailored to users with intelligently designed pathways.
- Early conversations have begun to agree a joint assessment tool across the partnership. This will enable joined up processes and better joint commissioning to meet need.
- Three additional Independent Domestic Violence Advocates posts have been agreed through the Early Help Improvement Programme, these have been costed and procurement work is commencing with Refuge to mobilise this work and initiate an early intervention service which will help to manage demand into Children's Care and Support.
- The Violence Reduction Unit Local Violence and Vulnerability Action Plan sets out key priority areas for reducing serious violence, including a focus on improving women's safety and the delivery of the ReMove Abuse Perpetrator programme. Funding for this has been secured to sustain the programme until 31 March 2023. In addition, through the Community Safety Partnership we have secured six months of funding for the ReMove Abuse Co-ordinator's post which is funded through the Mayor's Office for Policing and Crime, London Crime Prevention Fund.

Priorities for the next six months:

- Establish a clear governance route for Domestic Abuse including roles and responsibilities, as well as clarify where risk is held across all services.
- Initiate an improvement plan with the MARAC³ to ensure intelligence is shared in an accurate and timely way between decision-makers and service providers.

³ A MARAC is a meeting where information is shared on the highest risk domestic abuse cases between representatives of local police, health, child protection, housing practitioners, Independent Domestic Violence Advisors (IDVAs), probation and other specialists from the statutory and voluntary sectors.

- The current provision for domestic abuse has been mapped and whilst it is extensive, it needs greater cohesion. Work on a new commissioning plan for domestic abuse will be begin shortly to ensure gaps are filled, duplication is removed, and that we are commissioning best value evidence-based services.
- Secure funding to deliver the Safe Haven scheme that aims to provide safe spaces in community settings through local businesses to support residents (in particular women and girls) if they feel unsafe or vulnerable in the community.
- Workforce development to equip staff with the skills to support families impacted by Domestic Abuse. Safe and Together training is an example of the learning and development that will be provided.

Key risks in the next six months:

- There is a national shortage of Independent Domestic Violence Advocates and it is possible that Refuge may struggle to recruit to the agreed posts in a timely way.
- Securing ongoing funding past March 2023 for the delivery of the ReMove Abuse Perpetrator Programme. An element of the funding is delivered through the London Crime Prevention Fund, however there is limited funding available.

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 communities⁴

Key performance and delivery messages:

- Fully reopened day services, which will include the reconfiguring of the offer for young people transitioning to adult services.
- The Baby and Us parenting programme at Heathway Resource Centre which supports maternal mental health had its first cohort of parents attending.
- Ensure that the identification and actioning of safeguarding concerns are proportional and robust, focusing on outcomes for service users. Cases will continue to be dip sampled by the Principal Social Worker and Head of Service to ensure quality of intervention and assessment.

Priorities for the next six months:

- Remodel the Portage Service as part of the Target Operating Model work which will mean that we are better able to meet the needs of children and families.
- Work on the Autistic Spectrum Disorders diagnostic and pre/post diagnostic pathways is developing. Co-designing the behaviour pathways with parents will start in earnest.

⁴ This is intrinsically linked to the “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” theme, and the developments in Early Help (as summarised above).

- Becontree Children's Centre will roll out the summer offer for families with a disabled children.
- Route planning for September 2022 school transport and offering Independent Travel Training to young people in specialist provision, where appropriate.

Key risks in the next six months:

- The pressure within the children's Life Planning Team shows no sign of abating. Caseloads are still above recommended safe caseload thresholds. Additional capacity has been recruited; however high staff churn is hampering this.
- As Care Quality Commission and Ofsted inspections restart post-Covid-19, several residential settings have been 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.
- Following a business case, additional funding for the Autistic Spectrum Disorders diagnostic pathway has been given, but only in part, meaning there remains a capacity gap between demand and delivery.

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:

- Adult Mental Health continues to see sustained pressure on the mental health and dementia pathways. Barking and Dagenham have the highest number of women requiring inpatient care in North East London.
- There continues to be sustained pressure on the dementia pathway with significant chronicity of presentations due to delayed diagnosis. Families are also more inclined to ask for residential and nursing home placements, in part due to the vaccination programme and the perception that care homes are now safe for their loved ones.
- The continued work with NELFT and Community Solutions has ensured appropriate move on accommodation for people in hospital or supported living, who are well enough to manage in the community with a package of care which maximises independence. This has significantly reduced the number of delayed discharges.
- NELFT have continued to develop pathway mitigations for the increasing number of women that require inpatient care due to mental health crisis. This has included specialist intervention for women who are at risk of having their children taken away due to substance misuse or enduring mental ill health.

Priorities for the next six months:

- MIND have been awarded the Mental Health Peer Support Service which will create an expert by experience team to support people with emerging or fluctuating mental health needs. This is in the implementation phase and will be rolled out across Barking and Dagenham in the next three to six months.
- Additional funding has been awarded to further develop the Drugs and Alcohol Team. This will include an enhanced Hostel Offer, the Shannon Trust literacy programme in

prison and in the community for those in contact with the Criminal Justice System, specialist work mentors to sustain people in employment, and work with community groups and religious organisations to ensure that the Drugs and Alcohol Team offer is culturally sensitive to the needs of all communities.

- After a successful recruitment campaign by NELFT, the two Mental Health in Schools Teams are fully operational in two primary schools and two secondary schools; this links to the Early Help pilot in the North Locality. A phased roll out across all schools will start in January 2023.
- Local authorities still await the final Liberty Protection Safeguarding legislation and time scales for implementation. The Deprivation of Liberty Safeguards operational team continues to roll out training across Care and Support in anticipation of the final guidance.

Key risks 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 who are experiencing the long-term impact of reduced income due to 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 Mental Health services have risen and numbers are unlikely to return to pre-pandemic levels until 2023/24 based on average length of open caseloads for secondary Mental Health services.
- As the dementia diagnostic pathways have now resumed, Adult Mental Health are expecting to see significant rise and the number of older adults with a formal diagnosis of dementia. Due to Covid-19, most older adults have experienced a delay in a dementia diagnosis which means early intervention packages are no longer suitable. As such there has been a rise in double-handed packages and residential/nursing care placements. Commissioners expect this trend to continue until Q3 2022/23. Growth in such placements is driven by the current size of the NELFT dementia diagnosis waiting list coupled with expected demographic growth.

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:

- Demand for social care, in the form of requests for support continued to increase, as did council-funded provision. The number of people in receipt of care and support services increased by 7% over the 2021/22 financial year, from 2,694 to 2,886.
- The number of safeguarding concerns raised has increased with a total of 1822 concerns raised in 2021/22 - 3% more than the previous year. Despite the increasing number of concerns, safeguarding remained outcomes focused. Risk reduction continues to be a key outcome of enquiries, with performance at or above the target of 90% throughout the year. Additionally, adults at risk continued to achieve their desired outcomes from safeguarding, with 96% achieving the outcomes expressed.
- The number of Deprivation of Liberty Safeguards applications made to the Council rose to record levels. A total of 821 applications were received in 2021/22 - 14% more than the previous year. The length of time taken to process applications continues to improve.
- Short-term crisis intervention services remain effective and efficient. Between April 2021 and March 2022, the average length of closed services was 4.5 weeks; this is a reduction from 6 weeks in 2020/21 and remains within the target of 4 to 8 weeks. Outcomes for people completing the service have improved significantly.
- Overall, the number of council-supported admissions of adults to care homes have increased since the pandemic. For older adults (aged 65 and over), the rate of admissions increased by 5%.
- For younger adults, aged 18 to 64, the rate of admissions to care homes increased from 6.9 per 100,000 people in 2020/21 to 13.1 per 100,000 people in 2021/22.
- LBBD has continued to work 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 far-reaching impacts of the pandemic, particularly around hospital discharge, infection control, market resilience and vaccine take-up.
- The Better Care Fund provides financial support for councils and NHS organisations to jointly plan and deliver local services. Every year, the local authority and the Clinical Commissioning Group are required to make a submission to NHS England to set out how the Better Care Fund is delivered and how our performance meets several metrics and national conditions, as set out in the policy framework. This is now completed and will focus on:
 - Hospital Discharge Planning and Support
 - Targeted Out-of-Hospital Care
 - Community Wellbeing, Care and Support
 - Integration, market stabilisation and Covid recovery
- We are working with Havering, Redbridge, the Hospital Trust and NELFT to continue to develop the Barking Havering and Redbridge Integrated Discharge Hub. This new Hub

is working well, particularly with the Community and Hospital Assessment Team within Adults' Care and Support.

- Additionally, we have launched two new jointly commissioned services with the Clinical Commissioning Group to support discharge. The first of which is eight 'discharge to assess' beds in a nursing home in Barking and Dagenham with wrap-around therapy support. The second is a Home First project in which therapists meet residents at home when they are discharged from hospital to assess needs.
- The Carers Charter has been adopted by all system partners within health and social care and was formally approved by the Cabinet in February 2022. Partners praised the co-production work that was undertaken with carers to develop the Charter.
- A new Aids and Adaptations Policy has been adopted which sets out how private homeowners, housing association tenants and private tenants with disabilities will be helped through aids and adaptations to live as independently as possible in good quality homes that meet their needs.
- We aspire to become the national leader in care technology. Therefore, we have tendered for, and launched, a new All-Age Care Technology service with Medequip. This exciting new service is focused on using the most innovative technology in the care and support arena to support residents to be empowered and live as independently as possible.

Priorities for the next six months:

- Monitoring and analysis of new initiatives, technology, packages and placements to determine further areas for commissioning and operations and the way that we work with health partners.
- Taking learning from the Adult Social Care Peer Review in May. The Peer Review focused on safeguarding and was undertaken by senior leader peers from other London boroughs. The Review was being used by the London branch of the Association of Directors of Adult Social Services as a test for the new Care Quality Commission inspections and used a new proposed methodology.
- Preparing to take forward the Adult Social Care charging reform (cap on care costs) and Fair Cost of Care legislation requirements.
- At Cabinet in June 2022 the procurement strategy was agreed for re-tendering the extra care service contract which will be awarded to a provider for the provision of extra care services delivered at Harp House, Darcy House, Fred Tibble Court and Colin Pond Court. The successful organisation will be required to provide 24-hour care and support to the residents of the schemes, including a range of personal care and support tasks which will enable residents to live independently for as long as possible.

Key risk in the next six months:

- Recruitment and retention remain an issue across health and social care providers due to ongoing Covid-19 and Brexit issues, as well as the impact of inflation, the rise in living costs and the increase in National Living Wage. The situation is being closely monitored to ensure this does not affect placements and packages across the market. The Council is working with Havering and Redbridge to look at a sector response. An uplift has been applied for older adult homecare and care home providers and this will be reviewed again as part of the Fair Cost of Care exercises that will be undertaken over the coming

months. It is not yet known how the Cap on Care Cost legislation will impact the provider market, but we are keeping a watching brief on this area.

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

Key performance and delivery messages:

- The Covid-19 Contact Tracing Team successfully contacted 47% of cases in November, which rose to 81% by the final week of operation on 24 February 2022.
- Uptake of first, second and third doses for Covid-19 vaccination increased between October 2021 and March 2022. Abbey remains the ward with the highest number and percentage of unvaccinated residents, followed by Gascoigne.
- Work continued on development of the new Integrated Care System across North East London as the date for arrangements to be in place was delayed from April to July 2022.
- Development commenced on piloting community-led weight management services funded by the Office for Health Improvement and Disparities. The pilot is working with Al Madina Mosque, Harmony, the Redeemed Christian Church of God, Thames Ward Community Project and Creative Wellness.
- The first 'deep dives' on inequalities in access and outcomes for key public health services were completed on Stop Smoking and Weight Management Services finding they are not reaching those in greatest need.

Priorities for the next six months:

- The updated Joint Strategic Needs assessment and Pharmaceutical Needs Assessment will be launched in September 2022. The Annual Director of Public Health Report 2022 will be presented in draft form to the Health and Wellbeing Board in September 2022.
- Work is underway to mitigate the impacts of Covid-19 associated vaccination hesitancy on child Measles Mumps and Rubella vaccination rates. The Council is working with Together First to coproduce community-led action to increase uptake with pilots being delivered in 2022/23.
- As part of recovery and 'bringing back fairer' core services, work is underway to commission a partner to provide improvement support for NHS Health Checks. A parallel commission will pilot 'mini-Health Checks' for 30- to 39-year-old adults of Black and South Asian heritage who are at greater risk of cardiovascular disease at an earlier age.
- Delivery of community Weight Management Services will commence, with both outcomes and process evaluated. The whole system approach to obesity will be renewed in partnership with the Obesity Action Group and other partners following Covid-19.
- Develop a proposal for North East London Integrated Care System funding on health inequalities to create a programme that builds on the assets and good practice developed during the Covid-19 pandemic and emerging opportunities.
- Data analysis will be undertaken to review 'unmet need' (i.e. people living with an unidentified, unmanaged condition) for high burden conditions.
- Covid-19 vaccination efforts will focus on vulnerable groups and will likely follow the model used prior to the pandemic for other respiratory illnesses such as Influenza.

Vulnerable cohorts will be prioritised in terms of targeted messaging, access and delivery.

- Public Health input into the new Inclusive Growth Strategy will ensure that health and wellbeing delivery is weaved throughout, and especially in relation to delivery of the Barking Riverside Wellbeing Hub.
- Work continues with NHS partners, Barking Riverside Ltd, voluntary and community partners and residents on the New Model of Care for Barking Riverside, including procurement of a new GP provider and other community services.
- Public Health will support the Best Chance for Children working group to develop strong outcome statements and evidence-based logic models to support delivery of system aspirations. It will also provide leadership for the re-design and re-commissioning of the 0-19 Healthy Child Programme contract in Barking and Dagenham (the contract ends August 2023), aligning service outcomes with the Children and Young People Plan, Early Help Strategy, and Government initiatives such as Start for Life and Family Hubs.
- Agree governance and build strong foundations for the Barking and Dagenham Borough Partnership to operate in shadow form by 01 July 2022 as part of the new Integrated Care System infrastructure.
- Develop a new Joint Health and Wellbeing Strategy for Barking and Dagenham as the current Strategy ends in 2023.

Key risks in the next six months:

- The Covid-19 pandemic continues, including the risk of new variants and impact of fatigue on vaccination take-up. Barking and Dagenham has a heightened risk due to lower vaccination rates and higher risks of infection due to population demographics.
- If the place-based partnership structure is not agreed and established in shadow form by 01 July 2022 it will compromise the Council's place-based leadership role. A report will be presented to Cabinet on 12 July 2022.
- Slow progress on the construction process of the Barking Riverside Wellbeing Hub could mean it is delayed. There is a risk it will not be ready for the NHS to provide services which is important to meet demand from the growing population of Barking Riverside.
- A large value contract for the 0-19 Healthy Child Programme needs to follow procurement rules for re-tender, and in the process it needs to align with the direction of travel for provider collaboratives and place-based outcomes.

Well Run Organisation

Delivers value for money for the taxpayer

Key performance and delivery messages:

- The General Fund budget for 2021/22 was £173.614 million. The outturn position is still being finalised at the time of writing but is anticipated to be broadly on budget. The Budget Support Reserve has a balance of £11.4 million which could be used to fund any overspend at year end. The improved financial position has been driven by unexpected grant income in the final quarter of 2021/22 and careful budget management during the second half of the financial year.
- There was a savings target of £8.210 million for 2021/22, of which £2.641 million were new savings approved in the Medium Term Financial Strategy, £5.033 million are unachieved Ambition 2020 savings brought forward from previous year(s), and c.£536,000 are Transformation Programme savings in Care and Support. £4.799 million of these savings depend on efficiencies and cost reductions, and £3.411 million are based on new or increased income. 47% of savings are rated as high risk. A full update will be provided to Cabinet in the outturn report.
- A dividend of £6 million was received from Be First from their retained surpluses from the financial years up to 2020/21. Other commercial income has also been received from Be First to make up the budgeted £10.3 million return to the Council. There is a dividend of £2 million from Barking and Dagenham Trading Partnership included within the Council's budget. There was no dividend received from Barking and Dagenham Trading Partnership in 2021/22. Income from Reside companies are included in Investment income budgets have fallen short of budget; however, other investment income is offsetting this shortfall.
- We have achieved additional social value commitments and outcomes across the five social value themes from 56 procurements which met the policy criteria. Two suppliers have won a tender process without providing any social value commitment but 97% of eligible suppliers demonstrated a commitment to provide additional value to residents and business within the borough. Some outcomes achieved this year include:
 - Five work placements and four job roles advertised and filled through the local Job Shop.
 - 140 hours donated for student industry talks, career days, student placements, business support, mentoring, skills development, and employability skills.
 - 24 weeks of formal work experience for local school pupils.
 - £20,000 donated to the River Roding Trust to plant 60 semi-mature trees and install 10 benches along the Roding.
 - Donation of equipment and goods, including: 50 food parcels, 22 laptops for schools, 30 personal alarms, and free office space for the voluntary and community sector.

- At the end of Q4, 80% of the original plan of risk and compliance audits were at least at draft report stage. This is short of the target for the end of Q4 which is for 95% of audits to be at draft stage.
- By the end of Quarter 2 the Counter Fraud Team had accepted 175 new cases for investigation and completed 96 cases. This has resulted in the recovery of four Housing Revenue Account properties and detected fraud in excess of £225,000.
- Preparation for the Oracle Enterprise Resource Planning system replacement (i.e. HR, Payroll, finance and procurement systems) go-live from 4 April 2022 was a primary focus for Q3 and Q4. iTrent (HR and payroll) and Advanced e5 (Finance and procurement) both went live as planned. The new systems will be more cost effective to manage, and they are adapted for local authorities to use, and so simpler and more efficient. Key to the new systems is a focus on effective business process management, digital service design, and mobile working where appropriate. Examples of improvements include better employee and manager access to information about staff, project accounting and managing income.

Priorities for the next six months:

- Complete the 2019/20 external audit of the Council financial statements. The external audits of the 2020/21 Council and Subsidiary financial statements and grant claims will begin during Q2 2022/23. The draft 2021/22 Council financial statement will be published in Q1 2022/23.
- Deliver an updated Medium Term Financial Strategy for approval by Cabinet in July 2022. This will form the basis to develop proposals that will deliver a balanced budget beyond 2023.
- The new Procurement operating model was agreed at Assembly in March 2022. It is now being implemented to reflect changes to the Contract Rules. The new operating model will improve procurement compliance and ensure good practices and processes which achieve best value.
- Continue to support the Oracle Enterprise Resource Planning system replacement programme to ensure delivery of the remaining system components following the go-live date of 04 April 2022 and embed new processes with managers and employees. Further improvements by September 2022 will include improved budget management.

Key risks in the next six months:

- The external trading environment for the Council and its commercial companies continues to be challenged by the impact of rising inflation, Covid-19 and Brexit, all of which are factors driving increased operational and construction costs. The impact of increasing cost inflation will also affect residents and is likely to lead to increased demand for public services.
- There are significant risks to funding that will become clearer when the Local Government Finance Settlement is published. The Government's approach to fair funding, business rates and sustainable social care continue to be developed and are yet to be announced. This forms a significant risk to the Medium Term Financial Strategy.
- The continued delays to external audits persists causing additional work and a reputational risk to the Council with respect to assurance on its governance. An

alternative audit firm has been contracted to audit grant claims to mitigate the risk to the Council financial statements audit.

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

Key performance and delivery messages:

- Dispersed working arrangements continue. Council buildings re-opened on 04 April. Health and hygiene messages continue to be in place to keep our workforce safe, and there is ongoing provision of testing from staff in front line roles, Personal Protective Equipment, and enhanced cleaning and other measures.
- Although the total number of apprenticeship starts were lower than expected in 2020/21, the offer has been expanded and there is a good level of take up more recently. The number of entry level apprenticeships has increased, and new level 7 strategic manager apprenticeships expands the offer at leadership and management level.
- The Council is working on plans to achieve platinum Investors in People. Over the next two years development progress will be continuously reviewed as part of a flexible model of assessment.
- The inclusive employer programme is delivering several key actions: a review of harassment and bullying, with a new communication, training and engagement plan.
- The Council achieved highly commended in the Public Sector People Managers Awards for innovation in recruitment, for the work on senior recruitment and under-representation, and for equality and diversity in recognition of strengthening the role and voice of staff networks.
- We have launched the Thrive app as a pilot wellbeing measure for front line staff in Public Realm, We Fix and My Place. This group of staff have much more limited access to support through the Council's intranet. The app is available through smartphones, and provides a wellbeing offer to a traditionally excluded group.
- Plans and timelines have been agreed to review the approach to talent management and succession planning. This will mean a framework to retain and develop staff, with a particular focus on under-represented groups.

Priorities for the next six months:

- The Dispersed Working Programme will be tested on an ongoing basis, with a detailed survey with staff planned for October/November 2022.
- All six priority areas in the Apprenticeship Action Plan will continue to be implemented, with a focus on delivering the pipeline apprenticeships as quickly as possible including increased access to entry level apprenticeships.
- An Investors in People staff survey will be carried out in June/July 2022, feedback from which, as well as from recent focus groups, will provide evidence and insights to shape the next stages of organisation development. As a Gold Investor in People we are now working on achieving accreditation at the highest level which is Platinum.

- Implement a new approach to employee performance management for this year, with a full review ready for 2023.
- Apply for the Mayor of London's Good Work Standard subject to successful London Living Wage employer accreditation.

Key risks in the next six months:

- Working in the context of a pandemic presents challenges in terms of business continuity, absence, ill health and wellbeing. But good processes and management oversight are in place.

Enables democratic participation, works relationally and is transparent

Key performance and delivery messages:

- The focus of the Lost Hours campaign has been to encourage parents to have a better understanding of what their children are doing online, and specifically to address the issue of online exploitation. This was supported by a programme of training sessions for parents through our partner Lifeline to help educate them about their child's online activity.
- Phase three of the Cleaner Barking and Dagenham campaign was delivered. During the campaign, around 100 residents participated in community litter picks. The campaign had 230 social media posts, with 2,100 likes, 560 likes, 150 shares and 370 comments. The 2021/22 online Resident Insight Survey showed that 75% of residents had heard about the work the Council is doing to create a cleaner borough. The amount of household recycled materials that is collected has increased by 8.27% in the last year. This is due to the success of the extended recycling scheme launched in Spring 2021.
- The Safer Barking and Dagenham campaign was launched. The campaign uses a mixture of outdoor advertising formats, including roadside billboards, advertising on the side of buses and railing banners, combined with both free and paid-for digital advertising. We are still waiting for tracking results for the outdoor advertising, however the paid-for geotargeted digital campaign performed well, with the campaign video featuring an Enforcement Case Worker generating 20,902 views and the Enforcement Officers on patrol video generating 7,902 views. Overall, the digital paid-for advertising achieved 608,269 impressions and 78,266 interactions⁵.
- Further bursts of the Fostering campaign were executed between December 2021 and May 2022 led to 49 enquiries and 2,675 unique visitors to the fostering webpage. A new more lucrative offer for foster carers was launched just before Fostering Fortnight in May. This has been supported by a heavyweight borough-wide and external campaign. Another burst of bus advertising will go live soon, building on the success of the artwork installed in Barking Station.

⁵ Number of clicks, swipe ups, likes, shares, video views over 10 seconds.

- One Borough Newsletter sign-up continues to grow since the sign-up box was added to the homepage of the Council's website in July 2021. Currently there are 16,191 newsletter subscribers: a 21.6% increase over the last nine months.
- Follower numbers on the Council's social media channels also continues to grow, as of 01 April 2022, there were 17,601 Twitter followers (up from 16,446 on 01 April 2021); 15,866 Facebook followers (up from 14,448 on 01 April 2021); 3,032 Instagram followers (up from 2,455 on 01 April 2021); and 8,909 LinkedIn followers.
- The statutory Polling District and Polling Places/Stations Review, in response to new ward arrangements published by Local Government Boundary Commission for England, and publication of new Register of Electors was completed on 01 March 2022.
- Local elections were successfully held on Thursday 05 May 2022. Turnout (24.5%) was lower than for previous local elections (29.5% in 2018 and 36.5% in 2014).

Priorities for the next six months:

- Funding has been secured for the next phase of the Lost Hours campaign which was launched at the end of June 2022. It re-focuses on the primary audience of the campaign, parents of younger secondary school children, pushing out the original hard-hitting creative and messaging to encourage parents to take greater responsibility for their children's whereabouts and actions. A key component of the next phase will be extensive engagement with secondary schools. The media launch of the campaign will take place in a secondary school, inviting Year 7 and 8 pupils and parents to an event which will showcase a short film produced for the campaign, as well as hearing from key partners and people featured in the film.
- £50,000 has been outlined for a vaccine hesitancy campaign, following a successful bid of £285,000 which was awarded to the Council from the Government's Department of Levelling up to address Covid-19 vaccine hesitancy. The funding will be used to run a social marketing campaign targeting demographic groups with the lowest uptake (Black residents, Eastern European residents and young residents aged 18-25).
- An Annual Campaign Plan which is aligned to political and organisational priorities needs to be developed. This should make allowance for continuation of already established campaigns: Lost Hours, Cleaner Barking and Dagenham, and Safer Barking and Dagenham, while recognising new campaign priorities, in particular a priority to support residents through the cost-of-living crisis.
- An independent review of the Council's social media accounts will be commissioned to inform future direction. The aim is to increase engagement and use influencers to amplify council messages.
- Identify opportunities for sponsorship/grant funding to help mitigate forecasted overspend in relation to the Events Programme. Increased supplier costs and additional Platinum Jubilee events have added pressure to the allocated budget for events programming.
- Preparations for new Elections Bill, which is expected to bring in Voter Identification and several other new measures and requirements.

Key risks in the next six months:

- The Fostering campaign needs to convert activity into new recruitments to increase the number of in house foster carers for Looked After Children so they can achieve permanence. Failure to recruit more in house foster carers will mean reliance on expensive independent or high-cost residential provision. Therefore, consideration should be given to promoting the campaign in a wider geographical area, and better targeting of potential foster carers through print and face-to-face outreach. Converting digital interest into applications and initial conversations with the Fostering Team should also be an area of focus to ensure the campaign is making an impact.
- The calling of a 'snap' General Election between now and late 2023 would present risks due to the anticipated requirements of the new Elections Bill and different boundaries for local Wards and parliamentary constituencies. In respect of the latter, the Council has made representations to the Parliamentary Boundary Commission to bring these issues into line, during the first stage of consultation on the Commission's Parliamentary Boundary Review 2023. However, the Boundary Commission's final proposals are not due to be published until June 2023 and must then pass-through Parliament.

Puts the customer at the heart of what it does

Key performance and delivery messages:

- Contact centre performance remains around 70% for calls answered. It must be noted that from February to March 2022 the percentage of calls answered exceeded 70%, averaging 76%. Call volume averages dropped to 28,000 per month compared to 33,000 for the previous six months. However, demand through Council Tax lines and repairs has seen more complex calls meaning waiting and handling times are longer. Resource is not at optimum but new and creative ways with digital improvements is encouraging self-service.
- Average handling time has been below seven minutes throughout February and March 2022 (averaging 6:23 minutes) and average wait times dropped to 4:27 minutes. This demonstrates a good balance between demand and capacity.
- A fundamental area of concern is housing repairs enquiries and contacts. Long appointment lead times on key trades are driving longer conversations and there has been an increase in the level of chase-up calls for follow-on works by 5% (23% to 28%).
- Despite some performance challenges satisfaction with the Contact Centre is good. Overall satisfaction is at 87%, and at 92% for call handling satisfaction (averages for 2021/22).
- Since the launch of the ChatBot, which automates simple interactions and acts as a virtual assistant, there have been 16,600 interactive conversations, a 33% increase compared to the previous six months. 86% of ChatBot uses were rated as 'successful conversations' which is a significant difference compared to the public website yielding a success rate of 20%. The success of the ChatBot has been key to driving the performance improvement in call handling and call volumes described above.
- Multiple ChatBots focused on specific topics are in operation. These have helped customers better understand what the ChatBot can and cannot help them with. The ChatBot is constantly updated to include questions residents are asking which have not

been answered previously. This has also helped us to drive improvements to the website as the ChatBot by nature identifies weak points in content quality and navigation.

- The volume of complaints and Member Enquiries cases increased in the lead up to the election as expected. The higher than usual volume impacted on the ability to respond within 10 working days to Member Enquiries, performance for which averaged 82%.
- Freedom of Information requests completed within timescale (20 working days) have been averaging 82%; this is below the Information Commissioner's Office target of 95%. Challenges have arisen with the level of understanding across the Council on when and how exemptions should be applied which slows down responses or means we are responding to Freedom of Information requests that are in fact outside the scope of the legislation.
- Performance is as expected in relation to complaints upheld with 35% of cases finding fault with the actions undertaken. The majority of these relate to missed bins collections. The proportion of complaints upheld is within target and inline with the performance of other local authorities who experience similar challenges with common types of complaints.
- The Council continues to work on the key challenge of improving and modernising customer services and how residents interact with the Council. An important first step of this is to re-design the Council's website so it promotes self-service via digital channels. Another important step is to reduce digital exclusion. In response to this, the Digital Inclusion Group has supported the delivery of 45 volunteer Digital Champions across local libraries to support people with limited digital skills. There is also ongoing work internally to address digitally excluded staff.

Priorities for the next six months:

- Focus is on the longer-term Contact Centre Recovery Plan with the deployment of live web chat towards the end of August 2022 and integrated systems making it easier for Customer Service Advisors to manage calls.
- Re-design of the Council's website to improve navigation and accessibility is a priority; The website has a customer satisfaction score of just 21% which means only two out of ten people who visited our website found what they were looking for.
- Further development of the Voice of the Customer Programme, which gathers resident feedback at various stages of an interaction with the Council, is needed to drive service improvements. A Customer Panel Community will be established to act as a steering group to design and test innovative approaches and solutions.
- Implementation of live web chat will enable Customer Service Advisors to handle more than one interaction at a time and create a seamless handover from webchat to telephony to reduce call waiting times.
- Continued learning and sharing of insight from a resident's which arise through complaints and Member Enquiries will be applied to drive continuous improvement across all council services.
- Increasing staff knowledge on applying exemptions to Freedom of Information requests is necessary to avoid resource and time being used to respond to requests which could reasonably be exempted in accordance with the Freedom of Information Act 2000. A policy is in development which will clearly set out the types of exemptions and how they

can be applied. This will assist all services in applying and recognising applicable exemptions (e.g. repeat, vexatious, or overly cost intensive to answer).

- The Digital Inclusion Strategy and Action Group can be leveraged further to deliver real impact in the borough, including but not limited to: growing the network of Digital Champions from 45 to 75; launching a pilot laptop lending scheme; fully understanding the digital skills gap for LBBD employees; and using the newly developed community banking website to initiate at least 100 debt interventions.

Key risks in the next six months:

- Investment in digital services is needed to improve customer access, supporting demand management, self-service, and the provision of good quality information and advice.
- Customers view the online experiences as one whole. However, the Council's online experience is made up of several moving parts owned by different directorates, services, and teams, and in some cases externally too. This presents challenges when trying to build a better managed and consistent user experience with a single intuitive design system. Hence why the omni-channel digital strategy is important as well as ensuring the interfaces of customer facing platforms are as good as they can be and integrate well with other systems to give a feeling of a singular digital experience.

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

Key performance and delivery messages:

- The systems supporting homes and asset management is a key focus, with several systems (including Capita Open Housing) being used to manage different parts of the operation. The current contract with Capita for the housing management system has a breakpoint in late 2023 and ends in 2025. The Council needs to decide whether the best approach is to stay with Capita and upgrade to their new housing product or to adopt a different approach at the 2023 breakpoint. To inform this decision a review of housing technology requirements is being undertaken and will be reviewed. This review needs to have a focus on two key areas to improve the delivery of services:
 - Data: including the data quality of tenants and leaseholders, data quality of housing properties; the best approach for managing commercial properties; and the compliance requirements for all properties.
 - Digital technology: the need to improve customer and employee experience, making full use of digital methods of communication and smarter service design.
- The Wide Area and Local Area network service at council sites were at the end of their support lives and contract periods. As such, a refresh of the Wide Area and Local Area network connectivity including Wi-Fi is required. All sites will have had their network service refreshed by the end of July 2022 delivering improved performance and security.
- The new Enterprise Resource Planning solutions, iTrent and Advanced E5 (including HR and Payroll; and Finance and Procurement solutions), went live on 01 April 2022. This included smooth closedown of Oracle and archiving of information on 31 March 2022 and migration of data between systems. A significant amount of testing, data validation and training has taken place, as well as building new integrations between key systems which hold financial information. Part of the improved employee experience being delivered alongside the new Enterprise Resource Planning system is a Customer Relationship

Management system for reporting and managing internal staff requests, problems and issues for IT, HR and Finance services. This has been implemented in parallel with the Enterprise Resource Planning system rollout. It will now be extended to support our Procurement, Finance, and Income Management services enabling better management of issues that staff experience with core business systems and processes.

- My B&D, a portal for residents to manage accounts with us and use online services, went live in September 2021.
- Cybersecurity capability and resilience continues to be reviewed to enable the Council to protect itself against ever evolving cyber risks that could affect the delivery of services. The focus is incident response and vulnerability management.

Priorities for the next six months:

- A follow-up Enterprise Resource Planning delivery phase will be completed by September 2022. A Product Manager will be recruited to lead on automation and advanced functionality in HR. System developments and improvements will lead to better employee experience through digital processes driving effectiveness and efficiency in those services.
- Commencement of the implementation of My B&D Phase 2 which once delivered will provide an improved customer journey when registering for a My B&D account, seamlessly linking a resident's Council Tax, Housing Benefits and Housing Rents accounts. In addition, Phase 2 improvements will allow residents to view balances through their My B&D accounts.
- Work will continue with the services requirements for business systems which involves developing technology roadmaps for services. The roadmaps focus on business functionality and how to make best use of the internet, web services, business automation, and mobile working technologies. This work is to ensure IT applications fully support smarter service design and enable better services for residents to access their information or needing to request services.
- The contract for the Council's predictive analytics platform, One View, will come to an end next year. A priority over the next six to 12 months is to engage with the wider council to design the next phase of the work and then design implementation and subsequently deliver it. This will ensure we continue to have a ground-breaking predictive analytics platform.

Key risks in the next six months:

- Cyber security continues to be a major risk with attackers continually increasing the sophistication of their attacks.

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CABINET**12 July 2022**

Title: Contract for Provision of Liquid Fuel and Ancillary Products	
Report of the Cabinet Member for Public Realm	
Open Report	For Decision
Wards Affected: None	Key Decision: No
Report Author: Henry Okolieh, Interim Senior Contracts & Procurement Manager on behalf of Kevin Stephenson, Head of Fleet Management and Workshop, Public Realm	Contact Details: Tel: 02039117247 E-mail: kstephenson@lbbd.gov.uk
Accountable Director: Rebecca Johnson, Director My Place	
Accountable Strategic Leadership Director: Lisa Keating, Strategic Director, My Place	
Summary	
<p>This report presents proposals for the procurement of new contracts for the provision of liquid fuel for the LBBD Transport Fleet.</p> <p>The Council's previous contract with Prax and other suppliers, via a Crown Commercial Services (CCS) framework, for diesel, other liquid fuels and fuel additives expired on 31 March 2022 with no option to extend the agreement.</p> <p>The MyPlace procurement team have undertaken a review of alternative sources of supply for fuel. The review is described in this paper and setting up of new long-term arrangements should be complete by end of June 2022. Mobilisation may then take a few additional weeks.</p> <p>There is also a requirement for continuity of fuel supplies whilst longer-term arrangements are set up. White diesel, our main requirement, can be spot purchased from our existing supplier until new arrangements are in place. The price paid is as would be paid if we were still on recently expired terms. A separate contract waiver has been drafted to cover this short-term requirement.</p> <p>With respect to the future arrangements, it is recommended that the Council use the CCS Liquid Fuels RM6177 framework agreement contract, which started 1 February 2021 and will expire on 31 January 2025 in accordance with the strategy set out in this report to award a four-year contract (split in to 1yr + 1yr, + 1yr +1yr) for the supply of:</p> <ul style="list-style-type: none"> • Petrol • Diesel • Other Ancillary Products 	

<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (i) Agree that the Council proceeds with the procurement of contracts for the provision of liquid fuel and ancillary products through the CCS Liquid Fuels RM6177 framework agreement, in accordance with the strategy set out in the report; and (ii) Delegate authority to the Director of Public Realm, in consultation with the Cabinet Member for Public Realm and the Chief Legal Officer, to conduct the procurement and award and enter into the contract(s) and any other ancillary agreements with the successful bidder(s).
<p>Reason(s)</p> <p>To assist the Council in achieving its priority of 'Well Run Organisation'.</p>

1. Introduction and Background

1.1 The Council operates a wide range of vehicles, machinery and plant that require liquid fuels to operate; existing arrangements have expired. Now, as was the case previously when last tendered, the economies of scale and price benefits achieved through aggregation of demand make any approach other than accessing a framework uneconomic. The last contract for liquid fuels was procured via a CCS Framework agreement Fuel is stored in tanks at both Frizlands Depot, Dagenham and Creek Road Depot, Barking.

1.2 The table below shows the previous suppliers that provided the fuels.

Table 1

<i>Product Required</i>	<i>Suppliers</i>
Ancillary Products	New Era Fuels
Diesel	Harvest Energy Ltd (Part of Praxis group)
Petrol	Certas Energy UK Ltd

1.3 There is a retrospective waiver currently being circulated awaiting approval for a 3-month supply of diesel with Prax Group (we have sufficient stocks of petrol and other ancillary products). Transition to the new CSS framework should start in July 2022.

2. Proposal and Issues

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

2.1.1 Liquid fuel for all LBBB's vehicles, machinery, and plant that it is required to operate. Below is a table detailing the liquid fuel products used, storage capacities, and their site / location.

Table 2

<i>Town</i>	<i>Product Required</i>	<i>Price Type (Group or Site)</i>	<i>Estimated Annual Consumption (litres)</i>	<i>Tank Storage Capacity (litres)</i>	<i>Normal Load Size (litres)</i>
Dagenham	Ancillary Products	Site	10000	1000 (container)	1000
Barking	Diesel	Group	20500	11500	10000
Dagenham	Diesel	Group	110000	22700	36000
Dagenham	Diesel	Group	724000	45400	36000
Dagenham	Petrol ULSP	Site	23000	22700	12000

NOTE - This above table covers the BD Group usage which accounts for 20% of the total annual figure (i. e. amount in litres)

- 20k litres per month,
- 249k litres per years
- 960k litres for the duration of the contract.

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

2.2.1 The unit cost per litre for all fuel types fluctuates on a daily basis and is therefore not a key variable when deciding on sources of supply. Other factors to consider are:

- Load Size – the volume a supplier will want to deliver
- Small Load Premium (SLP) – an additional charge the supplier will levy for delivering less than the load size
- Supplier markup – the supplier margin per litre added as cost
- Framework provider commission – additional costs added by the framework provider

2.2.2 Where Load Size exceeds storage capacity and there is SLP in place this can increase costs. Typically, 0.25ppl, this is normally for small capacity deliveries.

2.2.3 A worked example below based on projected consumption levels and specific framework variables. It shows given the limited storage capacity at Barking and Dagenham, uncertainty as to future consumption levels and having a single source of supply (more efficient billing arrangement, simpler delivery schedules etc) we should avoid if, possible frameworks that charge SLP.

2.2.4. Of the available frameworks, pricing information was provided by CCS framework only, following signature of an NDA, YPO and TPPL would only provide detailed pricing if there was a genuine intention to run a mini competition so that data is not available for comparison.

2.2.5. The price differences for fortnightly and annual deliveries of white diesel as follows (based on unit price of £1.45 per litre):

Table 3

Fuel Supplier	Location	Fortnightly Usage (Litres)	Annual Usage	Tank Size	Load Size	Fortnightly Cost (Excluding SLP)	SLP Apply ?	SLP (Pence Per Litre)	SLP Cost	Total Cost (Fortnight)	Total Cost (Annual)
CCS (old)	Barking	788	20,500	11,500	30,995	£1,152	Yes	2.5	£513	£1,665	£43,278
CCS (old)	Dagenham	4,231	110,000	22,700	30,995	£6,182	No	-	£0	£6,182	£160,721
CCS (old)	Dagenham	27,846	724,000	45,400	30,995	£40,686	No	-	£0	£40,686	£1,057,836
						£48,020				£48,532	£1,261,835
CCS	Barking	788	20,500	11,500	30,995	£1,149	Yes	-	£0	£1,149	£29,881
CCS	Dagenham	4,231	110,000	22,700	30,995	£6,167	No	-	£0	£6,167	£160,336
CCS	Dagenham	27,846	724,000	45,400	30,995	£40,589	No	-	£0	£40,589	£1,055,302
						£47,905				£47,905	£1,245,519

2.2.6 A comparison below on the expenditure based on diesel costs @ £1.16 per litre the Council were paying in December 2021.

Table 4

Fuel Supplier	Location	Fortnightly Usage (Litres)	Annual Usage	Tank Size	Load Size	Fortnightly Cost (Excluding SLP)	SLP Apply ?	SLP (Pence Per Litre)	SLP Cost	Total Cost (Fortnight)	Total Cost (Annual)
CCS (old)	Barking	788	20,500	11,500	30,995	£923	Yes	2.5	£513	£1,436	£37,333
CCS (old)	Dagenham	4,231	110,000	22,700	30,995	£4,955	No	-	£0	£4,955	£128,821
CCS (old)	Dagenham	27,846	724,000	45,400	30,995	£32,611	No	-	£0	£32,611	£847,876
						£38,489				£39,001	£1,014,030
CCS	Barking	788	20,500	11,500	30,995	£921	Yes	-	£0	£921	£23,936
CCS	Dagenham	4,231	110,000	22,700	30,995	£4,940	No	-	£0	£4,940	£128,436
CCS	Dagenham	27,846	724,000	45,400	30,995	£32,513	No	-	£0	£32,513	£845,342
						£38,374				£38,374	£997,714

- 2.2.7 CCS are c.1.5% cheaper than the previous CCS contract (note, the costs avoidance only applies to the CCS framework margin, Supplier Margin and any Small Load Premium).
- 2.2.8 Similar percentage cost avoidance between the proposed CCS and previous CCS contract for Petrol, Red Diesel, and other ancillary products but volumes required of all of these are lower than white diesel and are reducing.
- 2.3 Duration of the contract, including any options for extension**
- 2.3.1 The contract should be awarded for an initial one year with options to extend for a further three, one-year periods (1yr + 1yr, + 1yr, + 1yr), making it a total of four years to allow LBBB take advantage of the repeated CCS's annual mini – competition exercise with suppliers which provides value for money to LBBB.
- 2.4 Recommended procurement procedure and reasons for the recommendation**
- 2.4.1 We will use the CCS framework Agreement RM6177 due to the current uncertainty in the market and the standardised nature of the product, and fewer frameworks available. This will allow LBBB to procure the products in bulk taking advantage of the economy of scale in association with other local authorities/users to further drive price lower or achieve further cost avoidance.
- 2.5 The contract delivery methodology and documentation to be adopted**
- 2.5.1 The service will be managed by the MyPlace operations team supported by the MyPlace contracts & procurement team utilising the agreed contract management mechanism within the Framework terms and conditions to progress the service.
- 2.6 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract**
- 2.6.1 The CSS's margin for the proposed contract compared against the previous CCS framework margin (i. e. previous contract) are available as an appendix at the bottom of this document. As the liquid fuel is a regulated and standardised commodity with the same quality across the board, the only criteria that is relevant for this procurement is price. The quality criteria do not apply here as this is solely a price-based commodity.
- 2.6.2 As this strategy is a public document, and due to the sensitive nature of the pricing information, the final details on the price will not be shared on this strategy document.
- 2.7 Criteria against which the tenderers are to be selected and contract is to be awarded**
- 2.7.1 The criteria are as mentioned in para. 2.6.2 – 2.6.4 above and specific by the eAuction requirement of the Framework owner (CCS).

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

- 2.8.1 There is no ability to evaluate any Social Value benefits that the supplier could deliver at this stage of the procurement. However, once a suitable contractor for the service has been identified, the council will be looking to ask the supplier to agree and commit to a number of social value outcomes for the Borough. We will look to understand what social value the chosen supplier(s), and when it will be delivering during the duration of the contract.
- 2.8.2 It will be the requirement of the Commissioner to ensure that all Social Value Commitments are followed up on and outcomes are monitored and reported.

3. **Options Appraisal**

3.1 The alternative options considered were:

3.1.1 **Do nothing. Rejected.**

Liquid fuel is essential in delivering front line operations of a council like LBBD and must be procured in line with Council's financial standing order and the contract rules. Doing nothing does not comply with all of these requirements.

3.1.2 **Let a bespoke LBBD contract. Rejected.** LBBD's spend on liquid fuel is in scope of procurement Regulations which would require a full compliant tendering exercise which would require significant officer resource and would take time to carry out. LBBD's fuel use, although significant cannot compete with economies of scale that existing framework contracts offer. The bespoke approach does not deliver best value to LBBD. Using an existing framework will save officer resources and deliver greater value for money.

3.1.3 **Reconfigure service to use a Commercial Fuel Card system. Rejected.** A Fuel Card system does not offer LBBD adequate resilience in the event of fuel shortages. The current bunkered fuel system is integral to local and pan London contingency plans. The local area has minimum fuelling stations with adequate access for HGV's. Over height vehicles such as dustcarts will have limited fuelling stations. Bunkered fuel stores allow LBBD to purchase additional stocks when prices are low, fuel cards would not offer the same opportunity. In addition, fuel cards would be tied to local petrol stations, as no stations in the area offer red diesel. It will also restrict the geographic service delivery as it will reduce the number of points for re-fuelling. The use of fuel cards also increases the risks of fraud.

3.1.4 **Use YPO Framework Agreement. Rejected.** With the Yorkshire Purchasing Organisation (YPO) agreement, there is no set price for supplier margin and framework charges agreed.; it is also not clear if small load premiums are charged on this framework because of the lack of pricing information. As a result, it is not possible to do a like for like analysis with our current cost to determine if their prices were competitive. To get a price, LBBD would have to carry out the mini-competition first and we are not sure what we will be getting at the end of that exercise.

- 3.1.5 **Use TPPL Framework Agreement. Rejected.** The Procurement Partnership Limited (TPPL) framework option is through a Dynamic Purchasing Services (DPS) framework, with this DPS, it was also not possible to do a like for like analysis with our current cost to determine if their prices were competitive. Same as above. The Council would also need to have a structured strategy to either procure a number of years' worth of liquid fuel or operate a cycle with a minimum of 10-day response period and evaluate each instance.
- 3.1.6 **Use a CCS Framework Agreement. Recommended** – Use the CCS Framework Agreement as detailed above, analysis shows that shows that the CSS framework suppliers' margin is more than lower when compared with the expired contract suppliers' margin.

It is recommended that we replace the expired contract with the CCS Framework agreement.

The Council has chosen this method of delivery of utilising its own fuelling stations to obtain the best value and service possible. Other schemes running on fuel cards at local fuel stations creates administration issues and possible delays in supply.

4. Consultation

- 4.1 The proposals in this report were considered and endorsed by the Procurement Board on 20 June 2022.

5. Corporate Procurement

Implications completed by: Euan Beales, Head of Procurement

- 5.1 The Crown Commercial Services framework is a recognised and well used route to market for Liquid fuels and ancillary products.
- 5.2 The main drivers are the framework owners' costs, the supplier margin and if he supplier will seek to charge a small load premium. Based on the information contained in the report the Crown Commercial Services framework appears to offer cost avoidance as the raw commodity costs are at an all time high, so there would be no perceived savings made, but the framework offers Value for Money through its overheads mitigations.
- 5.3 The paper also details that the BD Group account for approximately 20% of the Diesel usage, so any changes in fleet strategy by them will impact the contracted volumes. It is recommended that the Council and BD Group converse on fleet strategy and likely timescales as any infrastructure requirements could be maximised if both parties benefit.
- 5.4 Due to the limited options open to the Council, the option that shows a higher element of Value for Money is the Crown Commercial Services framework due to economies of scale of their customer base, and the limited forecourt availability of current EV infrastructure.

6. Financial Implications

Implications completed by: Joel Gandy, Finance Business Partner, Service Finance

- 6.1 Fleet Management (Public Realm) oversee the supply and storage of fuel for the Council's Fleet including its subsidiaries. Most of the fuel required is diesel as the fleet includes, for example, buses and refuse vehicles. The cost of the fuel is recharged from Fleet Management to the respective services and companies.
- 6.2 This report sets out a recommendation to utilise the CSS Framework on a 1+1+1+1 yearly basis to procure diesel, petrol, and other ancillary products (Diesel Exhaust Fluid). The estimated annual contract value is £1.365m therefore a potential £5.460m over four years. 95% of this value relates to diesel procurement.
- 6.3 The cost is made up of the Commodity Price, Supplier Margin and Framework Fee with the expectation that the price per eAuction will be competitive and early indications confirm that the prices are below the current spot purchase price temporarily being used. The Commodity price, the most significant cost element, has limited flexibility within it to drive down the cost as this will include fuel duty and VAT.
- 6.4 Fleet Management has spent £709,000 in 2020/21 and £921,000 in 2021/22 therefore it has already seen a 30% increase in expenditure due mainly to economic factors. The contract price therefore builds in further growth as inflation is due to remain high for 2022. The increase in cost will need to be managed by various service budgets across the Framework Period to ensure services continue to be delivered.

7. Legal Implications

Implications completed by: Lauren van Arendonk, Contracts and Procurement Lawyer

- 7.1 This report seeks to present proposals for the procurement of new contracts for the provision of liquid fuel for the LBBD Transport Fleet, which has now expired. The CCS Liquid Fuels RM6177 has been considered the best option, based on the results of the analysis. The use of the framework is in accordance with Rule 13.1, being an approved procurement method. This method is also most likely to best achieve Council Objectives.
- 7.2 The current contracts have expired and options to run a competitive procurement in the circumstances leaves a gap in the current needs. Therefore, the option to join an established framework is a suitable alternative to an open market competition, reducing the risks of challenge. Where required, direct awards may be permitted if the term of the framework allows for a call off via a direct award, which meets Class C of the Council's Contract rules. Rule 33.3 of the Contract Rules permits a direct award if it is permissible under the Framework terms and conditions.
- 7.3 Under rule 5.1(a) of the Contract Rules, procurements from Frameworks are exempt from the full application of the Rules provided the framework has been

properly procured under the Regulations and the procurement is made in accordance with the Framework's terms and conditions.

- 7.4 The costs of the service are above procurement thresholds. The contract is not subject to the Light Touch Regime, which would otherwise require a competitive procurement process to run. This route to market is in accordance with the Contract Rules.
- 7.5 Rule 28.5 requires that contracts with a value above £50,000 must be competitively tendered. The contract ought to be awarded, with all Contract Rules having been complied with.
- 7.6 As the value of the Contract exceeds £100,000, in line with rule 52.2 of the Contract Rules, the Contract will require sealing. Legal Services will be on hand to assist in any queries which may arise and also assist in the sealing of the Contract documents.

8. Other Implications

8.1 Risk Management – Identified risk and subsequent mitigation strategies identified during the completion of this recommendation are as follows:

- Poor supplier performance including unacceptable delivery times. Poor supplier performance will be mitigated by ensuring the contractor delivers services in line with Key Performance Indicators within the Framework. The CCS framework gives us the opportunity to do this.
- Ensuring value for money over the term of the contract. The contract will be let by CCS annually, CCS will carry out a mini competition each year to ensure suppliers pricing remains competitive. LBBD will always be paying current price throughout the contracted period.
- Poor Quality Products. The supplier is required to deliver fuel that conforms to industry mandated specifications. Failure to deliver products that meet the required standard will be dealt with within the mechanisms contained within the contract. Ultimately the contract contains the mechanism to terminate the contract for poor supplier performance.
- Reduction in volume of products required. There is a possibility that due to the use of greener vehicle fuelling methods that the volume of traditional liquid fuel required may reduce. The contract is a call-off contract and LBBD are not tied into any minimum order level. Should volumes significantly reduce then fuel prices have the potential to increase slightly, however the renewed annually and at that point should the revised cost be prohibitive then an options appraisal would have to be carried out.
- Possible Interruption/Disruption in Service – As the residence are more used to having the fuel cards which will no longer be used, there is a possible risk of service interruptions or disruptions. This will be mitigated by allocating a responsible contract management team to manage the KPI for the service and any identified risk.
- The contract will be managed by fleet management operations team (lead by the Head of Fleet Management) supported by the contract and procurement team.

8.2 Contractual Issues – The Crown Commercial Service (CCS) Framework terms and conditions will be used.

- 8.3 **Corporate Policy and Equality Impact** - With contracts in place to provide fuel for the entire fleet, encompassing vehicle road fleet and various plant machinery, which is used by a wide array of services within the borough, this contract minimalises the interruption to the supply of fuel which assists in the building of a well-run organisation and ensures relentlessly reliable services across all demographics of the Council. An Equality Impact Assessment (EIA) has been completed for this procurement and has been reviewed and approved by EIA team.

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

List of appendices: None

CABINET**12 July 2022**

Title: Contract for the Provision of Temporary Accommodation for Homeless Families	
Report of the Cabinet Member for Community Leadership and Engagement	
Open Report	For Decision
Wards Affected: All	Key Decision: No
Report Author: Angelo Cimelli, Service Manager, Community Solutions	Contact Details: E-mail: angelo.cimelli@lbbd.gov.uk
Accountable Director: Stephen McGinnes, Director of Support & Collections, Community Solutions	
Accountable Strategic Leadership Director: Judith Greenhalgh, Strategic Director, Community Solutions	
<p>Summary:</p> <p>The procurement of temporary accommodation is required to meet the statutory function for providing households, with emergency / temporary housing pending the provision of long-term housing solutions.</p> <p>The homeless service currently accommodates just under 1400 households in emergency / temporary accommodation. Outside of stock owned and managed by the local authority, the service also relies on several contracted housing providers who offer additional resources to accommodate homeless households deemed eligible for assistance in accordance with appropriate legislation.</p> <p>Contracted housing providers currently supply the local authority with approximately 950 Private Sector Lease (PSL) properties either in Barking & Dagenham, or neighbouring areas to assist the local authority meet its statutory functions.</p> <p>The existing contract commenced on 1 June 2019, for a period of 3 years, with an option to extend for a further year. The initial 3-year period is due to expire on 31 May 2022, therefore, Cabinet is asked to note the intention to invoke the 1-year extension from 1 June 2022 to 31 May 2023, during which time a procurement exercise can be undertaken to provide an opportunity for existing providers to re-tender, while giving an opportunity for new business to express an interest to join the approved framework.</p>	
Recommendation(s)	
The Cabinet is recommended to:	
(i) Note the extension of the existing contracts for the final year of the current temporary accommodation contract from 3 June 2022 to 2 June 2023;	

- (ii) Agree that the Council proceeds with the procurement of a new contract for the provision of temporary accommodation for homeless families commencing 3 June 2023, in accordance with the strategy set out in the report; and
- (iii) Authorise the Director of Support and Collections, in consultation with the Cabinet Member for Community Leadership and Engagement, the Director of Finance and Investment and the Chief Legal Officer, 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 enable the Council to meet its statutory obligations and assist in achieving the priority of 'Well-Run Organisation'.

1. Introduction and Background

- 1.1 The Council has a statutory duty to provide temporary accommodation for households to whom a duty has been established under Part VII (homeless duties) of the Housing Act 1996 (as amended), or Homeless Reduction Act 2018. To fulfil this function, the Council is required to source a variety of accommodation to ensure that a sufficient supply is available to meet the needs of homeless households.
- 1.2 Additional consideration is also given to those households who are subject to Immigration Control and commonly referred to as households being supported by the No Recourse to Public Funds Service, within Community Solutions. Accommodation for these households is also procured as part of the existing framework and should be considered in any subsequent framework approval.
- 1.3 The current temporary accommodation portfolio consists of approximately 960 properties, described as PSL (Private Sector Lease), which are supplied by 17 providers. The number of properties required will be dependent on a number of different factors. The gross annual value of the portfolio is up to £20m.
- 1.4 PSL suppliers provide both property and management related functions to the Council under the terms of the existing contract, which defines and specifies key operational metrics such as minimum property standards, performance monitoring, repairs timescales and hand-back procedures.
- 1.5 For the Council to continue to fulfil its statutory duties and meet strategic ambitions of reducing the number of homeless households in temporary accommodation the award of a tender contract is necessary.
- 1.6 The tender contract should seek to be robust as far as it provides clear, reasonable, and enforceable terms and conditions in key areas such as price and payment, costs and expenses, performance, repairs and maintenance, insurance, indemnity and liability, hand-back and termination, health and safety and statutory obligations.
- 1.7 The contract must also seek to provide sufficient flexibility to allow the Council to meet dual targets of reducing the number of homeless households in temporary

accommodation, responding to projected increases in demand and where possible providing a net saving to services where existing property procurement arrangements are resulting in considerable expense to the local authority. Examples of flexibility which meets the above-mentioned targets may include, the ability to convert suitable Private Sector Licensed (PSL) agreements to Assured Shorthold Tenancies (AST) in discharge of the Councils' homelessness duty and a framework under which property suppliers can apply and contract as providers of PSL accommodation or private rented Rent Deposit accommodation or both.

2. Proposed Procurement Strategy

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

- 2.1.1 The proposed tender process will enable the council to put a Framework Agreement in place, under which accommodation providers can apply to, to provide rooms, flats and houses of varying bedroom sizes, to use as temporary accommodation for those households who are eligible for assistance in accordance with appropriate legislation.
- 2.1.2 Preference is for accommodation to be made available in Barking & Dagenham, however, where reasonable and suitable opportunities arise for procurement of stock outside of Barking & Dagenham, this can also be considered.
- 2.1.3 On this particular point, the service will sometimes have a need to accommodate households in temporary accommodation outside of Barking & Dagenham to resolve an immediate emergency, or in some cases on the grounds of affordability. For clarity, where the term Out of Borough (in London), refers, this will ordinarily be in immediately neighbouring authorities, i.e., Redbridge or Havering. Where Out of Borough (outside of London) refers, this will commonly be in the Essex area, and where households can continue to reasonably retain links with support networks in Barking & Dagenham.

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

- 2.2.1 Upon award and commencement of any new contract the estimated value is circa £80m over the contract period (£20m per annum for 4-years).
- 2.2.2 The estimated value of the extension period commencing from expiry of the existing contract (3 June 2022) until commencement of the new contract (proposed to be 2 June 2023) is circa £18m
- 2.2.3 It is noted that the contract has a significant associated annual and contract term value, and to allay concerns that this figure is based just on spend, I offer the following clarity.
- 2.2.4 The gross annual cost of procuring temporary accommodation was just under £19m in March 2020, with the gross cost being just under £16m at March 2022. This highlights the efforts which have been made by the service in reducing the number of households in temporary accommodation over the term of the contract, and by association, therefore, the reduction in cost of procuring that accommodation.

- 2.2.5 To meet the cost of procurement, the service benefits from an annual (and ring-fenced) grant from Central Government, commonly referred to as the Flexible Support Homeless Grant (FSHG), for which Barking & Dagenham is allocated just over £3m per annum and has remained at this figure throughout the period of the current contract, with the allocation for 2022/23 being just over £3m.
- 2.2.6 This grant is used to offset the gross cost of procuring properties and has some flexibility to procure new stock as required by the service. The remainder of the cost is recovered by way of rent collection, for which the majority of households in temporary accommodation are eligible for and entitled to apply for and receive Housing Benefit.
- 2.2.7 The income channels through government grants, housing benefit and customer contributions, means that the net cost to the service, is more likely to be somewhere between £0.5m and £1m per annum and therefore significantly less than the gross annual contract value amount.
- 2.3 **Duration of the contract, including any options for extension**
- 2.3.1 For a term of three (3) years from June 2023 with an option to extend for a further period of one (1) year. The maximum duration of the contract is therefore for four (4) years.
- 2.4 **Is the contract subject to (a) the (EU) Public Contracts Regulations 2015 or (b) Concession Contracts Regulations 2016? If Yes to (a) and contract is for services, are the services for social, health, education or other services subject to the Light Touch Regime?**
- 2.4.1 This is a service contract which is not subject to the light touch regime.
- 2.5 **Recommended procurement procedure and reasons for the recommendation**
- 2.5.1 The tender process will be conducted in compliance with the Council's Contract Rules. The tendering of this service will be advertised on the Council's e-tendering website.
- 2.5.2 Providers expressing an interest in the tender will be issued with a tender pack which will give clear details on the quality criteria and weightings. This will be a single stage tender using the Open Process in accordance with the Public Contracts Regulations 2015 which will offer the opportunity and support to less experienced providers to submit a tender for this framework contract.
- 2.5.3 The proposed weighting will be 90% quality and 10% social value. This weighting is based on previous experience and new initiatives, which highlighted a large proportion of poor-quality accommodation within the private sector market. To ensure the provision of good quality accommodation the Council aims to confirm a supplier's ability to demonstrate a track record of effective property management within this niche sector.
- 2.5.4 Tenders will be assessed on the weighting as outlined above. We propose this as the optimum balance of whole-life costs and benefits that meet the customer's requirements. The Council will request written statements to detail how they will meet the evaluation criteria.

- 2.5.5 Providers will be ranked on the framework according to the percentage of the quality score from their tender submission.
- 2.5.6 A service specification will set out the Council’s expectations of the service provider. Successful providers will be appointed to the Councils OJEU compliant framework of suppliers.
- 2.5.7 Consideration was given to also utilising cost as a weighting metric as part of the contract specification terms, however, given the “demand led” nature of the service requirement, applying a rigid pricing structure could lead to a reduction of available stock being offered, and / or, providers being dissuaded from applying to tender.
- 2.5.8 The following outlines a high-level procurement timetable to work towards, and as the award of any new contract is likely to commence from 01 June 2023, flexibility has been built in to ensure each activity is met in good time for the contract award start date.

Activity	Completion Date
Report considered at Cabinet	Tuesday 12 July 2022
Advertise tender opportunity	Tuesday 26 July 2022
Closing date for receipt of completed tenders	Monday 19 September 2022 (8 weeks)
Tender evaluations	Wednesday 19 October 2022
Contract award sign-off	Tuesday 01 November 2022
Alcatel (10-day standstill period)	Friday 11 November 2022
Contract award	Monday 28 November 2022
Contract mobilisation (if required)	Monday 12 December 2022
Contract start date	Saturday 03 June 2023

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

- 2.6.1 The Framework agreement and contract delivery method will be delivered by several specialist housing providers. The Council will procure services from this framework of suppliers via a “call off” arrangement under which each supplier will be contacted as needs arise to establish what properties are available and outlined within the contract. Each property meeting the specifications will be procured in line with prevailing demand for housing. This will enable the Council to have a range of different types of accommodation suitable for the needs of customers.

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

- 2.7.1 The desired outcome of the contract award is to have a wider supply of accommodation available which is also flexible enough to meet the anticipated demands on the service, while having the ability to retain the existing supply of accommodation.

2.7.2 The opportunity of having new and existing housing providers on the contract framework will enable better opportunities of procuring self-contained accommodation and provides better value for money, while negating the need to “spot purchase” expensive and often less suitable emergency accommodation, where the need arises.

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

2.8.1 The criteria ratio upon which contracts will be awarded will be 90% quality and 10% social value. Providers will be ranked based on the quality of their tender submission. Consideration was also given to using pricing as a weighting metric, however, as the service sets a maximum rate for the procurement of temporary accommodation, providers submitting a tender do so on the understanding it is the service that negotiates the rate and not the provider.

2.8.2 Providers submitting applications as part of the tender will be assessed on quality via method statement questions which the supplier must answer. Answers provided will be graded from 0-5 depending on the quality of the answer. Any suppliers providing responses at 0-1 will be automatically disregarded from the tender process.

2.8.3 In view of the limited capability of the local authority to effectively assess prospective tender applications from managing agents on the basis of cost, the local authority has sought to focus primarily on quality.

2.8.4 In addition to the method statement responses, providers will be asked to demonstrate their preparedness to meeting the Climate Change Agenda and how they can assist the Borough meet emission reduction targets and Net Zero. One such measure will be to ensure that properties offered for use as temporary accommodation meet the appropriate EPC banding of C or better during the duration of the contract.

2.8.5 Providers who have submitted satisfactory responses meeting the above-mentioned criteria will be awarded a contract to provide Private Sector Leased accommodation.

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

2.9.1 The Council launched a new Social Value Policy in October 2020, this asks suppliers to support the Borough Manifesto goals and corporate plan priorities. Successful housing providers will be asked to support these Social Value goals by:

2.9.2 Investment in Local People: Providing work related learning opportunities and work experience, for LBB&D residents. Successful housing providers will have a number of activities within their work environment, which can present opportunities to local residents to assist on the delivery of those services. This includes activities such as office-based business support tasks, or more practically, assisting with the maintenance of housing when required.

2.9.3 Investment in Local Economy: Buying goods and services, from organisations, based in Barking & Dagenham wherever possible. Successful housing providers will often require specific materials to ensure standards of accommodation are in accordance with housing regulations. This will include having access to all health and safety items as well as other building materials, which we can encourage providers to utilise. Additionally, we could also encourage providers to access services made available via Barking & Dagenham Traded Partnership

2.10 Contract Management methodology to be adopted

2.10.1 The service will manage operational elements of the contract, ensuring that any temporary housing procured meets the requirements of the service and the needs of individual households.

2.10.2 The service will also ensure that any stock procured will meet up to date and appropriate health and safety regulations as outlined within the terms of the contract.

2.10.3 Contract management and reviews will be carried out by way of quarterly “call-in” sessions, with more regular and communication by way of video conference, email, etc, to ensure protocols within the contract terms are maintained appropriately.

2.10.4 Supporting the daily operational processes, the Service Manager and Accommodation and Property Procurement Manager, within the Support and Collections Service in Community Solutions, will be nominated escalation points to investigate issues which occur outside of ordinary day-to-day activities.

3. Options Appraisal

3.1 The following options have been considered and summarised as follows:

3.2 **Option 1:** Do nothing - The existing agreement to procure Private Sector Leasing property expires 31 May 2023. Should a revised framework agreement fail to be implemented the Council will be unable to continue procure accommodation within a legally compliant environment. The Council would then be forced into “spot purchasing” accommodation which would have significant financial impact and unlikely to adhere to specific regulations.

3.3 **Option 2:** Join an existing Framework Agreement - The Council have considered alternative procurement options such as regional consortiums, or a Dynamic Purchasing Scheme, however this has been ruled out as it does not represent long term value for money and puts the Council in direct competition with other Temporary Accommodation services in other Local Authorities, who already utilise this type of procurement method.

3.4 **Option 3:** Undertake a tender exercise to setup a framework agreement - This is the recommended option as it will allow the Council to formalise and amalgamate the procurement of private sector housing alongside the provision of PSL accommodation, which negates the uncertainty and risk associated with spot purchasing.

4. Waiver

4.1 Not applicable.

5. Consultation

5.1 The proposals in this report were considered and endorsed by the Procurement Sub-Group on the 9 May 2022 and the Procurement Board 16 May 2022.

6. Corporate Procurement

Implications completed by: Euan Beales, Head of Procurement

6.1 The recommendation to extend the existing framework was allowed under a separate delegation and is permissible. The establishment of a framework will allow the Council to have a diverse variety of private Sector Landlords and will ensure there is enough properties to sustain the Council's requirements.

6.2 The report outlines the evaluation methodology as 90% quality and 10% social value, this in my view will give the Council the required number of quality providers as cost will be based per property and as such would not deliver a sustainable approach and may reduce the market appetite. The 10% Social Value aspect is in line with the Council's requirements.

7. Financial Implications

Implications completed by: Shaheen Khan, Finance Business Partner

7.1 Cabinet is being asked to note the intention to invoke the 1-year extension option that is available in the existing 4-year contract which is due to expire on 31 May 2022. The contract is for the procurement of temporary accommodation which is required to meet the statutory function for providing households, with emergency / temporary housing pending the provision of long-term housing solutions.

7.2 During the extension period from 03 June 2022 – 02 June 2023 a procurement exercise will be undertaken, giving opportunity to providers to express an interest to join the approved framework.

7.3 The decision for the extension of the 1-year contract, at the estimated agreed cost of circa £18m will be met from existing Temporary Accommodation budget and any overspill will be contained within the outturn forecast. There are no savings proposed or identified however the contract will negate the need to "spot purchase" expensive and often less suitable emergency accommodation, where the need arises.

8. Legal Implications

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

8.1 This report is seeking Cabinet to note the intention to invoke the 1-year contract extension to extend the current contracts in place for the period 3 June 2022 - 2

June 2023. The contract commenced on 3 June 2019 for a period of 3 years with the option to extend for 1 year. The extension option being requested is therefore within the terms of the contract which means the proposed extension is permissible. In accordance with 57.1(c) of the Contract Rules, the extension can be granted where there is a provision stipulated in the original contracts for an extension. The extension should be recorded in writing and signed by both parties.

- 8.2 This report is also seeking approval for the new procurement. The new framework is estimated to cost the Council approximately £80 million over the lifetime of the framework and therefore is above the UK threshold for service contracts. This means that there is a legal requirement to competitively tender the framework via Find a Tender Service (FTS).
- 8.3 It is noted that the intention is to tender this framework in accordance with the Public Contracts Regulations 2015 (the 'Regulations') using the Open procedure. The requirements for competitive tendering, as contained in the Regulations and rule 28.5 of the Council's Contract Rules, should therefore be met, provided that the procedure is conducted in accordance with the Regulations.
- 8.4 Contract Rule 28.8 of the Council's Contract Rules requires that all procurements of contracts above £500,000 in value must be submitted to Cabinet for approval. In line with Contract Rule 50.15, Cabinet can indicate whether it is content for the Chief Officer to award the contracts following the procurement process with the approval of Corporate Finance.
- 8.5 The Responsible Directorate and report author are requested to keep the Law and Governance Team fully advised on the progress of this procurement who will be available to assist and advise throughout the process.

9. Other Implications

- 9.1 **Risk and Risk Management** - Paragraph 2.5.7 considers whether as part of the tender exercise, attributing "cost" as weighting metric, could be considered as part of the wider scoring exercise to select successful providers. The following summary serves to better explain how temporary accommodation rates are set, and how attempting to outline a rigid pricing structure, could adversely impact the ability to secure accommodation.
- 9.1.1 At present, the cost of procuring accommodation is based on several factors including but not exclusively on the property size and location and is essentially demand led. The quantity of stock required is unknown at any given time, however, the service needs to ensure that adequate supply is available at a competitive rate, but is balanced against the Temporary Accommodation Subsidy rate, which is a calculation established by the Department for Work and Pensions, and one which allows a reimbursement of some of the procurement cost via rent collection.
- 9.1.2 The subsidy rate is the maximum amount recoverable by the local authority and is again dependant on property size and location. Additionally, each borough sets a maximum rate payable by the local authority to secure stock in its own borough. These rates are published pan-London as part of the Inter Borough Accommodation Agreement (IBAA) and mitigates the risk of other local authorities paying more for stock than the host borough.

- 9.1.3 To continue to source a steady supply of stock, and as a way of attracting supply, the service procures stock at a net loss (approximately, £4.70, per night, per property procured via a contracted provider), and to mitigate the loss, the service has been actively working to reduce the reliance on temporary housing, while finding other more cost effective methods to accommodate households, such as utilizing and increasing the use of council owned temporary accommodation, or by sourcing and making final offers of private rented sector accommodation.
- 9.1.4 Figures available, show that at the start of the existing contract (01 June 2019) there were approximately 1700 households accommodated in circa 1300 temporary properties, with the remainder in Council owned accommodation. The gross cost of externally sourced accommodation for the 2019/20 financial year was just over £18.5m.
- 9.1.5 At the end of March 2022 and having been set ambitious targets to reduce the number of households in temporary accommodation, the number of households has reduced to just under 1400, with 960 of those accommodated in PSL properties. The gross cost was under £16m.
- 9.1.6 By way of better explaining the gross and net cost of procuring temporary accommodation, the following refers.

Government allocates an annual Flexible Support Homeless Grant (FSHG) to each Local Authority. This grant replaced what was historically called a “management fee” which was associated with every Private Sector Leased property and was set at a maximum of £40.00 per property, per week.

The grant allocated to Barking & Dagenham this year is just over £3m and is ring-fenced for use to assist with the payment of existing stock, with flexibility to procure any new stock as required.

At present, the maximum amount payable for a 3-bedroom property, procured in Barking & Dagenham is set at £42.48 per night (by our service) and is published across London. This rate has not changed since July 2017, despite significant pressure from housing providers

Of the nightly charge paid, only a percentage of this amount can be charged to the customer and collected by way rent collection, for which most households in temporary accommodation are eligible and entitled to receive Housing Benefit to assist with the cost of paying the charge.

The following table serves to highlight how the nightly charge is applied, and recovered, while also showing the net loss to the service.

Cost of procuring 3-bedroom property per night	Charge to customer, recoverable via Housing Benefit	Management Fee received through FSHG	Total recoverable	Net Loss
£42.48	£31.15	£5.71	£36.86	£5.62

This is just one example, and it should be noted, that that there are several other properties currently being utilised where the net loss is less, and it is on this basis

that we are able to outline that the average net loss across the PSL portfolio is approximately £4.70 per property, per night.

Anecdotally, this is one of the lowest net loss figures across London, and one which the service is working hard to maintain, with the ambition of reducing.

9.2 TUPE, other staffing and trade union implications - Not applicable

9.3 Corporate Policy and Equality Impact – The provision of temporary accommodation is part of a wider statutory function that the service operates to assist and accommodate those households who are homeless or threatened with homelessness and deemed as eligible for assistance in accordance with Part 7 of the Housing Act 1996 (as amended), and Homeless Reduction Act (HRA) 2018.

Therefore, given the statutory nature of the service, the service must ensure that equal opportunity is afforded to all customers who meet the criteria for assistance, irrespective of whether they fall into the protected characteristic groups.

The tender exercise being undertaken, is to retain existing temporary accommodation providers on contract, while offering the opportunity for new businesses to tender.

Providers will propose a variety of properties and bedroom sizes, which will be considered in accordance with the needs of the business and service users.

At present, external housing providers, provide around 950 properties, in and around Barking & Dagenham, with the number of registered homeless households being just under 1400. The service also utilises several Council owned and managed properties to accommodate the remainder.

Providers will ensure any accommodation provided and utilised will meet all appropriate Health & Safety regulations, and during the period of occupation will carry out property maintenance activities as required. The Temporary Accommodation Team, will maintain regular contact with the residents, during the period of occupation and will manage all other areas including but not exclusively in relation to:

1. Rent collection
2. Adherence to terms and conditions of the licence arrangements
3. Anti-Social Behaviour (where reported)
4. Failure to engage with required support
5. Long-term housing solutions.

The Equality Impact Assessment Screening Tool has been completed and suggests that a full Equality Impact Assessment is not required.

9.4 Safeguarding Adults and Children – The provision of good quality temporary accommodation improves the wellbeing of children and vulnerable adults in the borough, reduces inequalities and ensure facilities are provided in an integrated manner, having regard to guidance issued under the Children Act 2006 and the Care Act 2014.

- 9.5 **Health Issues** – The provision of good quality temporary accommodation positively impacts on health issues for the local community.
- 9.6 **Crime and Disorder Issues** – The provision of good quality temporary accommodation assists with building communities and reducing crime and disorder issues.

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

List of appendices: None

CABINET**12 July 2022**

Title: Procurement of Electricity and Gas Supplies and Ancillary Services	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report with Exempt Appendices (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972)	For Decision
Wards Affected: All Wards	Key Decision: Yes
Report Author: Leeann Kenny – Acting Quality & Compliance Manager	Contact Details: Tel: 0777 2221550 E-mail: leeann.kenny@lbbd.gov.uk
Accountable Director: Leona Menville, Director of Homes and Assets	
Accountable Strategic Leadership Director: Lisa Keating, Strategic Director, My Place	
Summary	
<p>This report seeks approval to appoint a specialist energy procurement broker who can also deliver a fully managed service, to provide expert, independent advice to help the Council procure gas and electricity on terms that are the most economically advantageous and support the Council's renewable energy opportunities.</p> <p>The Council currently purchases its gas and electricity through LASER (a company owned by Kent County Council, which procures energy on behalf of local authorities). LASER is currently negotiating a new energy supply contract which will come into effect on 1 October 2024.</p> <p>The LASER contract helps support the delivery of the Council's Carbon Zero Roadmap in a number of ways, including enabling the Council to procure green energy and other initiatives to reduce the organisational carbon footprint. In addition to their energy procurement Frameworks, LASER also offer Carbon Zero Frameworks specifically designed to support the delivery of carbon reduction measures through the delivery of technologies such as LED lighting solar PV, heat pump systems, battery storage should they be required.</p> <p>The report also refers to Power Purchasing Agreements (PPA) which, currently, are not financially viable for the Council in isolation in view of the relatively low level of energy consumption. However, as the PPA market matures there will be more options available.</p>	
Recommendation(s)	
The Cabinet is recommended to:	
(i) Approve the appointment of LASER as the Council's energy broker to procure gas and electricity supplies and associated meter services such as Meter Operation	

and Data Collection Services on behalf of the Council, in accordance with the procurement strategy set out in the report;

- (ii) Authorise the Strategic Director of My Place, in consultation with the Strategic Director of Inclusive Growth, the Cabinet Member for Finance, Growth and Core Services and the Chief Legal Officer, to conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements, including finalising the preferred purchasing strategy (basket option) in accordance with the strategy set out in the report; and
- (iii) Delegate authority to the Strategic Director of My Place, in consultation with the Strategic Director of Inclusive Growth, the Cabinet Member for Finance, Growth and Core Services and the Chief Legal Officer, to progress arrangements in relation to Power Purchasing Agreements (PPAs) in the event that they become a viable option in the future, including conducting any procurement and awarding and entering into any contract(s) and other necessary or ancillary agreements.

Reason(s)

To assist the Council in achieving in its priority of delivering “A New Kind of Council” by securing cost effective energy supplies on terms that will support the Council’s economic development and renewable energy generation objectives.

1. Introduction and Background
 - 1.1 The Council’s current arrangement for supplying gas and electricity to all corporate buildings (including schools who opt into the LASER contract) and housing supplies across the LBBB portfolio is due to expire on 30 September 2024.
 - 1.2 If we do nothing our contract with LASER will expire on 30 September 2024 and all the authority’s supplies will move onto “out of contract rates” which are significantly more expensive. Out of contract rates vary from supplier to supplier but broadly speaking in the current market conditions they are typically 35% to 40% more expensive than contracted rates.
 - 1.3 LASER are Energy Procurement specialists who help identify the best energy purchasing options for organisations. They assist in mitigating financial risk to the Council through their purchasing models and in-depth market knowledge.
 - 1.4 LASER can begin this process for LBBB from 1st October 2022 allowing them to purchase energy supplies ready for our use from October 2024 at the best available prices over the next two years.
 - 1.5 The current market view from industry experts is that we are likely to see continued highs in energy prices for the foreseeable future. Ensuring the Council has an energy contract and purchasing strategy in place, to mitigate exposure to extreme market highs in terms of energy prices, is critical in order to deliver value for money.
 - 1.6 The procurement also has to take into consideration the Council’s commitment to become a carbon neutral organisation by 2030, and as part of the Council’s Draft

Carbon Zero Roadmap there are mitigating actions that are being taken to reduce both our energy consumption and the amount of carbon we create to achieve that target. Such as:

- REFIT programme to improve the thermal efficiency of our corporate estate by insulation upgrades and replacing windows
- The installation of Solar Panels (PV) and heat pumps
- Deployment of more efficient building optimisation, controls and energy management
- Purchasing green energy
- Investigating Power Purchasing Agreements

1.7 These actions will also help with future cost avoidance through lower energy consumption.

2. Proposed Procurement Strategy

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

2.1.1 The recommendation is to appoint LASER as the Council's energy broker. Such an appointment will provide the Council with expertise required to procure the Council's energy supplies on the most economically advantageous terms.

2.1.2 LASER deliver the following services as part of their Fully Managed Service.

- Energy Procurement
- Price Validation
- Invoice Validation
- Query Management
- Budget Reporting
- Web Portal access

2.1.3 As part of the LASER service the Council has access to a dedicated Account Manager who focuses on the more strategic aspects of the service such as assisting with market forecasts, providing data to allow us to review our purchasing strategy (benchmarking) and providing information of additional service offerings such as PPAs and new service offerings. The Council also has a dedicated Customer Service Account Manager who focuses on the operational delivery of the service.

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

2.2.1 The Council's spend with LASER for the financial year 2021-22 was approximately £8m. Appendix 1 gives a summary of the costs for the last four years.

2.2.2 The prices for the financial year 2021-22 were prior to the conflict in Ukraine, this coupled with other global market forces have had a significant impact on energy prices. Based on market industry advice we are likely to see continued market highs in terms of energy prices for the foreseeable future.

2.2.3 On 17 March 2022 LASER issued revised budget forecasts to all their customers basket on their purchasing strategies (basket). The forecast market highs for the PIAS Basket are, 176.2% increase for gas and 147.6%% increase based for electricity based on year-on-year price forecasts. Appendix 2 shows LASER's revised price modelling based on the current market volatility.

(**Note:** All appendices to this report are in the exempt section of the agenda as they contain commercially sensitive 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.)

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

2.3.1 2+2-year contract.

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 subject to Public Contract Regulations, this contract is not for services for social health, education, or other services subject to Light Touch Regime.

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

2.5.1 The recommended route to market is that we procure through a Central Purchasing Body (LASER). This strategy is compliant with the Public Contracts Regulations 2015.

2.5.2 This route to market offers financial risk mitigation in a volatile market.

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

2.6.1 The Quality and Compliance Team within My Place are responsible for the procurement of energy contracts (gas and electric).

2.6.2 To procure through the new LASER Framework which commences on 1 October 2024 for a delivery period, however purchasing for this period can commence from 1 October 2022.

2.6.3 LASER are in the process in the final tender stages of evaluating supplier's responses. They are likely to award the contract to supplier in mid-late June 2022.

2.6.4 The Council will use LASER's standard terms and conditions which will be reviewed by the LBB Legal Team prior to entering into any contract.

2.6.5 LASER's KPIs and SLAs will stay the same on the new framework and the Council will continue to receive Customer Month End (CME) reports which are used to evaluate LASER's performance.

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

- 2.7.1 The rising cost of energy means that there are no direct savings to be made when purchasing any energy contract. The best outcome for the Council is to procure an energy contract that delivers “cost-avoidance” by not purchasing during market highs and executing a purchasing strategy that delivers the lowest-risk option for the Council.
- 2.7.2 The Purchase in Advance (PIA) basket gives LASER a two-year purchasing window, allowing them to take advantage of any market opportunities in terms of price dips to deliver an overall price that is below market average back to the authority.
- 2.7.3 The PIA basket has consistently performed well and has delivered LBB market prices below the market average, see Appendix 3 for full breakdown.

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

- 2.8.1 As the Council will be procuring through a Central Purchasing Body we will be calling off from their framework.
- 2.8.2 An options appraisal has been undertaken as to which purchasing strategy is the most cost effective and lowest risk for the authority.
- 2.8.3 LASER are on the only Central Purchasing Body that offer a Fully Managed Service all other frameworks offer a procurement only service which would require at least an additional three FTEs within LBB to deliver the same service that LASER offer as part of their Fully Managed Service.
- 2.8.4 Based on this criteria, and the current market data available, the recommendation is that we procure the LASER Fully Managed Purchase in Advance (PIA) basket. This will be procured through the new LASER Framework.

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

- 2.9.1 As this contract is a direct award there is no opportunity for the Council to evaluate social value to its own set of requirements.
- 2.9.2 LASER and the Primary Supplier are not offering any borough specific social value activities or projects as part of this contract. However, LASER, will push for Corporate Social Responsibility (CSR) action plans from their Primary Supplier.
- 2.9.3 As part of the Framework tender process LASER has asked the Primary Suppliers to provide evidence on how they would approach the following CSR activities:
- how employee and supply chain engagement is encouraged
 - how targets are set and reviewed
 - what progress has been made over the last 3 years
 - what targets are set for the next 3 years with regards to

- Environmental sustainability
- Community improvements
- Economic development

2.9.4 Once the Council has entered into a contract with LASER via the new Framework, contact will be made with the Primary Supplier Account Manager to build a relationship and establish if they are willing to undertake any borough specific social value activities. However, there is no expectation that the Primary Supplier will deliver any social value activities as part of this contract.

2.9.5 If the procurement objectives are achieved, then LASER will supply the Council with energy on cost effective terms, they will also help support development of the Council's energy efficiency and renewable energy opportunities such as the procurement of Green Energy and possibly the procurement of Power Purchasing Agreements (PPA) helping the Council to reduce its carbon footprint.

2.10 **Contract Management methodology to be adopted**

2.10.1 Contract management of the LASER contract sits within two teams within My Place. the Corporate Portfolio is managed by the Quality and Compliance Team and the Housing Portfolio is managed by the Business Improvement Team.

2.10.2 LASER's KPIs and SLAs will stay the same on the new framework and the Council will continue to receive their monthly Customer Month End (CME) report which contains billing status, meter reads status, customer debt, open queries (query management) and AMR status. The monthly (Corporate and Housing) CME report is reviewed by each responsible team within My Place and any queries or issues that are identified are referred to LBBD's customer support team at LASER by email using the Council's dedicated email address.

2.10.3 As part of the service Quarterly Service reviews will take place to discuss and review:

- Service performance review
- Billing Performance
- Review of outstanding queries
- Review of KPIs
- Review of LBBD Issue Log
- Suggested service improvements

2.10.4 The authority also has a dedicated Account Manager at LASER that provides support for the following:

- Price modelling data
- Market data on basket performance
- Primary point of contact for any contractual queries or issues
- Support on PPAs
- Information on new service offerings or baskets

2.10.5 The contract will be financed through existing budgets and budget holders already have budget for their existing gas and electricity supplies, prices are subject to

market fluctuations however, LASER are able to give indicative likely price increases in advance of the start of financial year.

3. Options Appraisal

3.1 The following options and routes to market were considered. The preferred route to market is indicated.

3.2 Do Nothing

3.2.1 This option has been discounted as doing nothing will mean when our current contract with LASER expires on 30 September 2024 we will move onto “out of contract rates”. Out of contract rates vary from supplier to supplier but broadly speaking in the current market conditions they are typically 35% to 40% more expensive than contracted rates.

3.3 Procure through a Central Purchasing Body (CPB)

3.3.1 The recommended route to market would be to procure through a Central Purchasing Body (CPB) . A CPB is ‘a contracting authority which provides centralised purchasing activities, and which may also provide ancillary purchasing activities.

3.3.2 Contracts for centralised purchasing services can be awarded directly to a CPB (where appropriate). The contract can include ‘ancillary purchasing services’ (covering technical infrastructure, procurement advice, management of procurement projects etc.) meaning that a full managed service can be provided. TEC have been excluded from the CPB list below as they predominately purchase energy for Higher Education establishments (which makes up 93% of their customer base) rather than local authorities who have specific purchasing requirements based on their portfolios (Corporate and Housing). The available CPBs for energy procurement are:

- Crown Commercial Services (CCS)
- ESPO
- LASER
- NEPO
- WME
- YPO

3.3.3 Under this option, the Council would continue to purchase energy through a compliant framework, managed on behalf of the Council and other public sector organisations by a Central Purchasing Body (CPB). The CPB would obtain competitive wholesale energy prices through aggregating energy volumes across a large number of public sector organisations. The strategy is also compliant with the Public Contracts Regulations 2015.

3.3.4 This option provides access to energy traders, employed by the CPB, who track energy markets and forward buy energy at the most advantageous times to manage the inherent risk of energy market volatility.

- 3.3.5 Currently LASER and WME are the only CPBs that can deliver a Fully Managed Service. WME only offer green energy through their Flex procurement contracts which typically add an additional 2-3% to the cost. They currently trade 1.2 billion kWh of gas and electricity through their frameworks each year which is delivered to around 11,000 supply points. LASER trade 7.25 billion kWh of gas and electric annually supplying over 80,000 customer supply points. For the financial year 2021-22 the Councils spend with LASER was just over £8m for the supply of gas and electricity to approximately 2,230 supply points across both portfolios based on the LASER October pricing schedules.
- 3.3.6 The cost to transfer the Council's portfolio from LASER to WME would be significant in terms of staff time, and would require resources from My Place, Accounts Payable and IT. This coupled with them only offering green procurement for electricity; and having such a small customer base means the Council would not benefit from any aggregated spend. It is also possible that WME would not be resourced to be able to deliver a fully managed service to the Council as onboarding the LBBB supplies would be a 20% increase in terms of the number of supplies they provide gas and electric to. For these reasons WME have been discounted as a route to market.
- 3.3.7 LASER is our existing energy broker delivering a fully managed service so there would be no cost to the organization in terms of business take on. LASER also offer customers the ability to procure green energy in percentages on either a portfolio basis or by per supply. This fully customizable purchasing approach allows the Council to adapt their green purchasing requirements to not only meet ever growing budget constraints but also meet the organisations carbon zero targets. For these reasons LASER is the recommended route to market.
- 3.3.8 For the reasons listed above this is the recommended route to market for energy procurement for the Council.
- 3.4 **Go direct to one of the big five- Procurement Only Service (POS) tender to main UK energy suppliers**
- 3.4.1 The main energy suppliers are:
- British Gas
 - Eon (Eon purchased Npower in 2019 so these companies have now merged into a single entity)
 - Scottish Power
 - EDF
 - SSE
- 3.4.2 The cost and resources required to run our own tender process are considered high risk. As these suppliers only offer a procurement only service additional resource of at least three FTEs withing LBBB would be required to deliver the services that are currently provide by LASER as part of their fully managed service. For these reasons this option has been discounted.

3.5 Collaborate with another organisation or authority (not LASER or CCS) Services POSO only

3.5.1 As the service provided would be procurement only (POSO) this would require at least three additional FTEs to undertake the activities that are currently provided by LASER under the fully managed service. As this model is at odds with LBBB's "commissioning model" as we would need to "insource" this service and as there is no additional funding for the additional posts required, this option has been discounted.

3.6 Set up LBBB as an Energy Provider

3.6.1 Under this option, the Council would establish a fully licensed electricity and gas supply company and buy electricity and gas from the wholesale market. It would compete nationally with other suppliers such as British Gas. Once established, the Council would seek to encourage schools, tenants, and leaseholders to transfer energy supplies to authority's energy company.

3.6.2 Two city Councils did set up their own energy companies, Nottingham (Robin Hood Energy) and Bristol (Bristol Energy). Both of these companies have now ceased trading resulting in financial losses for both Councils.

3.6.3 B&D Energy is a District Heating provider; they procure their energy (gas and electricity) through the Council's LASER contract.

3.6.4 This option would require significant additional resource to not only provide the service that LASER currently provide under their Fully Managed Service but also energy traders who would need to be experienced in trading these commodities.

3.6.5 For the reasons listed above this option is considered high risk and has therefore been discounted.

3.7 Procure our own energy contracts through a Third-Party Intermediary provider

3.7.1 Under this option, the Council would use a private sector third party intermediary (TPI) to procure energy. TPIs act as agents between suppliers and customers and charge fees through the energy bill.

3.7.2 TPIs cannot aggregate the Council's energy requirements with other customers therefore, the Council would have to develop a bespoke tender process to engage with energy suppliers, together with the associated resource implications for tendering and managing energy supply contracts.

3.7.3 TPIs are also often tied to specific utility companies and therefore are unable to offer full access to the energy market. In addition, they are under no obligation to disclose the level of commission they receive from the contracted utility. This would raise questions about value for money and transparency.

3.7.4 TPI led procurement strategy is not endorsed by the London Energy Project (while the London Energy Project has ceased trading, its recommendations are still considered Best-Practice).

3.7.5 This option is not recommended because officers consider that it would run a high risk of challenge from a procurement and value for money perspective.

3.8 Open Tender Process to appoint a Broker

3.8.1 Under this option, the Council would undertake its own tender to procure a broker to purchase our gas and electricity. The estimated value of Council's proposed energy supply contracts is above the current Public Contract Regulations 2015 threshold and therefore this option would require the Council to issue a standalone compliant tender to secure its own energy supply, independent of a Central Purchasing Body or any other intermediary.

3.8.2 A direct tender process would also require additional financial and resourcing for the staff for tender and contract management thus placing additional resourcing pressure on the Council. As the authority is inexperienced in this area procurement this option is seen as high risk and has therefore been discounted.

3.9 Options Appraisal of LASER's purchasing strategies (baskets)

3.9.1 The following purchasing strategies have been reviewed as part of the Options Appraisal and the preferred purchasing strategy is indicated.

3.10 Purchase In Advance (PIA)

3.10.1 The Purchase in Advance option facilitates the purchase of all site volume prior to delivery for a 12-month supply period.

3.10.2 The delivered price is fixed for the 12-month period. This is option has a lower risk as LASER have the ability to purchase energy up to two years in advance of the delivery period, allowing them to hedge purchases over the buying window.

3.10.3 This basket option has consistently performed well for LBBD over the past few years with LASER being able to purchase energy for the authority below market average price. This is the recommended purchasing strategy (basket). See Appendix 3 for basket market performance.

3.11 Purchase Within Period (PWP)

3.11.1 The Purchase within Period (PWP) option allows customers to purchase a proportion of the required volume prior to delivery for each six-month supply period. The remainder is then purchased within this period.

3.11.2 A reference price will be set at the beginning of the supply period when open volume is still to be purchased. This reference price will be applied to billing during the 6 months and a reconciliation between the reference price and final achieved price will be carried out at the end of the period. Given that the PWP basket option has a shorter purchasing window it leaves the authority open to greater exposure of market volatility and is considered higher a risk purchasing strategy and for this reason has been discounted as an option.

3.12 Budget Certainty

- 3.12.1 The Budget Certainty basket allows you to put your volume in a capped basket you can set a maximum commodity price so that you'll have price certainty, however the LASER basket also has the ability to "sell-back" if market conditions drop and there is an opportunity to sell this energy back into the market and re-purchase it at a lower price bringing the overall basket budget price down.
- 3.12.2 As the Price Certainty Budget basket commences in April it has been impossible to benchmark this against the PIA Basket as this commences in October. The current market highs have skewed the data, so it is impossible to compare a like-for-like comparison due to the longer purchasing window for the PIA basket.
- 3.12.3 The recommendation is that a final evaluation is undertaken by officers prior to entering into any agreement with LASER. By this point there will be more market data available and LBBD should be able to undertake a comparison between the two baskets Price Certainty and Purchase in Advance to see which basket will be most the financially advantageous for the Councils.

3.13 Flex Set and Reset

- 3.13.1 Flexible Set and Reset allows customers to purchase a proportion of the required volume prior to delivery for each 6-month supply period. The remainder is then purchased within this period. Budget limits are agreed in advance, with commodity purchases closed out if market prices move above the pre-set limits.
- 3.13.2 This option facilitates the sell back of volume if the market falls by more than the pre-set triggers. A mechanism is then in place to buy back prior to the point of use. This basket offers a similar purchasing strategy for PWP which is a shorter purchasing windows that PIA so for this reason this option has been discounted.

3.14 Green Purchasing Options Appraisal

- 3.14.1 LASER offer the ability to purchase "green energy" through the PIA basket. This means that all energy is purchased directly from a renewable source.
- 3.14.2 Barking & Dagenham has committed to achieving Net Zero as a Council by 2030 As part of the Council's carbon zero roadmap the recommendation is that we look to procure an increasing percentage of our energy through the Green Basket.
- 3.14.3 The Council can purchase green energy in either percentage amounts across the two portfolios (corporate and housing) or on a per supply basis. Using the "per supply basis" means that the Council can include some sites and exclude others, for example include all corporate sites but exclude schools for the time being.
- 3.14.4 Given the extreme market condition with unprecedented market highs in terms of prices, it is proposed that officers make a final decision under delegated authority as to how much green energy should be purchased taking current market conditions and any budget constraints into consideration.

- 3.14.5 For the purpose of budget modelling, a 100% Green Basket procurement on both the Corporate and the Housing portfolios has been included in Appendix 4 for information purposes only.
- 3.14.6 A full PPA evaluation will be undertaken which will include a full options appraisal of every type of PPA available including sleeved PPAs and LBBB potentially becoming a generator, with the ability to self-consume energy and also sell energy to other organisations via PPA agreements.
- 3.14.7 LASER is currently working a new PPA service offering which will be a Pan-London local authority PPA. This will allow local authorities to collaborative giving them increased purchasing power, opening up new opportunities within the PPA market that are not currently available. This option will also be considered as part of the PPA evaluation.

4. Waiver

- 4.1 Not applicable.

5. Consultation

- 5.1 All relevant officers have been consulted and the report was endorsed by the Procurement Sub-Group on 6 June 2022 and Procurement Board on 20 June 2022.
- 5.2 Section 20 consultation with leaseholders would typically be undertaken. However, as it is not possible to meet the s20 criteria, the Council shall apply for dispensation and that process has already commenced and the consultation process is due to start on 18 July 2022.

6. Corporate Procurement

Implications completed by: Euan Beales - Strategic Procurement Manager

- 6.1 The strategy detailed in this report is to procure through "LASER" as the Councils managed service provider for Gas, Electricity and ancillary services.
- 6.2 The wholesale market is extremely volatile, which has been amplified with the Ukraine conflict, Brexit and the Pandemic. As such it is vital that the Council partners with a professional company that understands the market and flexes its purchasing based on daily costs and market performance. In LASER these elements are covered off.
- 6.3 This is a very complex market which requires constant review to ensure the financial risks are reduced through procuring with the right model. The recommended purchase strategy is PIA, which allows LASER to leverage its knowledge against the market rates to drive the best possible outcome for the Council.

7. Financial Implications

Implications completed by: Sandra Pillinger - Group Accountant

- 7.1 This report recommends that the Council enters into a contract with LASER for a 2+2-year contract using the Purchase in Advance (PIA) purchasing strategy. This option fixes the delivered price for a 12-month supply period and is considered a lower risk option.
- 7.2 The market for energy supplies is currently highly volatile which results in cost uncertainty and unpredictability. LASER is able to obtain competitive wholesale energy prices through aggregating energy volumes across a large number of public sector organisations.
- 7.3 The cost of the LASER contract for 2021/22 was £8m. There are no savings to be obtained in the current market. The objective is to mitigate energy price rises and limit price fluctuations. The proposed contract with LASER protects against market increases to an extent, by providing price security every 12 months, and their purchasing power means that they are able to secure preferential rates from energy suppliers.
- 7.4 The actual cost of the contract will be determined by number of factors and is difficult to forecast, given the price uncertainties in the current energy market. The cost is also dependent on the demand for energy supplies from the Council's buildings and housing supplies, and those schools who are part of the contract.

8. Legal Implications

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

- 8.1 This report is seeking approval to procure the Council's gas and electricity supply from October 2024. The Council is looking to utilise the new LASER framework and in order to do this the Council needs to confirm its commitment to LASER.
- 8.2 The procurement of gas and electricity is deemed to be a supplies contract under the Public Contract Regulations 2015 (the "Regulations") and as this contract would exceed the threshold for supplies it is required to be subject to competitive tendering under the Regulations. The use of a framework satisfies this requirement under the Regulations and the Council's Contract Rules. Rule 5.1 (a) of the Contract Rules specifically advises that it is not necessary for officers to embark upon a separate procurement exercise when using a Framework Agreement providing the Framework being used has been properly procured in accordance with the law and the procurement is made in line with the Framework terms and conditions.
- 8.3 Under s20 of the Landlord and Tenant Act 1985 the Council is required to consult with leaseholders if the Council is to be able to legally recover contributions towards gas and electricity costs from leaseholders. This report notes that the Council is seeking advice in relation to applying for a dispensation from the First Tier Tribunal. This can be granted in certain circumstances.

- 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 report author and responsible directorate are advised to keep Legal Services fully informed at every stage of the proposed tender exercise.

9. Other Implications

- 9.1 **Risk and Risk Management** - The Council's approach to energy procurement has always been to look for the most cost-competitive, lowest risk option. Given the extreme market conditions it is impossible to avoid significant cost increases, however, the recommended route to market using LASER as our Central Purchasing Body helps reduce this risk by having experts assist us in the purchase of energy.

The PIA basket also offer a longer purchasing window of two-years allowing LASER to hedge purchases over a longer period of time to capitalise on market opportunities by purchasing when the market price dips.

- 9.2 **TUPE, other staffing and trade union implications** - None

- 9.3 **Corporate Policy and Equality Impact** - The procurement of an energy contract for corporate and housing buildings through a Central Purchasing Body will deliver the most cost-effective lowest risk procurement strategy for the authority.

The procurement of this contract will help to ensure that we deliver value for money, which supports the delivery of the Council's Corporate Plan objective of a Well Run Organisation. It also supports the delivery of specific strategies and policies such as the Carbon Zero Roadmap through the purchase of green energy and the move to procure Power Purchase Agreements (PPAs) once a thorough review has taken place.

A s20 consultation dispensation will be required as the Council is unable to comply with the s20 scheme rules for energy procurement. Applying for a dispensation is "standard practice" for local authorities when procuring energy contracts. The Council has already commissioned a solicitor to provide expert legal advice on the s20 dispensation which is the same solicitor that LBBB used for its last energy dispensation. Budget has been allocated for the legal costs.

The procurement of an energy contract for housing buildings has an impact on the residents who live in Council housing buildings, who are likely to be economically disadvantaged. The cost to residents is largely for the utilities consumed in communal areas which is paid from service charges, although in a small number of cases it will also pay for their home energy usage.

Rises in energy bills for communal areas or individual homes would have a notable negative impact on residents who are experiencing economic hardship. However, as outlined in the report, price rises are inevitable in the current global climate and this procurement is being conducted in a way which provides best value and lowest cost achievable, minimising this impact as much as possible. LBBB has a wide

range of support for residents experiencing financial hardship which is being strengthened in response to the cost-of-living crisis, including the Homes and Money Hub, Hardship Fund, and the Becontree Collection Service. Residents experiencing difficulties in paying higher charges will be directed to these support services to address their needs and minimise the impact of higher costs.

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

List of appendices:

Appendix 1: LASER Cost and Consumption Data (exempt document)

Appendix 2: LASER Models based on current market conditions (exempt document)

Appendix 3: LASER PIA Basket Performance (exempt document)

Appendix 4: Green Basket Prices models (exempt document)

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