

Notice of Meeting

CABINET

Tuesday, 18 June 2024 - 7:00 pm
Council Chamber, Town Hall, Barking

Members: Cllr Darren Rodwell (Chair); Cllr Dominic Twomey (Deputy Chair) and Cllr Saima Ashraf (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 and Cllr Simon Perry (non-voting)

Date of publication: 10 June 2024

Fiona Taylor
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 May 2024 (Pages 3 - 6)

4. Provisional Outturn Report for the Financial Year 2023/24 (Pages 7 - 46)

5. Treasury Management Annual Report 2023/24 (Pages 47 - 84)

6. **Debt Management Performance 2023/24 (Quarter 4) and Updated Debt Management Policy (Pages 85 - 127)**
7. **Draft East London Joint Waste Plan Regulation 18 Consultation (Pages 129 - 694)**
8. **Procurement of Hybrid Mail, Digital and Transformational Solutions, Multi-Functional Devices and Print Management Services (Pages 695 - 712)**
9. **Procurement of Parking and Traffic Enforcement Camera Services (Pages 713 - 720)**
10. **Contracts for Street Lighting Maintenance Services (Pages 721 - 733)**
11. **Contracts for Highway Maintenance Services (Pages 735 - 747)**
12. **Social Value in Procurement - Impact Report 2023/24 (Pages 749 - 769)**
13. **Redevelopment of Trocoll House, Wakering Road, Barking - Proposed Amendments to Lease Agreement (Pages 771 - 792)**

Appendix 1 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)).

14. **Any other public items which the Chair decides are urgent**
15. **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. Item 13 above includes an appendix which is exempt from publication, as described. **There are no other such items at the time of preparing this agenda.**

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

Our Vision for Barking and Dagenham

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

Our Priorities

- Residents are supported during the current Cost-of-Living Crisis;
- Residents are safe, protected, and supported at their most vulnerable;
- Residents live healthier, happier, independent lives for longer;
- Residents prosper from good education, skills development, and secure employment;
- Residents benefit from inclusive growth and regeneration;
- Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods;
- Residents live in good housing and avoid becoming homeless.

To support the delivery of these priorities, the Council will:

- Work in partnership;
- Engage and facilitate co-production;
- Be evidence-led and data driven;
- Focus on prevention and early intervention;
- Provide value for money;
- Be strengths-based;
- Strengthen risk management and compliance;
- Adopt a “Health in all policies” approach.

The Council has also established the following three objectives that will underpin its approach to equality, diversity, equity and inclusion:

- Addressing structural inequality: activity aimed at addressing inequalities related to the wider determinants of health and wellbeing, including unemployment, debt, and safety;
- Providing leadership in the community: activity related to community leadership, including faith, cohesion and integration; building awareness within the community throughout programme of equalities events;
- Fair and transparent services: activity aimed at addressing workforce issues related to leadership, recruitment, retention, and staff experience; organisational policies and processes including use of Equality Impact Assessments, commissioning practices and approach to social value.

MINUTES OF CABINET

Tuesday, 21 May 2024
(7:02 - 7:38 pm)

Present: Cllr Dominic Twomey (Deputy Chair in the Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Sade Bright, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Kashif Haroon, Cllr Jane Jones, Cllr Elizabeth Kangethe and Cllr Maureen Worby; Cllr John Dulwich and Cllr Simon Perry

Apologies: Cllr Darren Rodwell

1. Declaration of Members' Interests

There were no declarations of interest.

2. Minutes (16 April 2024)

The minutes of the meeting held on 16 April 2024 were confirmed as correct.

3. Local Hardship Scheme Policy 2024/25

The Cabinet Member for Finance, Growth and Core Services reported on the extension of the Government's Household Support Fund (HSF) scheme to 30 September 2024.

By Minute 96 (21 March 2023), the Cabinet had approved a single Local Hardship Schemes policy that encompassed the HSF and the Council's Discretionary Housing Payment (DHP), Individual Assistance Payment (IAP) and Discretionary Council Tax Relief (DCTR) schemes. The new policy was also accompanied by a single application process in order to simplify the resident's journey and align policies and processes. The expectation at that time was that the HSF would close from 31 March 2024.

In light of the six-month extension of the HSF, the Cabinet Member presented updated DHP, HSF and DCTR scheme arrangements that would ensure that those most affected by the rising cost-of-living continued to receive financial hardship support. The Cabinet Member also referred to other cost-of-living support arrangements implemented by the Council and the impending difficulties that many were expected to face when migrated from legacy benefits to Universal Credit (UC) over the coming months, particularly as UC would be paid monthly as opposed to fortnightly.

Although welcoming any additional funding that would support local residents, Cabinet Members expressed their dismay that the Government had only chosen to extend the HSF for six months and were suggesting that the difficult times were over, despite the financial challenges that many would continue to experience.

Cabinet **resolved** to:

- (i) Approve the Council's updated Discretionary Housing Payment, Household Support Fund and Discretionary Council Tax Hardship Scheme policy for 2024/25, as set out at Appendix 1 to the report; and
- (ii) Delegate authority to the Strategic Director, Resources, in consultation with the Cabinet Member for Finance, Growth and Core Services, to vary the allocation of funding and scheme criteria where appropriate to reflect future demand.

4. Contract for Provision of SEND and Children's Social Care Transport

The Cabinet Member for Children's Social Care and Disabilities presented a report on the proposed procurement of a new contract to provide home to school travel assistance for children and young people with special educational needs and/or disabilities (SEND), post-16 travel assistance and travel support for young people in the Council's care.

The Cabinet Member explained that there had been a significant increase in demand and complexity of requests for those services over the past year in particular. As a consequence, it was necessary to expand the number of service providers needed to support the Council's in-house Passenger Transport Service provision and, with that in mind, the new procurement would be let in separate lots covering:

- Taxi services for home to school transport for SEND children, young people and post-16 students;
- Additional transport requests for the support of Children's Social Care;
- Moving home services; and
- Secure transport.

As part of the preparations for the new contracts, the Cabinet Member advised that the Council's statutory policies in respect of home to school SEND assistance and post-16 travel assistance had been reviewed. Whilst the former remained unchanged, the latter had been updated to include a 12-week training programme for clients aimed at helping them travel unaided and gain more independence.

Cabinet **resolved** to:

- (i) Approve the procurement of a four-year framework contract for the provision of SEND and Children's Social Care Transport services to ensure that the Council met its statutory responsibilities under the Education Act 1996 and Care Act 2014, in accordance with the strategy set out in the report; and
- (ii) Authorise the Strategic Director, Children and Adults, in consultation with the Cabinet Member for Children's Social Care and Disabilities, the Strategic Director, Resources and the Head of Legal, to conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements to fully implement and effect the proposals.

5. Procurement of an Enforcement and Regulatory IT System

The Cabinet Member for Enforcement and Community Safety introduced a report on the proposed procurement of a new contract for the provision of Enforcement and Regulatory IT System services.

The current system supporting the Enforcement and Regulatory IT systems had been in use for approximately 30 years. The Cabinet Member outlined the range of services that would be encompassed within the new, maximum seven-year contract and the benefits that were expected to be achieved, which included improved processing efficiency, reduced administration via process automation and an improved customer experience.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a contract for an Enforcement and Regulatory IT System in accordance with the strategy set out in the report; and
- (ii) Authorise the Operational Director of Enforcement, Regulatory Services and Community Safety, in consultation with the Cabinet Member for Enforcement and Community Safety, the Strategic Director, Resources and the Head of Legal, to conduct the procurement and award and enter into the contract and all other necessary or ancillary agreements to fully implement and effect the proposals.

6. Disposal of Redundant Vehicle Stock

The Cabinet Member for Public Realm and Climate Change introduced a report on plans to dispose of 89 vehicles within the Council's fleet, used by the WeFix and Caretaking services, which were deemed to be beyond economic repair.

The intention was to dispose of the redundant stock via a phased approach at multiple auctions and the Cabinet Member outlined the benefits of that approach and the alternative options that had been considered.

Cabinet **resolved** to approve the disposal of 89 vans via a phased auction approach (option 5) as detailed in the report.

7. BDTP Contract Extensions

The Cabinet Member for Community Leadership and Engagement presented a report on the proposed extension of a number of contracts with Barking and Dagenham Trading Partnership (BDTP) Limited.

The services in question related to housing repairs and maintenance element undertaken by Barking and Dagenham Management Services (BDMS) Limited, corporate cleaning undertaken by Barking and Dagenham Corporate Cleaning (BDCC) and staff management via WeFix, all subsidiaries of BDTP. The Cabinet Member advised that the initial five-year contract for those services had expired on 31 March 2023. Due to a number of concerns with the housing repairs and maintenance service from BDMS, contracts were extended for 12 months in order

to address productivity and value for money issues while also allowing the new leadership within BDMS to implement improvements.

Improvements were achieved during the extension period in terms of service delivery, customer satisfaction and reduced repair backlogs; however, it remained the case that further improvements were necessary for BDMS to meet the Council's expectations for high-quality services to residents. Notwithstanding those challenges within BDMS and following an assessment of options, the Cabinet Member reported that the preferred approach was to further extend the contracts, from April 2024 to March 2026, with the primary aim of maintaining service continuity while investigating alternative options for the provision of a housing repairs and maintenance service and progressing the projected 18-month procurement timetable. The Cabinet Member also commented on the Housing Revenue Account charges that had been agreed with BDMS for 2024/25, which reflected a reduction of £5.712m, to £22.089m, on the charge for 2023/24 and the intention to pay the reduced fees quarterly in advance to support BDMS with management of its financial liquidity.

Cabinet Members commented on the challenges faced by BDMS and the important role of the Council's Shareholder Panel in holding the company to account for improved service delivery.

Cabinet **resolved** to:

- (i) Agree the extension of contracts with Barking and Dagenham Management Services Limited (BDMS) for repairs and maintenance, BDCC for corporate cleaning and the management of the Council's DLO staff (WeFix) for an additional two-year period ending 31 March 2026;
- (ii) Agree that the Council pay the fees due to BDMS quarterly in advance to support with management of its financial liquidity, subject to compliance with the Subsidy Control Act 2022;
- (iii) Authorise that the Strategic Director of MyPlace, in consultation with the Cabinet Members for Community Leadership & Engagement and Finance, Growth & Core Services, the Strategic Director, Resources and the Head of Legal, to conduct negotiations and finalise the terms of the contract extension with BDTP; and
- (iv) Note the Council's intention to explore alternative options for the provision of repairs and maintenance services, currently managed by BDMS, in order to optimise future service delivery in line with evolving needs, industry standards and value for money considerations.

CABINET

18 June 2024

Title: Provisional Outturn Report for the Financial Year 2023/24	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report	For Decision
Wards Affected: None	Key Decision: No
Report Author: Nurul Alom, Head of Finance – MTFS & Budgetary Control	Contact Details: E-mail: nurul.alom@lbbd.gov.uk
Accountable Director: Michael Bate, Director of Financial Services	
Accountable Executive Team Director: Jo Moore, Strategic Director, Resources (S151 Officer)	
<p>Summary</p> <p>This report sets out the Council’s provisional financial outturn for 2023/24, year ended 31st March 2024. The position is provisional until the external auditors (Grant Thorntons) have concluded their audit and presented their findings to the Audit and Standards Committee and confirmed that there are no material errors or omissions that have been identified from their audit. Members will be aware that the Council has not been subject to a full external audit since 2018/19.</p> <p>The Council’s General Fund final revised budget for 2023/24 was £194.460m. The final revenue expenditure outturn is £199.568m after a net transfer from reserves, resulting in an overspend of £2.626m. This is an improvement of £3.390m compared with the last reported variance (£6.016m at period 10). The key movements from period 10 are set out in Section 2.</p> <p>The General Fund revenue overspend will be funded from the Council’s General Fund reserve. The opening balance on this reserve was £17.030m and therefore the closing balance at 31 March 2024 will be £14.404m which is above the minimum balance to be maintained, within the approved Reserves Policy (£12m).</p> <p>The provisional Housing Revenue Account (HRA) outturn is a £6.060m overspend. This is an adverse movement of £0.664m from that reported at period 10. The HRA is a ring-fenced account, and the in-year deficit will be managed through a reduced revenue contribution to the planned HRA capital reserve transfer within the base budget.</p> <p>The provisional Dedicated Schools Grant (DSG) outturn is an £2.118m overspend. DSG is a ringfenced grant and overspends have no impact on the council's general fund. Any overspend will be funded from DSG Reserve. Where there is no DSG Reserve, the deficit must be carried forward to the new financial year and netted off against DSG budget in the new year. The opening balance on our DSG reserve was £10.073m and therefore the closing balance will be £7.955m.</p>	

The revised approved **Capital Programme** budget for 2023/24 was £340.387m and the final outturn is £334.982m. The underspend of **£5.405m** is a mixture of in-year underspends and accelerated expenditure, predominantly in the IAS. The slippage will be carried forward and added to next year's capital programme. The in-year underspend has resulted in delayed borrowing and reduced MRP charges on the General Fund and the accelerated expenditure has resulted in accelerated borrowing against the IAS.

Since the budget was approved in March 2023 the Council has faced significant increases in costs as a result of inflation and increased demand including the cost of the Local Government pay award, higher energy costs, as well as increasing demand and costs for social care services.

Recommendation(s)

Cabinet is recommended to:

- (i) Note that the General Fund provisional outturn position for 2023/24 was £199.568m which, after a net transfer from reserves, represented an overspend of £2.626m against the revised budget of £194.460m, as detailed in section 2 of the report;
- (ii) Agree the transfer of £2.626m from the General Reserve to achieve a balanced outturn position for 2023/24;
- (iii) Note the Housing Revenue Account (HRA) provisional outturn position for 2023/24 was an overspend of £6.060m which would be met from a reduced contribution to the HRA Capital Reserve, as detailed in section 4 of the report;
- (iv) Note that the Dedicated Schools Grant (DSG) provisional outturn position for 2023/24 was an overspend of £2.118m which would be met from the DSG Reserve, as detailed in section 5 of the report;
- (v) Note the performance of the Investment Acquisition Strategy (IAS) as set out in section 9 of the report;
- (vi) Note that the Capital Programme provisional outturn position for 2023/24 showed an underspend of £5.405m against a revised budget of £340.387m;
- (vii) Approve the carry forwards totalling £3.2m to the Capital Programme 2024/25, as detailed in section 11 and Appendices B and C to the report; increasing the capital budget for 2024/25 from £252.1m to £255.3m; and
- (viii) Note the update on the progress on the year-end accounts and the work still outstanding, as set out in section 12 of the report.

Reason(s)

The Council is required by law to set and deliver a balanced budget for each financial year. Cabinet should also be informed about the Council's financial risks, spending performance and budgetary position. This will assist in holding officers to account and inform further financial decisions and support the objective of achieving Value-for-Money.

1. Introduction and Background

- 1.1 In March 2023, the Assembly approved a General Fund net revenue budget of £199.002m, a capital budget of £388.126m and a HRA budget of £25.891m. It is common practice for approved budgets to be amended during the financial year to take account of changes to transfers to and from reserves, additional grant or other funding being made available or budget virements. However, any changes should ordinarily be within the approved net revenue budget envelope.
- 1.2 However, for 2023/24 the final net revenue budget for the year was £194.460m a reduction of £4.542. This is purely a presentational change to correct an error in the approved budget. The capitalised interest income budget was incorrectly classified as core funding rather than service income as reported at Period 9.
- 1.3 Approved budgets also contain assumptions around costs, levels of income and demand for services. The 2023/24 financial year has been a difficult one both for the local authority sector as a whole and specifically for Barking & Dagenham. We have experienced a high level of inflation on costs and significant increases in demand for social care services which led to the overspend in this area of £13.814m.
- 1.4 Significant underspends across other service areas led to an overall £6.828m overspend at the Directorate level. Corporate budgets which contain those budgets such as interest payable and receivable and those budgets not in direct control of services delivered an underspend of £1.709m.
- 1.5 The Investment & Acquisition Strategy saw a deterioration in financial performance, details of which are set out below, but a final distribution from Muller Ltd led to an overall break-even position from the IAS. The residual overspend was further reduced by additional core funding of £2.482m.

2. Overall Financial Position

- 2.1 The General Fund expenditure is **£199.568m** after planned transfers to and from reserves. In addition, there is an overachievement in income of **£2.482m**, after a net transfer from reserve, giving a final variance of **£2.626m**. The table below summarises the overall financial position for the Council followed by an explanation highlighting the key movements from period 10.

Table 1: Overall Financial Position by Directorate

	Revised Budget £'000	YTD Actuals £'000	Net Movement in Reserves £'000	Outturn £'000	Variances Inc Reserves £'000	Period 10 Variance £'000	Movement from Period 10 £'000
PEOPLE & RESILIENCE	145,967	163,105	(3,324)	159,781	13,814	13,252	562
LAW AND GOVERNANCE	1,807	1,757	(30)	1,727	(80)	(149)	69
STRATEGY	6,447	6,436	(448)	5,988	(459)	(1,333)	874
INCLUSIVE GROWTH	3,652	3,789	(532)	3,257	(395)	(127)	(268)
COMMUNITY SOLUTIONS	20,299	16,982	(718)	16,264	(4,035)	(2,726)	(1,309)
MY PLACE	27,903	26,278	(896)	25,382	(2,521)	(2,688)	167
CORPORATE MANAGEMENT	6,414	6,980	(62)	6,918	504	225	279
SUB-TOTAL DIRECTORATES	212,489	225,327	(6,010)	219,317	6,828	6,454	374
CENTRAL EXPENSES	(8,287)	(9,925)	497	(9,428)	(1,141)	109	(1,250)
INTEREST PAYABLE	7,678	2,296		2,296	(5,382)	(2,800)	(2,582)
INTEREST RECEIVED	(6,503)	(4,888)		(4,888)	1,615	2,462	(847)
PROVISION ON LOAN INTEREST		3,430		3,430	3,430		3,430
MRP	9,700	9,470		9,470	(230)		(230)
DEPRECIATION & IMPAIRMENT	(34,970)	(34,970)		(34,970)			
LEVIES PAID	15,446	13,993	1,452	15,445	(1)		(1)
SUB-TOTAL CORPORATE EXPENSES	(16,936)	(20,594)	1,949	(18,645)	(1,709)	(229)	(1,480)
GENERAL FUND I&E (EXC. IAS)	195,553	204,733	(4,061)	200,672	5,119	6,225	(1,106)
TOTAL COMMERCIAL NET (RETURN)/LOSS	(1,143)	(1,417)		(1,417)	(274)	4,302	(4,576)
TOTAL RESIDENTIAL NET (RETURN)/LOSS	80	3,652		3,652	3,572	(4,511)	8,083
IAS OTHER		(1,339)		(1,339)	(1,339)		(1,339)
MULLER- FINAL DISTRIBUTION*		(3,500)	1,500	(2,000)	(2,000)		(2,000)
OTHER COSTS	(30)				30		30
SUB-TOTAL IAS	(1,093)	(2,604)	1,500	(1,104)	(11)	(209)	198
GENERAL FUND I&E	194,460	202,129	(2,561)	199,568	5,108	6,016	(908)
GENERAL FUND FUNDING	(194,460)	(190,940)	(6,002)	(196,942)	(2,482)		
NET GF BALANCE	0	11,189	(8,563)	2,626	2,626		

Directorate key movements from Period 10

- **People & Resilience:** £0.562m negative movement from Period 10. The increase is primarily due to adult social care debts being written off, that were not fully provided for. However, the bad debt provision has also been recalculated as part of the closing process, which should ensure that this situation does not arise going forward.
- **Strategy:** £0.874m adverse movement from Period 10. The increase relates to a £1m Legal provision for a contract dispute.
- **Community Solutions:** (£1.309m) positive movement from Period 10. The positive movement is due to delays in building refurb works £300k, additional discretionary funding £290k, additional HRA income £160k, release of BDP £206k, reduction in postage costs £100k and client allowances £242k.
- **Central Expenses:** (£1.480m) positive movement from Period 10. The positive movement relates to a reduction in bad debt provision required against budget and an underspend against the MRP budget.
- **Investment Acquisition Strategy (IAS):** £2.198m adverse movement from Period 10. Overall, there was a c£2m deficit against budget on the IAS Residential and Commercial which is predominantly attributable to the Residential portfolio. The key drivers are higher borrowing costs and issues with the handover and letting processes. Table 2 below lists the additional pressures.

Table 2: Additional pressures on IAS

Main drivers behind change in forecast		
Additional pressure	£'000	Comments
Reside Surplus Rent	1,083	Overall return from Reside has decreased due to delays in letting properties & Letting costs
Reside Ltd	830	Increased charge not forecasted as part of MyPlace
Energy Costs	498	Energy costs charged to IAS as can't be picked up by MyPlace or Reside
	2,411	

There is an exceptional item, which is the final distribution from the sale and winding up of Be First Developments (Muller) Ltd of £3.5m. From the final distribution £2m will be utilised to offset the IAS overspend and the remaining £1.5m will be transferred to reserve to mitigate future investment risk.

3. Delivery of 2023/24 Savings

- 3.1 The MTFS savings target for 2023/24 was £7.049m and the table below sets out the split of those savings across the Council.

Table 3: Savings by Directorate

Service Area	GREEN	RED	Grand Total
	£'000	£'000	£'000
Care and Support	(737)		(737)
Community Solutions	(1,472)		(1,472)
EYCC	(35)		(35)
Finance & IT	(735)		(735)
HR		(577)	(577)
Inclusive Growth	(370)	(500)	(870)
Law & Governance	(2,300)		(2,300)
My Place	(153)	(155)	(308)
P&P	(15)		(15)
Grand Total	(5,817)	(1,232)	(7,049)

- £1.232m (17%) are rated **red**, not being achieved; (HR £0.577m, Parks income £0.5m, My Place £0.15m)
- £5.817m (83%) are rated **green**, fully achieved or an alternative savings have been found.

- 3.2 Red savings are reflected in the service outturn and contribute towards the overspends. The table below is a list of the unachieved savings in 2023/24.

Table 4: Unachieved Savings

Service Area	Savings Proposal	2023/24 Target £'000
Inclusive Growth	Parks Commissioning - Soil Importation	(500)
HR	Restructure	(577)
My Place	No longer have a dedicated Graffiti team	(75)
My Place	Reduce the opening days and times of the Town Hall and other buildings	(50)
My Place	Increase the commercial income	(30)
		(1,232)

3.3 Unachieved savings in the current financial year increases the risk to the medium-term financial strategy. The HR savings of £0.577m and Parks income of £0.5m have been addressed as part of the 2024/25 MTFS process. The My Place savings of £0.155m will be fully achieved in 2024/25.

4. Housing Revenue Account (HRA)

4.1 In addition there is an overspend of **£6.060m** against the HRA approved budget of £25.891m. This is an adverse movement of £0.664m then that reported at Period 10.

Table 5: HRA Financial Position

P10 VARIANC	2023/24 FORECAST OUTTURN				
	REPORT LEVEL	BUDGET £'000	OUTTURN £'000	VARIANCE £'000	CHANGE £'000
570	SUPERVISION & MANAGEMENT	48,394	49,264	870	300
7,219	REPAIRS & MAINTENANCE	24,473	31,994	7,521	302
1,444	RENTS, RATES ETC	1,587	3,002	1,415	(29)
(290)	INTEREST PAYABLE	11,299	11,033	(266)	24
2,226	DISREPAIR PROVISION		3,170	3,170	944
(1,309)	BAD DEBT PROVISION (BDP)	3,309	1,623	(1,686)	(377)
(252)	CDC RECHARGE	1,102	781	(321)	(69)
9,608	TOTAL EXPENDITURE	90,164	100,867	10,703	1,095
(670)	DWELLING RENTS	(90,432)	(91,435)	(1,003)	(333)
14	NON-DWELLING RENTS	(765)	(753)	12	(2)
1,439	CHARGES FOR SERVICES & FACILITIES	(26,158)	(24,383)	1,775	336
(183)	INTEREST & INVESTMENT INCOME	(400)	(879)	(479)	(296)
600	TOTAL INCOME	(117,755)	(117,450)	305	(295)
10,208	NET TOTAL BEFORE CAPITAL	(27,591)	(16,583)	11,008	800
1,555	DEPRECIATION	19,210	20,765	1,555	
(6,681)	TRANSFER TO MAJOR REPAIR RESERVE (MRR)	6,681		(6,681)	
(5,126)	CAPITAL PROGRAMME FUNDING	25,891	20,765	(5,126)	
5,082	NET TOTAL AFTER CAPITAL	(1,700)	4,182	5,882	800
314	TRANSFER TO HRA LEASEHOLDER RESERVE	1,700	1,878	178	(136)
5,396	TRANSFER FROM/(TO) HRA RESERVE		6,060	6,060	664

4.2 The key changes include the increase in disrepair provision by £944k at outturn. This is to restore the provision cover for 2024/25 to the same 375 cases experienced in 2023/24. This increase is partly offset by reductions in bad debt

provision and higher rents achieved due to lower RTB sale in the year than projected.

4.3 The overall £6.660m HRA outturn overspend is mainly driven by the BDMS management fee paid in 2023/24, which was agreed after the budget had been set. The budget for 2024/25 has been aligned to the new BDMS fee agreed.

4.4 The budget overspend will be funded by reversing the planned transfer of £6.7m into reserves to fund HRA capital expenditure. The 23/24 HRA stock investment programme was reduced in-year to allow for the reduced contribution to capital. HRA capital spend of £18m in 23/24 was all financed from depreciation and the brought forward balance on the major repairs reserve. There is no additional borrowing associated with this proposal. Details of reserve level are provided in Section 8 and a breakdown of reserves are given in Appendix A.

5. Dedicated Schools Grant

5.1 The Dedicated Schools Grant (DSG) funding for 2023/24, after DfE deductions for academy recoupments, high needs commissioned places & schools NNDR was £264.128m. Actual expenditure is £266.246m, resulting in an overspend of **£2.118m**, which is due to pressures within the High Needs Block.

Table 6: DSG Financial Position

Dedicated schools Grant (DSG Budget)	2023/24 Funding £'000	2023/24 Outturn £'000	(Surplus) Deficit £'000
Schools Block (ISB)	188,955	187,772	(1,183)
Central Services Block	2,162	2,162	
High Needs Block	49,837	53,169	3,332
Early Years Block	23,174	23,143	(31)
	264,128	266,246	2,118
DSG reserves B/f			(10,073)
Revised DSG Reserve C/F			(7,955)
Revised DSG Carried forward			(7,955)

5.2 Exceptional one-off payment of circa £1.6m was paid to support schools to manage the increasing cost of dealing with complex cases of pupils with special education needs.

5.3 Other pressures from increased applications from headteachers for panel top-ups payments and increased cost of referring pupils to out of borough placements have contributed to the High needs overspend.

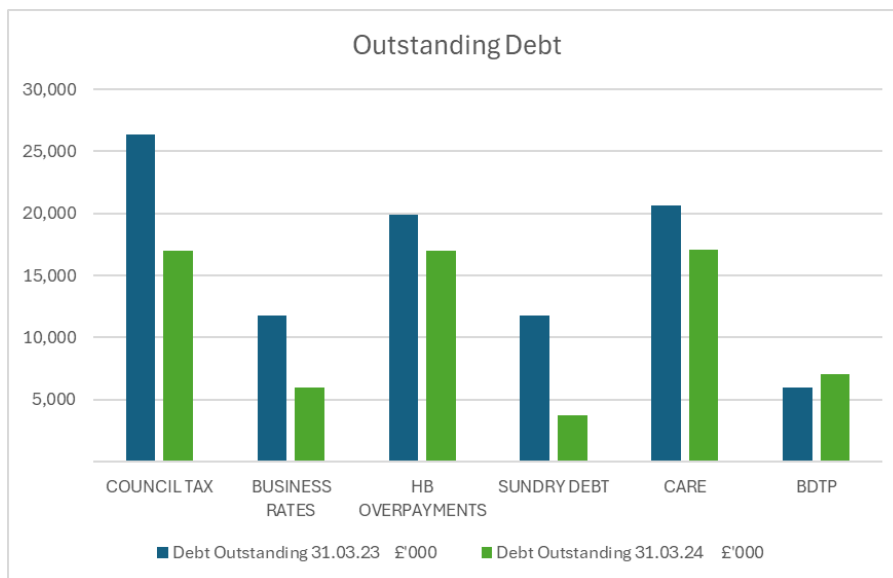
5.4 Early years block ended the year with a net underspend of £31k, which is made up of an underspend of £379k for 2yr olds and overspend of £348k for 3&4yr old funding.

5.5 The DSG overspend will be funded from the DSG reserve. The opening balance on this reserve is £10.073m and therefore the closing balance at 31 March 2024 will be £7.955m.

6. Bad Debt

6.1 During 2023/24 the Debt Steering Group was established to monitor performance against debt collection. As per Graph 1 below, outstanding debt across most revenue streams has reduced compared to the same period last year.

Graph 1: Outstanding Debt



6.2 Whilst 2023/24 has been a difficult year due to the on-going cost of living crisis, the balance of debt outstanding on 31st March 2024 is £62.810m across the different revenue streams, which is a reduction of £28.529m compared to the debt outstanding on 31st March 2023.

6.3 During 2023/24 uncollectable debts totalling £15.836m were written off across the different revenue streams. This means the provision set aside against these debts has been applied.

6.4 The bad debt provision on 31st March 2024 is £56.603m, this is an overall reduction of £7.399m from the bad debt provision on 31st March 2023. The reduction in bad debt provision is a net movement of £15.836m bad debt write-off and increase in provision of £8.437m.

6.5 The key increases in bad debt provision are listed below:

- £4.613m relates to the Collection Fund and there is no impact on the General Fund.
- £2.517m relates to care provision HB and is included with the outturn figure for People & Resilience.
- £1.149m relates to HB overpayments and is included within the central expenses outturn

6.6 The table below provides a summary of the debt and bad debt provision position at 31st March 2024.

Table 7: Debt & BDP

Revenue Stream	Debt Outstanding 31.03.23 £'000	BDP 31.03.23 £'000	New Charges & Fees £'000	Cost & Debt Written Off £'000	Debt paid in 23-24 £'000	Debt Outstanding 31.03.24 £'000	BDP 31.03.24 £'000
COUNCIL TAX	26,363	13,015	341	(6,057)	(3,653)	16,994	10,751
BUSINESS RATES	11,780	9,127	2,205	(4,262)	(3,785)	5,938	5,685
COSTS (CTAX & BUS RATES)		2,060					2,024
HB OVERPAYMENTS	19,926	17,491	3,864	(2,538)	(4,262)	16,990	16,103
SUNDRY DEBT	11,735	2,844	7,296	(215)	(15,069)	3,747	2,515
CARE	20,608	13,538	4,407	(2,764)	(5,161)	17,090	13,291
BDTP	927	5,927	1,161		(37)	2,051	6,234
TOTAL	91,339	64,002	19,274	(15,836)	(31,967)	62,810	56,603

7. Subsidiary Returns

7.1 The 2023/24 final net revenue budget of £194.460m includes a target dividend return of £10.390m within core funding from Be First.

7.2 In 2023/24 £1m dividend was declared and paid. In line with previous practice, the New Homes Bonus of £1.9m has been allocated as a soft credit against the Be First dividend due to the part they play in increasing housing supply within the borough. The balance of £7.490m will be transferred from the Muller reserve, which has an opening balance of £12m. From the final Muller distribution in 2023/24 £1.5m will be transferred to reserve to mitigate future investment risk. Therefore, the closing balance on this reserve will be £6.010m.

8. Use of Reserves

8.1 The Council does not normally allow services to carry forward revenue underspends. However, the reserves may be used to move monies between financial years in order to deliver specific projects and objectives. This applies to both external grant funding and monies given by the Council itself for specific projects.

8.2 In addition, the Council has had to use reserves to cover the level of financial pressure that has been experienced. This includes a budgeted drawdown of £13.510m from the Budget Support Reserve in 2023/24. It should be noted that there is also a budgeted drawdown of £8.810m from the Budget Support Reserve for 2024/25. The table below provides a summary position of reserves.

Table 8: Reserve Summary

	Opening Balance	In Year Movement/ Budgeted	In Year Inter Reserve Transactions 23-24	Transfer FROM Reserve 23-24	Transfer TO Reserve 23-24	BeFirst Dividend Reserve Drawdown	Closing Balance After Reserve Adj's	Budgeted Drawdown 24-25
	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m
General Reserves	(17.03)	0.00	0.00	0.00	0.00	0.00	(17.03)	
Budget Support Reserve	(16.84)	14.04	(10.60)	0.00	(2.00)	0.00	(15.40)	8.81
Sub total	(33.87)	14.04	(10.60)	0.00	(2.00)	0.00	(32.43)	8.81
Ring-fenced Reserves	(27.98)	(0.84)	1.53	5.46	(3.71)	0.00	(25.54)	
PFI Reserves	(14.28)	0.00	0.00	0.24	0.00	0.00	(14.04)	
Levy Funding Reserve	(6.11)	0.00	0.00	0.00	(1.45)	0.00	(7.56)	
Sub total	(48.37)	(0.84)	1.53	5.70	(5.16)	0.00	(47.14)	0.00
Non Ring-Fenced Reserves	(21.18)	1.31	5.87	3.30	(7.56)	0.00	(18.26)	0.00
IAS & Hotel Reserves	(42.95)	0.00	3.00	0.00	(1.50)	7.49	(33.96)	0.00
HRA Reserves	(32.75)	(4.66)	0.00	0.00	0.00	0.00	(37.41)	
Schools Reserves	(24.67)	(0.28)	0.20	3.75	(0.47)	0.00	(21.47)	
Capital Reserves	(81.58)	(24.65)	0.00	0.00	0.00	0.00	(106.23)	
Total Reserves	(285.37)	(15.08)	0.00	12.75	(16.69)	7.49	(296.90)	8.81

8.3 The key reserve movements are as follows;

- Transfer from ring-fenced reserves of £5.46m to finance grant related expenditure and ring-fenced account expenditures.
- Transfer from non ring-fenced reserves of £3.301m to finance capital expenditure from revenue for keep the lights on project and laptop replacement, the cost-of-living project and the release of historic reserves.
- Transfer from the Muller Reserve £7.490m to finance the Be First Dividend.
- Transfer to Muller Reserve £1.500m from the final Muller distribution, to mitigate future investment risk
- Transfer £2.000m to Budget Support Reserve to support 2024/25 MTFS savings.
- Release of £1.783m decontamination provision to reserve to support future decontamination costs.
- Transfer £5.229m additional Section 31 grant, reversal of BRS creditor and Levy surplus grant to the Collection Fund reserve.

8.4 A full list of reserve movements are given in Appendix A.

9. Investment and Acquisition Strategy

9.1 The Council has an Investment and Acquisition Strategy (IAS) with the primary purpose of supporting the regeneration of the borough. The IAS was approved to be self-financing and potentially generate a 5% target return.

9.2 The final budget for the IAS is (£1.1m) – this differs from the budget reported earlier in the year of (£4.1m). This is due to an internal budget virement of £3m for pre-IAS schemes from the Central expenses to the IAS. This is purely a presentational change.

9.3 The IAS is split into three parts:

- Residential – which includes the cost and income from IAS schemes that are both under construction and those that have completed and are operational;
- Commercial – which includes commercial properties that are part of the residential developments, commercial properties that are purchased as part of land assembly and commercial properties that are held for longer term redevelopment; and
- Other IAS schemes, including lease and lease back hotel deals, surpluses from Abbey Road and Muller.

9.4 There are three ways the IAS delivers returns: interest receivable being higher than interest chargeable; surplus or deficit on assets owned directly by the Council e.g. commercial and PRS and then overall scheme returns distributed at year end by Reside. Below is a summary of how each of these performed against budget:

9.5 The IAS net interest budget was £2.5m and the net interest chargeable was £11.2m resulting in an overspend of £8.7m.

9.6 Distributions from Reside totalled (£2.733m) against a budget of (£2.810m), a deficit of £0.077m against budget.

9.7 Overall, the IAS actuals, including the one-off Muller return, is (£2.604m) against a budget of (£1.093m), a surplus of (£1.511m). The £1.500m will be transferred to the IAS reserve. Excluding the on-off Muller return, the IAS has a £2m deficit against budget and the key drivers are higher borrowing costs and under performance of assets. There has also been additional pressures from the residential portfolio, which were not anticipated at period 10.

9.8 IAS Commercial (including Muller)

9.8.1 The IAS Commercial net operating return was (£7.127m). However, the council incurred direct costs of £1.804m and bad debts of £0.289m, MRP charges of £1.224m and net borrowing cost of £2.393m. This has resulted in a net return of (£1.417m), against a budget of (£1.143m), resulting in a surplus of (£0.274m).

9.8.2 An exceptional one-off item from the sale and winding up of Muller Ltd has provided a final distribution of £4.839m, which includes interest income of £1.339m. From the final distribution, £2.00m is being used to offset the IAS overspend and the remaining £1.500m will be transferred to the IAS reserves to mitigate future investment risk. A detailed breakdown is provided in Table 9 below:

Table 9: IAS Commercial Outturn 2023/24

Project Name	Rent £'000	Costs £'000	Bad Debts £'000	Net Operating £'000	MRP £'000	Average Interest For Year 4.88%	Net (return) / loss £'000	Asset Net Purchase cost (after MRP) £'000
7 Cromwell	(103)	2	(23)	(124)	10	61	(53)	1,239
47 Thames	(5)	7		2	1	8	11	132
9 Thames		5		5	4	25	34	466
3 Gallions	(265)	8		(257)	45	249	37	5,080
27 Thames	8	7		15	6	29	50	601
1-4 Riverside		10		10	12	59	81	1,257
23 Thames	(164)	20		(144)	53	280	189	5,721
14-16 Thames	(15)	284		269	18	98	385	1,994
Edwards Waste		1		1	7	434	442	9,668
BBC	(1,091)	68	230	(793)	254	1,359	820	27,564
26 Thames		280		280	44	236	560	4,825
Total Thames Road	(1,635)	692	207	(736)	454	2,838	2,556	58,547
Dagenham Trades Hall	(90)			(90)		30	(60)	1,464
Maritime	(1,077)	53	31	(993)	184	1,016	207	20,712
Heathway	(525)	165	51	(309)	67	364	122	7,273
Total Other Regeneration	(1,692)	218	82	(1,392)	251	1,410	269	29,449
Welbeck	(1,800)	95		(1,705)	243	1,266	(196)	25,425
Restore	(879)	20		(859)	118	616	(125)	12,358
Travelodge (Dagenham)	(470)	33		(437)	69	356	(12)	7,131
Travelodge (Pianoworks)	(414)			(414)	89	464	139	9,307
Industria		548		548		304	852	37,463
Total Other Commercial	(3,563)	696		(2,867)	519	3,006	658	91,684
Capitalised Interest						(3,162)	(3,162)	
Total IAS Commercial	(6,890)	1,606	289	(4,995)	1,224	4,092	321	179,680
Other Costs / (Income)	(237)	7		(230)			(230)	
Treasury						(1,699)	(1,699)	
Brokerage Costs		191		191			191	
Grand Total	(7,127)	1,804	289	(5,034)	1,224	2,393	(1,417)	179,680
IAS Other				(1,339)			(1,339)	
Muller Final Distribution				(3,500)			(3,500)	
Return with Muller							(6,256)	

9.8.3 The Commercial portfolio largely comprises assets required for regeneration purposes, except for Industria and 12 Thames Road. Given that these assets will be disposed of into a regeneration scheme, the borrowing strategy has been to fund those assets with short-term borrowing at variable interest rates. In 2023/24, the Council has been impacted by higher short-term interest costs and slow lettings at Industria, costs from lettings and higher operational costs for Industria have impacted the overall net return.

9.8.4 The impact of capitalising part of the short-term borrowing pressure has been allocated to commercial. Capitalised interest is calculated using the weighted average cost of borrowing for the Council, which includes both short-term and long-term borrowing. This has resulted in a surplus within Commercial, but this is predominantly due to reduced interest costs added to residential scheme costs.

9.8.5 Thames Road continues to underperform, as do the other redevelopment purchases. The hold schemes, including Welbeck, Restore and the Travelodge have provided a positive return. MRP is charged against all commercial schemes, and this does reduce the overall borrowing costs.

9.8.6 Excluding the Muller dividend, the commercial portfolio has made a surplus of £0.274m.

9.9 IAS Residential

9.9.1 The IAS Residential portfolio delivered a net operating loss of £0.077m, this is further exacerbated due to the significant direct costs of £3.724m, interest charges of £17.903m, which were reduced by (£10,787m) as a result of capitalising interest against schemes that were under construction. MRP of £0.429m was also charged. The interest income from Reside is (£4.884m), resulting in the IAS Residential providing a net operating loss of £3.572m.

9.9.2 Of the schemes completed and in loan/lease agreements to Reside, the costs of borrowing is £9.134m compared to the interest receivable from Reside of (£4,884m) and capitalised interest of (£2.018m), resulting in a net interest cost of £2.232m.

9.9.3 The borrowing costs for assets that are still under construction is £8.769m, with the interest all capitalised against the schemes.

9.9.4 A detailed breakdown is provided in Table 10 below:

Table 10: IAS Residential Outturn 2023/24

IAS Residential Outturn 2023/24											
Spend Type	Loan / Net Spend	Reside Rental Surplus	Costs	Net Operating Income	Total Interest Costs	Capitalised Interest Average. Rate: 2.67%	Net Interest Costs	Interest Income	Interest Margin	MRP	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Affordable Rent - Reside Weavers	152,269	(1,465)	5	(1,460)	3,213	(565)	2,648	(3,658)	(1,010)		(2,470)
Social Rents - BD Homes	75,767		294	294	1,740	(523)	1,217	(1,089)	128	96	518
Private Rents & SO - Reside Regen Reside Limited	174,566	(762)	477	(285)	3,732	(930)	2,802	(124)	2,678	71	2,464
Abbey Road	22,374	(506)	221	(285)	443		443		443	248	406
Other Residential Costs	317		1,109	1,109	6		6	(13)	(7)		1,102
Total Completed Schemes	425,293	(2,733)	3,724	991	9,134	(2,018)	7,116	(4,884)	2,232	415	3,638
Assets Under Construction	473,719				8,769	(8,769)				14	14
Total Residential Return	899,012	(2,733)	3,724	991	17,903	(10,787)	7,116	(4,884)	2,232	429	3,652

9.9.5 Reside Ltd (Atlantic Income Strip) was a major contributor towards the overall loss as £1.62m of costs were charged to the IAS to cover costs to administration, energy and security costs.

9.9.6 Borrowing costs for the IAS have increased as schemes that pre-date the IAS have been added into the overall interest costs (moved from the central expenses) as they are held and managed by Reside (includes Abbey Road, Weavers and Dagenham Road).

9.9.7 Reside surpluses have reduced by £1.36m compared to P10 due to higher costs in MyPlace and an increase in bad debts for rents.

9.9.8 MRP charges for pre-IAS Residential schemes were also included as part of the General Fund MRP costs and these, along with several changes in the commercial MRP charge, has been reflected as an IAS cost in the outturn report. These changes are shown in the table above.

9.10 Private Rents and Shared Ownership Costs

9.10.1 Interest costs for Private Rents (PRS) and Shared Ownership (SO) is charged internally as the assets remain with the Council and is recovered through surplus from Reside. PRS and SO have a high level of borrowing costs as they have little to no grant. They have been the hardest to let and a number have been left vacant for long periods of time, which has resulted in high interest costs and security costs and energy costs.

9.10.2 For PRS schemes, £0.407m direct costs were incurred by the IAS for energy costs and security, with interest costs of £1.795m. For SO schemes costs totalled £70k and interest costs of £0.881m. MRP charges for 2023/24 for PRS and SO schemes totalled £71k. Reside have forecast a surplus to the Council of £0.762m. Overall PRS and SO cost the IAS £2.464m due to delays in letting.

9.10.3 Schemes are now being let and Ewars Marsh (shared ownership) completed in September 2023 but remains vacant due to changes implemented by the new Subsidy Control Act which means that head leases cannot currently be entered into. Mortgage companies will not advance mortgages without these in place.

9.10.4 Table 11 below shows the costs incurred and the total spend for the PRS and SO schemes. The surplus from Reside is included to show the net impact of the costs on the PRS and SO returns.

Table 11: Private Rents and Shared Ownership Costs 2023/24

Project Name	Total Spend £'000	Net (profit) / Loss £'000
Interest Cost - Gascoigne PH2 E2	31,243	619
Interest Cost - Gascoigne East F1	44,906	517
Interest Cost - Gascoigne West 1 (Forge)	33,349	660
Interest Cost - Weavers	4,756	94
Interest Cost - Becontree Heath B	10,811	214
Interest Cost - Kingsbridge	7,592	150
Interest Cost - Sebastian Court (Bobby Moore)	7,880	156
Interest Cost - Gascoigne East F1 (Ewars Marsh)	34,030	392
Energy, Security and MRP		549
Interest Income		(124)
Regen LLP Loss / (Surplus)		(547)
Regen Ltd Loss / (Surplus)		(216)
Total for PRS and SO (Completed)	174,567	2,464

9.11 IAS Residential Costs Incurred

9.11.1 The main costs directly incurred by the Council for the IAS for schemes are summarised in table 12 Below.

Table 12: IAS Residential Costs Incurred 2023/24

Scheme / Cost Type	Amount £'000	Cost Type
Reside Limited	1,618	Maintenance costs
Reside Costs	587	Recharge
Council Recharges	201	Legal, finance and handover
Herring and Mather	171	PRS letting costs
Rainham Road	180	Writeoff of capital costs
Limbourne / Wivenhoe	102	Writeoff of capital costs
Ewars Marsh	49	Marketing costs
Abbey Road	221	Maintenance costs
Challingsworth	294	Energy
Gascoigne East E2	177	Energy
Gascoigne West 1 & 2	76	Energy
Gascoigne East 3J	5	Energy
Other	43	
Grand Total	3,724	

9.11.2 Three schemes have not progressed, and capital costs needed to be written off to revenue (Rainham Road, Limbourne and Wivenhoe Traditional).

9.11.3 Recharges cover costs for legal, finance and a handover officer.

9.11.4 Reside and Abbey Road costs incurred by MyPlace have been charged to the IAS, with Reside unable to pay these. Costs will likely increase year on year.

9.11.5 Energy costs totals £552k and were charged to the IAS as issues around charging the tenants has not been resolved. Work is being undertaken by officers to establish how much can be recharged to tenants. The charges were as a result of issues with both the Consumer Supplier Agreements and Resident Supplier Agreements being in place.

10. Treasury Management

10.1 The Treasury outturn is contained within the corporate expenses return and includes the interest received and paid that has not been allocated to the IAS.

10.2 For 2023/24 the net interest return before any provisions was (£2.736m) against a budget of £1.175m, a surplus of (£3.911m). This was largely driven by internal borrowing reducing the borrowing allocated to the General Fund non-IAS borrowing and by increased returns from interest received from the Council's loans to Reside.

10.3 The surplus of (£3.911m) was reduced as provisions of £3.430m was required for the loan to Barking and Dagenham Trading Partnership (BDTP) to purchase LEUK and the working capital loan to BDTP, covering the interest. The provisions set aside against BDTP for loans is provided in the table below. The provisions directly impact the Council's outturn and are a charge to its revenue. The total £15.554m does not include provisions for inter-company debtors, which currently totals £6.2m.

Table 13: Provision against Loans

Entity	2021/22	2022/23	2023/24	Combined
	Provision	Provision	Provision	Provision
	£'000	£'000	£'000	£'000
LEUK Loan	2,347	4,776	2,506	9,629
BDTP Working Capital Loan		5,000	925	5,925
Total Provision	2,347	9,776	3,431	15,554

10.4 Deducting the provisions, the overall General Fund treasury surplus return was (£0.481m).

11. Capital Programme

11.1 Outturn expenditure on the 2023/24 capital programme was £335.0m out of a total budget of £340.4m, resulting in a net underspend of £5.4m. A total of £3.2m of carry forward is proposed, which will increase the budget for 2024/25 from £252.1m to £255.3m.

11.2 The carry forward is a mixture of in year underspends and accelerated items (most accelerated projects are new schemes agreed within the Investment and Acquisition Strategy). These will impact the 2024/25 approved budget. Of the actual carry forward (£15.1m) net Acceleration was on the Investment Strategy, £16.8m of slippage on the General Fund and £1.6m slippage on the HRA.

11.3 Carry forward will be added to the existing 2024/25 capital programme and conversely schemes that were able 'accelerate' their spend, drawing on future year's approved resources will be deducted from 2024/25 capital programme. Both scenarios will be profiled as part of the capital first review.

11.4 The capital programme is financed from several sources, including grant, borrowing, CIL, s106 contributions and revenue contributions.

11.5 Appendix B to this report provides a more detailed capital programme outturn, and Appendix C provides a detailed breakdown of the capital programme carry forward.

12. Update on outstanding items and audit issues

12.1 The statutory date for publishing draft accounts for Local Authorities is 31st May. However, this is challenging due to the amount of work required to consolidate all the council's subsidiaries. The plan is for the council to publish before or by the 30th of June 2024.

12.2 The year end closure process is a complex one for LBBD as a result of the number of companies and subsidiaries that we have. The process is nearly finished but there are still some outstanding items including the following:

- Publication of the 2022/23 Statement of Accounts;
- Final preparation of the council's single entity accounts and consolidated accounts.

- 12.3 The council's new external auditors, Grant Thornton LLP, will start the audit of the 2023/24 Statement of Accounts in July 2024 and the council's officers are working to get the accounts ready for the work to commence then.
- 12.4 In February 2024, DLUHC, NAO and FRC published consultations on the proposed guidelines for a backstop arrangement that will allow the accounts of 2020/21, 2021/22, and 2022/23 financial years to be signed. The result of the consultation and the final guidelines is yet to be published but this was planned to be completed by 30 September 2024. The council's outgoing external auditors, BDO LLP, have timetabled to complete the audit of the 2019/20 statement of accounts by the end of August 2024.

13. Financial Implications

Implications completed by: Nurul Alom, Head of Finance – MTFS & Budgetary Control

- 13.1 This is a financial report and therefore the implications are as set out in the main body of the report.

14. Legal Implications

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

- 14.1 Local authorities are required by law to set a balanced budget for each financial year. During the year, there is an ongoing responsibility to monitor spending and ensure the finances continue to be sound. This does mean as a legal requirement there must be frequent reviews of spending and obligation trends so that timely intervention can be made ensuring the annual budgeting targets are met.
- 14.2 Nevertheless, the disruption of certain events e.g post Covid 19, Brexit, combined with the continuing hostilities between the Russian Federation and the Ukraine is causing scarcity and inflationary rising costs. Still, value for money and the legal duties to achieve best value still apply. There is also the issue of the Councils existing suppliers and service providers also facing issues of pressure on supply chains and staffing matters of availability. As a result, these pressures inevitably create extra costs which will have to be paid to ensure statutory services and care standards for the vulnerable are maintained. We must continue careful tracking of these costs and itemise and document the reasoning for procurement choices to facilitate grounds for seeking such additional support funds as the Authority may be able to access.
- 14.3 As stated in the body of the text, the local audit for the last four years has yet to be published. However, the local audit for 2023/24 is being carried out by another firm. The performance of Local Auditors carrying out the Audit matters as it is a vital component in providing an external perspective in the governance and assurance of a local authority.

Public Background Papers used in preparation of this report

- The Council's MTFS and budget setting report, Assembly 1 March 2023

<https://modgov.lbbd.gov.uk/internet/documents/s159659/Budget%20Framework%202023-24%20Report.pdf>

List of appendices:

- **Appendix A:** List of Reserve Transfers
- **Appendix B:** Capital Programme Outturn
- **Appendix C:** Capital Programme Carry Forward

Appendix A - List of Reserve Transfers

	Opening Balance	In Year Movement/ Budgeted	In Year Inter Reserve Transactions 23-24	Transfer FROM Reserve 23-24	Transfer TO Reserve 23-24	BeFirst Dividend Reserve Drawdown	Closing Balance After Reserve Adj's	Comments on reserve movements
	£'m	£'m	£'m	£'m	£'m	£'m	£'m	
General Reserves	(17.03)	0.00	0.00	0.00	0.00	0.00	(17.03)	
Budget Support Reserve	(16.84)	14.04	(10.60)	0.00	(2.00)	0.00	(15.40)	Reserve transfer to support 24/25 MTFS savings
Sub total	(33.87)	14.04	(10.60)	0.00	(2.00)	0.00	(32.43)	
Ring-fenced Reserves								
Redundancies Reserve	0.00	0.00	0.00	0.00	(1.30)	0.00	(1.30)	Reserve transfer to support redundancy costs associated with 24/25 MTFS savings
LEP Housing Rental Reserve	(1.82)	0.00	0.00	0.89	0.00	0.00	(0.93)	To fund PRPL Expenditure 23-24
Public Health Reserve	(3.94)	0.00	0.00	2.00	0.00	0.00	(1.94)	Drawdown to fund earmarked programmes
Lifecycle Reserve	(2.34)	(0.71)	0.00	0.00	0.00	0.00	(3.05)	
Property Reserve - Reside	(0.00)	(0.00)	0.00	0.00	0.00	0.00	(0.00)	
VAT Market Repayment Reserve	(0.22)	0.00	0.22	0.00	0.00	0.00	0.00	
Parking Reserve	(7.53)	0.00	0.00	0.00	0.00	0.00	(7.53)	
Film Studios Developer Contribution	(0.84)	0.00	0.00	0.15	0.00	0.00	(0.69)	Inclusive growth activity in connection with the Film Studios
Social HSG Decarb Fund (BEIS)	(0.13)	0.00	0.00	0.00	0.00	0.00	(0.13)	
Off-Street Parking Surplus	(1.15)	0.00	1.15	0.00	0.00	0.00	0.00	
OS Health & Justice from CCG	(0.12)	0.00	0.00	0.03	0.00	0.00	(0.09)	To fund new missing coordinator post in YOS
Leaving Care NEET Fund	(0.14)	0.00	0.00	0.04	0.00	0.00	(0.10)	To fund new participation posts in corporate parenting
Parking Con 4 Active Travel Reserve	(0.57)	0.00	0.00	0.30	0.00	0.00	(0.27)	To finance capital expenditure 2023-24. C05177 Healthy Streets
Service Grant C/Fwd - S/Care	(2.33)	0.00	0.00	0.54	(0.12)	0.00	(1.91)	The £537k relates to a release of reserves relating to Virtual Wards monies which has been returned to NEL ICB due to a non-starter against the intended use of the grant. £118k is unspent Ageing Well Contribution from BCF in 2023/24. Money is kept in trust by the Council.
Service Grant C/Fwd - ComSol	(3.48)	0.00	0.16	0.23	(0.51)	0.00	(3.61)	Drawdown of grants to finance grant expenditure
Service Grant C/Fwd - C.Fin	(2.31)	0.00	0.00	0.59	0.00	0.00	(1.72)	Digital Cyber fund grant expenditure and drawdown for COMF related expenditure
Service Grant C/Fwd - I.Growth	(0.77)	0.00	0.00	0.24	0.00	0.00	(0.53)	drawdowns are to finance grant expenditure in 2023/24.
Service Grant C/Fwd - I.Growth	(0.23)	0.00	0.00	0.13	0.00	0.00	(0.10)	Drawdown of grants to finance grant expenditure
Salix Energy Scheme	0.00	(0.13)	0.00	0.05	0.00	0.00	(0.08)	
Decontamination Reserve	0.00	0.00	0.00	0.23	(1.78)	0.00	(1.55)	A provision was set up in anticipation of legal costs. The possibility of legal action is now remote so the funds are being used to finance decontamination costs. £226k To fund costs associated with decontamination on land adjacent to Eastbrooken Country Park
Grants DFE	(0.04)	0.00	0.00	0.04	0.00	0.00	0.00	To fund new placement SW in corporate parenting team
PFI Reserve	(6.56)	0.00	0.00	0.00	0.00	0.00	(6.56)	
PFI - Jo Richardson & Eastbury	(7.72)	0.00	0.00	0.24	0.00	0.00	(7.48)	Payment of Unitary Charges issued by PFI contractors for LBBB PFI schemes
Levy Funding Reserve	(6.11)	0.00	0.00	0.00	(1.45)	0.00	(7.56)	
Sub total	(48.37)	(0.84)	1.53	5.70	(5.16)	0.00	(47.14)	
Non Ring-Fenced Reserves								
Spend to Save Reserve	(2.00)	0.00	0.00	0.00	0.00	0.00	(2.00)	
IT Reserve	(1.68)	0.00	0.00	0.82	0.00	0.00	(0.86)	To finance capital expenditure 2023-24. KEEP THE LIGHTS ON (KTLO) and Laptop Replacement Programme
Insurance Fund Liability Reserve	(2.23)	0.00	0.00	0.00	(1.16)	0.00	(3.39)	Changes to the Insurance Provision to reflect the provision levels recommended by the Council's actuaries
Suspense Unidentified Income	0.00	0.00	0.00	0.00	(0.36)	0.00	(0.36)	
People & Resilience	(0.54)	0.01	(0.02)	0.20	0.00	0.00	(0.35)	To fund additional costs on business critical services involving Domestic Abuse Improvement

Elections Reserve	(0.13)	0.00	0.00	0.00	0.00	0.00	(0.13)	
Legal Trading Reserve	(0.28)	0.00	0.00	0.00	0.00	0.00	(0.28)	
Strategy	(0.05)	0.00	0.02	0.03	0.00	0.00	0.00	To fund £19k on the WRES (Workplace Racial Equality Standards) and £12k on the Womens Empowerment Event
Inclusive Growth	(1.34)	0.00	0.00	0.04	(0.50)	0.00	(1.80)	Valence House has received an NNDR refund of £321,858, and this request is to carry forwards the refund into 2024/25 to re-invest in the Heritage service.
Skills & Learning Programme	(1.06)	1.06	0.00	0.00	0.00	0.00	0.00	
NCIL Reserve	(0.56)	0.00	0.00	0.00	(0.31)	0.00	(0.87)	Neighbourhood Community Infrastructure & Voluntary Sector funding
Welfare Reform Reserve	(4.06)	0.00	2.06	1.09	0.00	0.00	(0.91)	Drawdown to finance the Cost of Living project
ComSol CF Reserve	(5.22)	1.31	3.92	0.00	0.00	0.00	0.01	
Dep Reserve - ComSol	(1.74)	(1.07)	1.07	1.12	0.00	0.00	(0.62)	Drawdown of Hardship funds and release historic reserves
My Place	(0.29)	0.00	0.29	0.00	0.00	0.00	0.00	
Collection Fund Reserves	0.00	0.00	(1.47)	0.00	(5.23)	0.00	(6.70)	Surplus S31 grant as per NNDR3, plus Levy Account Surplus Grant 23-24
Sub total Non-ringfenced	(21.18)	1.31	5.87	3.30	(7.56)	0.00	(18.26)	
IAS & Capital Reserves								
Investment Reserves	(19.95)	0.00	3.00	0.00	0.00	0.00	(16.95)	
Mueller Reserve	(12.00)	0.00	0.00	0.00	(1.50)	7.49	(6.01)	Transfer from reserve to support Council's dividend income for 2023/24 and transfer to the balance of the final Muller distribution
CR27 Hotel Deal reserve	(5.50)	0.00	0.00	0.00	0.00	0.00	(5.50)	
Isle of Dogs Travelodge Reserve	(5.50)	0.00	0.00	0.00	0.00	0.00	(5.50)	
Sub total IAS Reserves	(42.95)	0.00	3.00	0.00	(1.50)	7.49	(33.96)	
Sub-total	(146.37)	14.51	(0.20)	9.00	(16.22)	7.49	(131.79)	
HRA Reserves								
Leasehold Repairs Reserve (HRA)	(11.15)	(1.88)	0.00	0.00	0.00	0.00	(13.03)	
HRA General Reserve	(21.60)	0.00	0.00	0.00	0.00	0.00	(21.60)	
HRA Major Repairs Reserve	0.00	(2.78)	0.00	0.00	0.00	0.00	(2.78)	
Total HRA Reserves	(32.75)	(4.66)	0.00	0.00	0.00	0.00	(37.41)	
Schools Reserves								
DSG Reserve	(10.07)	0.00	0.00	2.12	0.00	0.00	(7.95)	
LMS Reserve	(11.38)	0.00	0.00	0.88	(0.22)	0.00	(10.72)	School Revenue Contribution to Capital Expenditure from LMS reserve
Education Youth & Childcare	(1.23)	(0.28)	0.20	0.60	(0.24)	0.00	(0.95)	drawdown for LAC Online System Development, Chidren missing education, HAF, Young londers fund, school improvement support for Eastbrook, Health commissioning support. Transfer to Reserve relates to Youth Investment fund (232k) and schools games organisers (£11k)
Trewern Reserve	(0.40)	0.00	0.00	0.13	0.00	0.00	(0.27)	Trewern Outdoor Education is a traded service for schools which has reported an in-year deficit for 23/24
CMS Reserve	(0.36)	0.00	0.00	0.00	(0.01)	0.00	(0.37)	CMS is a traded service, in year Surplus are carried forward in reserves to mitigate future income reduction or trading losses
Education Psychology Reserve	(0.15)	0.00	0.00	0.02		0.00	(0.13)	Educational Psych reported an in-year deficit for 2023/24
Departmental Reserve - Education	(0.14)	0.00	0.00	0.00	0.00	0.00	(0.14)	
Schools Grant Reserve	(0.94)	0.00	0.00	0.00	0.00	0.00	(0.94)	
Total Schools Reserves	(24.67)	(0.28)	0.20	3.75	(0.47)	0.00	(21.47)	
Capital Reserves								
Capital Grants Unapplied	-11.87	0.05	0.00	0.00	0.00	0.00	-11.82	
CIL Reserve	-4.77	-3.58	0.00	0.00	0.00	0.00	-8.35	
Capital Receipts Reserve	(64.94)	(21.12)	0.00	0.00	0.00	0.00	(86.06)	
Total Capital Reserves	(81.58)	(24.65)	0.00	0.00	0.00	0.00	(106.23)	
Total Reserves	(285.37)	(15.08)	0.00	12.75	(16.69)	7.49	(296.90)	

Capital Programme Outturn 2023-24

1. Capital Programme Outturn

Strategic Function	Actuals to P12 £000s	P12 Revised Budget £000s	Financial Variance £000s	Carry Forward	Initial Budget 24-25 £k	Revised Budget 24/25 £k	Revised Budget 25/26 £k	Revised Budget 26/27 £k
GF - CARE & SUPPORT	2,972	3,719	(747)	747	3,918	4,664	1,000	1,000
GF - INCLUSIVE GROWTH	1,604	6,785	(5,181)	3,595	611	4,206		
GF - CIL	141	761	(620)	620		620		
GF - TFL	3,237	5,134	(1,897)	1,911	4,861	6,772	2,200	
GF - ICT	2,798	3,615	(816)	666	1,200	1,866	2,005	200
GF - COMMUNITY SOLUTIONS	2	6	(4)	4		4		
GF - CULTURE & HERITAGE	62	1,121	(1,059)	1,059	294	1,353	294	
GF - PARKS COMMISSIONING	6,926	13,011	(6,085)	4,044	153	4,197	83	
GF - MY PLACE	1,632	3,853	(2,221)	2,221	1,434	3,655	1,000	
GF - PUBLIC REALM	5,887	8,682	(2,795)	3,422	5,817	9,239	4,900	
GF - EDUCATION, YOUTH & CHILD	17,569	15,559	2,010	(1,595)	16,660	15,065	18,246	700
GF - SALIX	51	130	(80)	80		80		
General Fund	42,881	62,376	(19,495)	16,774	34,948	51,721	29,728	1,900
HRA STOCK INVESTMENT	13,085	14,000	(915)	738	19,289	20,027	27,000	36,760
HRA ESTATE RENEWAL	3,528	4,000	(472)	474	4,400	4,874		
HRA NEW BUILD SCHEMES	294	544	(250)	371		371		
HRA Total	16,907	18,544	(1,637)	1,583	23,689	25,272	27,000	36,760
IAS RESIDENTIAL	261,117	242,016	19,100	(18,515)	190,380	171,863	111,699	18,707
IAS COMMERCIAL	14,078	17,450	(3,372)	3,399	3,091	6,491	2,000	1,000
Investments Total	275,195	259,466	15,728	(15,116)	193,471	178,354	113,699	19,707
Total	334,983	340,386	(5,404)	3,241	252,108	255,347	170,427	58,367
Schools Capital DFC	1,508	1,508						
Add: PFI Lifecycle costs	198	198						
Total with PFI and DFC	336,689	342,092	(5,404)	3,241	252,108	255,347	170,427	58,367
Financed By:								
Borrowing	266,723	278,289	(11,566)	(3,971)	196,190	192,218	120,579	20,295
Other Sources	69,966	56,693	13,273	7,210	55,916	63,126	50,565	38,460
Total Resources	336,689	334,982	1,707	3,239	252,106	255,344	171,144	58,755

1.1 Outturn expenditure on the 2023-24 capital programme was £334.9m out of a total budget of £340.4m, resulting in a net underspend of £5.4m (totals exclude Schools DCF and PFI costs). The variance column shows the actual difference in outturn from approved budget. The carry forward is a mixture of in year underspends, accelerated items (most accelerated projects are new schemes agreed within Investment and Acquisition Strategy) and surrendered budget (no longer required). These will impact the 2024-25 approved budget. Of the actual carry forward £18.5m net Acceleration, was on the Investment Strategy, £19.5m of slippage on the General Fund and £1.6m slippage on the HRA.

Carry forward will be added to the existing 2024-25 capital programme and conversely schemes that were able to 'accelerate' their spend, drawing on future year's approved

resources, these will be deducted from 2024-25 capital programme. Both scenarios will be profiled as part of the capital first review.

At Period 11 the forecast position on the programme was an underspend of £10.2m. The final outturn was an underspend of £5.4m, which is a decrease of £4.8m. Discussions are being finalised on matters of reprofiling of carry forwards and a final version will be circulated to senior officers for review before going to Cabinet.

1.2 The capital programme is financed from various sources, including grant, CIL, S106 contribution, revenue contribution and borrowing. The table below provides a breakdown of funding sources:

Strategic Function	Grant £k	S106 £k	CIL £k	HRA Resources £k	Revenue Contribution £k	Other Source Total £k	GF Borrowing £k	IAS Borrowing £k	Borrowing Total £k	Total Funding £k
Care & Support	1,839			1,134		2,972				2,972
Inclusive Growth	1,459					1,459	145		145	1,604
CIL			141			141				141
TFL	3,211	26				3,237				3,237
Community Solutions							2		2	2
IT				0	2,678	2,678	120		120	2,798
Culture & Heritage	10					10	52		52	62
My Place			335	0		335	1,297		1,297	1,632
Public Realm	4,699				299	4,998	889		889	5,887
Parks Commissioning	6,074		34		226	6,335	591		591	6,926
Education, Youth & Child	17,569					17,569				17,569
Salix Schemes					51	51				51
GF Total	34,862	26	511	1,134	3,254	39,786	3,095	0	3,095	42,881
HRA Stock Investment				13,085		13,085				13,085
HRA Estate Renewal				3,528		3,528				3,528
HRA New Build Schemes				294		294				294
HRA Total	0	0	0	16,907	0	16,907	0	0	0	16,907
IAS Residential							(395)	261,511	261,116	261,116
IAS Commercial							14,078		14,078	14,078
IAS Total	0	0	0	0	0	0	13,684	261,511	275,195	275,195
Grand Total	34,862	26	511	18,040	3,254	56,693	16,779	261,511	278,290	334,982

Resource Type	Funding Type	23-24 Outturn Indicative Funding £k	23-24 Outturn Indicative Funding %
Other Source	CIL	511	0.15%
Other Source	Grant	34,862	10.41%
Other Source	HRA Resources	18,040	5.39%
Other Source	Revenue	3,254	0.97%
Other Source	S106	26	0.01%
Other Source Total		56,693	16.92%
Borrowing	GF Borrowing	16,779	5.01%
Borrowing	IAS Borrowing	261,511	78.07%
Borrowing Total		278,290	83.08%
Grand Total		334,982	100%

2 General Fund

2.1 Care and Support

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
C00100	AIDS & ADAPTATIONS	1,079	914	(165)	165	2,000	2,165
C00106	DISABLED FACILITIES GRANT-PRVT	2,023	1,783	(240)	240	1,857	2,096
C05125	FAMILY HUBS	117	55	(62)	62	61	123
C05127	Care Tech	500	220	(280)	280	0	280
CAP01	Care & Support Total	3,719	2,972	(747)	747	3,918	4,664

The Aids and Adaptations budget and the Disabled Facilities Grant is used for adaptations to older and disabled people's homes to help them live independently and safely. The programme underspent by £747k; primarily due to a shortage of occupational therapists, there was an uplift in the spending rate in the final quarter and PMs fully expect to spend carry forward in conjunction with new year budget (where applicable) in full.

2.2 Inclusive Growth (IG)

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
C03028	CORPORATE RETROFIT	2,881	145	(2,736)	2,736	0	2,736
C03099	ABBEY GREEN & BTC CONSHLF	277	118	(159)	159	0	159
C05084	DECARBONISATION	0	0	0	0	0	0
C05114	UK SHARED PROSPERITY FUND	236	224	(12)	12	611	623
C05136	Local Authority Delivery Ph 3	2,461	873	(1,587)	0	0	0
C05137	Home Upgrade Grant Ph 1	519	0	(519)	519	0	519
C05143	Electric Vehicle Charging Points	412	243	(169)	169	0	169
CAP02	Inclusive Growth Total	6,785	1,604	(5,181)	3,594	611	4,205

The IG programme underspent by £5,181k.

The Corporate Retrofit Programme aims to undertake energy efficiency measures which will reduce energy consumption and decrease carbon emissions as part of LBBD's Net Zero Carbon Strategy. There have been ongoing contractual issues and negotiations regarding prices in materials. The issues reported last year have continued, there was an anticipation of significant winter works in the region of £2m subject to grant funding. However, in Q4 IG were advised only one scheme was successful, works are now further delayed as LBBD goes through the tender process for a new operator.

The De-Carbonisation is split over 2 schemes (C50136 & C05137). This funding aims to tackle fuel poverty by increasing low-income homes' energy efficiency rating while reducing their energy bills. The programme is not progressing and any unspent funds (currently included in carry forward numbers) will be returned to grant provider.

The Barking Abbey and Town Centre Heritage Project is complete. This is a Heritage Lottery funded project which has delivered improvements to the public realm on Abbey Green and shopfront and building improvements.

The UK Shared Prosperity Fund is a grant-funded programme with 4 separate strands: Barking town centre and Food Hall, Eastbury Manor, Valence House and Greatfields Park. This is a 3-year programme which is part of the DLUHC levelling-up agenda. This programme is complete.

The Electric Vehicle Charging Points is a new fully grant funded scheme that came online in Period 11. It is anticipated that this will be complete first quarter 2024-25.

2.3 Community Infrastructure Levy (CIL) Schemes

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
C05028	BOXUPCRIME	455	8	(448)	448	0	448
C05029	WOMENS MUSEUM	210	133	(76)	76	0	76
C05062	LITTER IN PARKS (CIL)	96	0	(96)	96	0	96
CAF03	CIL Total	761	141	(620)	620	0	620

CIL is a levy charged to new developments, with to fund new and improved infrastructure as defined by regulations (including housing, community facilities, open spaces, sport and leisure, education, transport, and health) within the borough. An initial round of CIL allocations in 2019 utilised CIL income for third party delivery benefitting LBB, along with allocations for in-house parks improvements (included within Parks Commissioning budgets).

The CIL programme underspent against 23-24 budget by £620k, all of which will be carried forward to spend in future years to complete schemes that are ongoing.

The East End Women's Museum was opened to the public in March 2024, the £76k carry forward relates to outstanding invoices and will be fully spent in 24-25.

Box Up Crime will require carry forward to 24-25. LBB have taken possession of the Leys Pavilion and are conducting work My Place have begun to undertake feasibility and electrical studies, no significant works were undertaken in the year.

2.4 IT Programme

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
GF-008	Hardware - laptops	0	0	0	(150)	150	0
GF-010	KTLO	0	0	0	0	700	700
GF-013	Single Property View (MyPlace)	0	0	0	0	150	150
C03052	KEEP THE LIGHTS ON (KTLO)	575	225	(350)	350	0	350
C03068	ICT END USER COMPUTING	12	0	(12)	12	0	12
C05088	ERP Phase 2	330	120	(210)	210	0	210
C05132	Laptop Replacement Programme	2,698	2,454	(244)	244	200	444
CAF06	IT Total	3,615	2,798	(816)	666	1,200	1,866

The IT programme underspent by £816k, due to a lack of capacity to deliver large KTLO projects. These have been deferred to 2024-25.

2.5 Transport for London schemes

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
GF-003	TFL LIP	0	0	0	0	4,861	4,861
C02898	LOCAL TRANSPORT PLANS	310	26	(284)	297	0	297
C05052	HEATHWAY HEALTHY STREETS	330	359	29	(29)	0	(29)
C05055	ROAD SAFETY AND ACCESS	422	304	(117)	117	0	117
C05056	VALANCE AVENUE HEALTHY STREETS	43	5	(38)	38	0	38
C05058	TFL MINOR WORKS - VARIOUS LOCATIONS	155	37	(118)	118	0	118
C05079	CYCLE ROUTE CFR10	507	271	(236)	236	0	236
C05080	LOW TRAFFIC NEIGHBOURHOODS	241	108	(133)	133	0	133
C05083	BUS PRIORITY	2,673	1,925	(748)	748	0	748
C05128	Porters Avenue Healthy Streets	105	32	(73)	73	0	73
C05129	Dagenham Road Healthy Streets	172	42	(130)	130	0	130
C05130	High Road Healthy Streets	100	117	17	(17)	0	(17)
C05131	Gascoigne Healthy Streets	77	10	(67)	67	0	67
CAP04	TFL Total	5,134	3,237	(1,897)	1,910	4,861	6,771

The TfL programme aims to improve the borough's transport networks in line with the Mayor's Transport Strategy objectives. This includes Corridors funding that is allocated by a formula reflecting transport need across London, and bus and cycling project funding. The TfL programme had a net underspend of £1,897k with the most significant variance on Bus Priority caused by delays with feasibility studies, design, costing and programming. Other underspend is due to additional TfL grant to be awarded towards the end of the financial year.

2.6 Community Solutions

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
C04042	COMMUNITY HALLS	6	2	(4)	4	0	4
CAP05	Community Solutions Total	6	2	(4)	4	0	4

These works comprise a new boiler at Village Hall and electrical works at Fanshawe Community Centre and are now complete.

2.7 Culture and Heritage

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
C04031	REIMAGINING EASTBURY	4	0	(4)	4	0	4
C04033	REDRESSING VALENCE	211	52	(159)	159	0	159
C04043	THE ABBEY: UNLOCKING BARKING	347	0	(347)	347	0	347
C05115	WOODWARD ARTS & CULTURE CENTRE	266	10	(255)	255	0	255
C05138	MEND Valence House	294	0	(294)	294	294	588
CAP07	Culture & Heritage Total	1,121	62	(1,059)	1,059	294	1,353

The Culture programme underspent by £1,059k.

Unlocking Barking Abbey is a part Heritage Lottery funded project. The vision for the project is to 'unlock' the heritage of Barking Abbey, ensuring a sustainable future, and includes the post excavation assessment of the archaeology from the Barking Abbey site.

Redressing Valence experienced major delays on the Vision and Masterplan framework which will be submitted at the next Cabinet for approval.

Woodward Arts and Culture is a new Arts Council funded project. This scheme entails the transformation of the former Woodward Library into a community arts and digital hub, offering training, rehearsal, exhibition, and performance spaces for local groups. However, due to capacity and resource issues this scheme may not continue.

Valence House MEND is a complicated heritage building that has required an exhausting provision of legal documents with Arts Council England legal team which they have now approved, and this has released the draw down of funds and permission to commence works.

2.8 Parks Commissioning

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
C03032	PARSLOES PARK (CIL)	8,501	5,686	(2,815)	773	0	773
C03090	LAKES	437	0	(437)	437	0	437
C04013	PARK INFRASTRUCTURE ENHNCMTS	2	0	(2)	2	0	2
C04017	FIXED PLAY FACILITIES	73	0	(73)	73	0	73
C04018	PARK BUILDINGS BLDNGS SUR	62	2	(60)	60	0	60
C04080	CHILDRENS PLAY SPCS & FAC (CIL)	94	3	(91)	91	0	91
C04081	PARKS & OPEN SPCS STRAT 17 (CIL)	169	32	(138)	138	0	138
C04084	CENTRAL PARK MASTERPLAN IMP	716	572	(145)	145	0	145
C05060	SAFER PARKS (CIL)	52	0	(52)	52	0	52
C05061	B & D LOCAL FOOTBALL FACILITY (CIL)	157	0	(157)	157	0	157
C05089	DE-CONTAMINATION AT ECP	1,897	226	(1,671)	1,671	0	1,671
C05113	OLD DAGENHAM PARK LEVELLING UP	48	18	(30)	30	0	30
C05122	CENTRAL PARK PAVILION	259	17	(243)	243	0	243
C05123	TENNIS COURT DEVELOPMENT	403	346	(57)	57	0	57
C05126	GREAT FIELDS PARK PLAY	90	0	(90)	90	0	90
C05142	OLD DAGENHAM PARK PLAY EQUIPT	50	25	(25)	25	0	25
C05150	Bridges In Parks	0	0	0	0	83	83
C05151	Dagenham Tree H&S	0	0	0	0	70	70
CAP11	Parks Commissioning Total	13,009	6,926	(6,084)	4,042	153	4,195

The projects within this programme relate to the enhancement of Parks and Open Spaces, with developments in play infrastructure and various sports pitches.

The programme was 'underspent' by £6,084k, which is due in part to the misstatement of the 2023-24 budget on Parsloes Park and the correct carry forward is as illustrated £773k for this scheme. However, the scheme is complete and was opened to the public in February, except for a small retention to be paid in November 2024 the scheme is fully spent and within budget. The investment in Parsloes Park was to upgrade the pitch and pavilion facilities as part of the nationwide Parklife Football Hubs programme for key strategic sport sites.

There is a further underspend £1,671k on Decontamination, brought about by planning and logistic issues at the site.

Following Thames Water withdrawing from legal proceeding the provision is now accounted for as a reserve to cover the ongoing costs arising from decontamination of land adjacent to Eastbrookend Country Park. Planning approval has been granted to build a new roadway which will ease access to the site to construct a permanent power supply for the effluent treatment plant.

2.9 My Place

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
GF-004	Stock Investment Corp Portfolio	0	0	0	0	1,000	1,000
GF-005	Capita Open Housing	0	0	0	0	425	425
C02811	WARD CAPITAL BUDGETS	787	205	(581)	581	0	581
C03027	EST ENERGY SUPPLY CO (ESCO)	18	18	0	0	0	0
C04032	HABITAT FOR HUMANITY	356	371	15	0	0	0
C05018	STOCK CONDITION SURVEY	1,608	467	(1,141)	1,141	0	1,141
C05038	82A AND 82B OVAL ROAD SOUTH	271	0	(271)	256	0	256
C05077	DISPERSED WORKING	471	235	(237)	237	0	237
C05140	MULTI-FAITH CHAD HEATH CEM. CIL	341	335	(6)	6	9	15
CAP09	My Place Total	3,853	1,632	(2,221)	2,221	1,434	3,655

The My Place programme underspent by £2,216k.

A significant part of the underspend relates to the stock condition survey budget due to delays in procuring the Frizlands fuel tanks and CCTV works. This budget is fully committed, this is merely a timing difference of spend between 2023-24 and 2024-25.

The Ward capital Budgets are for smaller improvement schemes around the borough such as outdoor gyms, planting, and arboreal safety lights. Spend has been slow in prior years so the budget had accumulated with limited capacity to spend. It is expected that this will be fully spent 2024-25 with no replenishment to budget.

There is a paper being prepared for the next ACB regarding the development of Habitat for Humanity incorporating the Oval Road properties.

2.10 Public Realm

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
C03032	PARSLOES PARK (CIL)	8,501	5,686	(2,815)	773	0	773
C03090	LAKES	437	0	(437)	437	0	437
C04013	PARK INFRASTRUCTURE ENHNCMTS	2	0	(2)	2	0	2
GF-001	Highways Imp Programme	0	0	0	0	0	0
GF-002	Bridges & Structures	0	0	0	0	0	0
GF-012	ENFORCEMENT System	0	0	0	0	0	0
C02982	CONTROLLED PARKING ZONES	1,979	375	(1,603)	1,603	0	1,603
C03011	STRUCT REP'S & MAINTCE-BRIDGES	27	3	(24)	24	0	24
C03065	Highways Imp Programme	0	0	0	0	0	0
C03065	HIGHWAYS INV PROG	3,860	4,695	834	(264)	4,900	4,636
C03083	CHADWELL HEATH CEMETERY EXT	83	8	(76)	76	0	76
C04012	PARKS BINS RATIONALISATION	27	0	(27)	27	0	27
C04015	ENFORCEMENT EQUIPMENT	173	18	(155)	155	330	485
C04016	ON-VEHICLE BIN WEIGHING SYS	0	0	0	0	0	0
C04019	REPLACEMENT OF WINTER EQUIP	3	0	(3)	3	0	3
C04029	ENGINEERING WORKS (RD SAFETY)	0	39	39	0	0	0
C04063	FLOOD SURVEY	141	5	(137)	137	0	137
C04064	BRIDGES AND STRUCTURES	826	254	(572)	589	387	976
C04070	VEHICLE FLEET REPLACEMENT	1,023	75	(948)	948	0	948
C05048	PROCURING IN CAB TECH	171	118	(54)	54	0	54
C05117	HEALTHY STREETS	369	299	(70)	70	200	270
CAP10	Public Realm Total	6,676	5,509	(1,167)	1,794	5,817	7,611

The Public Realm programme underspent by £1,167k. The most significant area of underspend is CPZ which is an agreed rolling budget fund which is currently planned for completion at the end of 2026, this scheme is impacted by factors such as impact of consultation outcomes and potential political ramifications and appetite. The nature of CPZ installation requires lengthy consultation (around 6 -9 months) with the bulk of the spend coming after consultation has completed and onsite installation works are commenced.

The outstanding works at Chadwell Heath cemetery have experienced delays whilst new toilet and prayer room is built along with completion of the columbarium by August 2024.

The In Cab Technology project will automate the current business processes for waste collection planning, recording and administration and will provide an automated routing facility for all rounds. The devices have been installed but are not live anticipate go live early 2024-25.

The Enforcement programme underspent by £155k, all of which relates to delays in purchasing equipment for the CCTV control room due to delays in awarding the CCTV maintenance contract.

The Highways Improvement Programme £834k overspend will be adjusted against approved 24-25 budgets.

2.11 Education Programme

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
C03020	DAGENHAMPARK	77	0	(77)	77	0	77
C03022	GREATFIELD SECONDARY SCH (NEW)	500	(390)	(890)	0	0	0
C03053	GASCOIGNE PRIMRY - 5FE TO 4FE	34	5	(29)	29	0	29
C03054	LYMINGTON FIELDS SCHOOL 2016	6	6	0	0	0	0
C04052	SEND 2018-21	0	0	0	0	0	0
C04058	MARKSGATE INFS & JNRS 18-20	55	38	(17)	17	0	17
C04098	RIPPLE PRIMARY SUFFOLK ROAD	5	5	(0)	0	0	0
C05033	SCA PRIORITY WORKS 20/22	0	0	0	0	0	0
C05034	SCHOOLS EXPANSION PROG 20/22	750	729	(21)	21	600	621
C05040	HEALTHY SCHOOL	121	0	(121)	121	0	121
C05069	SCA 20-21	400	571	171	(171)	413	242
C05078	GREATFIELDS PRIMARY	7,500	9,353	1,853	(1,853)	2,746	893
C05098	SCA 21-22	600	460	(141)	141	381	522
C05099	SEN Small Projects	728	1,170	442	(442)	1,000	558
C05105	BASIC NEEDS 21/22	600	119	(481)	481	722	1,203
C05107	SCA 22-23	1,500	3,313	1,812	(800)	800	0
C05118	MAYESBROOK ADDITIONAL CLASSROOM	400	19	(381)	381	0	381
C05119		50	0	(50)	50	50	100
C05120	MONTEAGLE DINING HALL EXTENSION	500	29	(471)	471	700	1,171
C05139	Padnall Hall (Youth Inv Fund)	927	235	(692)	692	1,148	1,840
C05141	SCA 23-24	600	1,892	1,292	(1,000)	1,000	0
C05144	Mayesbrook Outreach Tuition +	100	5	(95)	95	1,100	1,195
C05145	Trinity Sch Hse Ext & Remodel	5	10	5	(5)	750	745
C05146	Trinity Special Sch Heathway	100	0	(100)	100	4,000	4,100
C05149	SEND 24-25	0	0	0	0	750	750
GF-020	All Saints	0	0	0	0	500	500
CAP20	Education, Youth & Child Total	15,559	17,569	2,010	(1,595)	16,660	15,065

The Education programme had a net overspend against the 2023-24 profiled budget by £2,010k due to acceleration of schemes compared to what was built into the profile. All projects are fully funded through capital grants already received so there is no actual

overspend, just a timing difference compared to the budget profile. The main reason for the acceleration was the Greatfields Primary project which is part of the DfE Free Schools programme.

All underspends or overspends will be carried forward against 24-25 budgets and the budget profiles will be reviewed again for the coming year.

3. HRA Programme

3.1 HRA Stock Investment

The HRA Stock Investment programme has a net underspend £915k as forecast on a budget of £14.0m.

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
Multii	HRA-001 Internal Works	2,860	4,427	1,567	(1,567)	4,200	2,633
Multii	HRA-002 External Works	4,174	2,217	(1,957)	1,957	5,250	7,207
Multii	HRA-003 Compliance/ Communal	2,427	1,840	(586)	586	6,336	6,922
Multii	HRA-004 Estate Environs	113	52	(61)	61	250	311
Multii	HRA-005 Landlord Works	1,930	1,600	(330)	330	1,550	1,880
Multii	HRA-006 Fees & Contingency	2,496	2,949	452	(628)	1,703	1,075
CAP30	HRA Stock Investment Total	14,000	13,085	(915)	740	19,289	20,029

The HRA Stock Investment Programme is used to deliver capital works related to the housing stock of c17,000 dwellings (houses, flatted blocks) plus work to blocks that involves consultation with leaseholders. The programme has been contained within the overall budget, despite rising costs due to inflation and unforeseen works required such as at Colne & Mersea House.

The main programmes included internal works (new kitchens bathrooms and heating systems), a significant external works programme to both houses and blocks (roofs, windows, and doors etc.), a programme of replacing fire doors to several blocks, the replacement of communal door entry systems and energy efficiency projects.

3.2 Estate Renewal

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
C02820	ESTATERENEWAL	4,000	3,528	(472)	474	4,400	4,874
CAP31	HRA Estate Renewal Total	4,000	3,528	(472)	474	4,400	4,874

An HRA estate budget of has been allocated to redevelop and regenerate existing estates. £472k of the programme has slipped into 2024-25.

3.3 HRA New Build

The HRA new build programme has a net underspend of £250k.

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
C03071	MELISHAND SUGDEN	0	1	1	0	0	0
C05049	INNOVATIVE SITES PROGRAMME	0	120	120	0	0	0
C05102	MELLISH CLOSE- AUSTIN HOUSE	544	173	(371)	371	0	371
CAP32	HRA New Build Schemes Total	544	294	(250)	371	0	371

4. Investment and Acquisition Strategy

- 4.1 In 2023-24 a total of £275.2m was sent on IAS investments, including acceleration of £15.7m due to the agreement of Beam and Gascoigne 3b during the year. Of this £14.1m was spent on commercial and a total of £261.1m was spent on residential developments. The spend on residential is gross expenditure and is netted off by grant and right to buy receipts.
- 4.2 In 2023/24 a total of 733 homes completed, including 483 (55%) London Affordable Rent (LAR), Target Rent (TR), Affordable Rent (AR) or Shared Ownership (SO) and 250 (34%) Private Rental (PRS). The completion of these schemes highlights the Council's commitment to addressing housing needs in the borough and providing quality, affordable housing for residents. These new homes will offer residents a varied supply of housing with most of the new homes in this report to be let on Affordable Housing tenures. These schemes included:

Scheme Name	Building Names	No. of homes	Tenure	Practical Completion Date
Gascoigne East F1	Fifeshire Court and Cutter Court	92	PRS	September 2023
Gascoigne East F1	Ewars Marsh Court	79	SO	September 2023
Gascoigne East F1/F2	Sailor Court and Palomar Court	48	AR	September 2023
Gascoigne East F2	Mizzen Street	4	LAR	October 2023
Gascoigne East J	Farrimond Hse, St Mary's & Fisherman St.	66	LAR	March 2024
Gascoigne East J	Farrimond Hse, King Edwards & St Mary's	58	AR	March 2024
Gascoigne West Ph 2	Trawler House and Chand House	158	PRS	March 2024
Gascoigne West Ph 2	Fishmonger House and Gilderson House	122	AR	March 2024
Gascoigne West Ph 2	1 - 15 Plaice House and Townhouses	46	LAR	March 2024
Gascoigne West Ph 2	16 - 75 Plaice House	60	TR	March 2024
	Number of Homes	733		

- 4.3 Due to viability issues caused by high build costs and increased borrowing costs, only two new schemes were agreed in 2023-24, but they were significant in size, with Beam (520 homes) and Gascoigne 3b (344 homes) agreed in September 2024. Both schemes are currently 100% affordable rents tenures.
- 4.4 For commercial, Industria completed in 2023/24 and is currently being let. Overall, again due to viability issues, commercial investments have struggled to provide positive returns, with losses in several of the schemes that were purchased as part of land assembly. These holdings are currently being reviewed to see if income can be improved and a review of the viability of developments on the sites is being conducted.
- 4.5 A number of schemes that have not progressed have been closed and the costs charged to the IAS, including Wivenhoe Traditional and Limbourne Avenue (£102k) and Rainham Road South (£178k). Be First fees of £7k relating to Dagenham Leisure Park - Feasibility Advice (£2k) and Thames Road - Policy Advice have also now been charged to the IAS as revenue costs.
- 4.6 Currently £3m is included in IAS commercial as unallocated. For the cabinet report this will be split between several projects.

Project Code	Project Name	23-24 Budget £k	23-24 Outturn £k	Final Variance £k	Carry Forward £k	24-25 Initial Budget £k	24-25 Revised Budget £k
C03072	PURCHASE OF SACRED HEART CONT	125	116	(9)	9	(9)	0
C03080	ACQSTN OF ROYAL BRITISH LEGION	36	83	47	0	(7)	(7)
C03084	SEBASTIAN COURT - REDEVELOP	350	52	(297)	297	3	300
C03086	LAND AT BEC - LIVE WORK SCHEME	131	131	0	0	0	0
C03089	BECONTREE HEATH NEW BUILD	328	0	(328)	328	0	328
C04062	GASCOIGNE EAST PH2	(11,300)	(11,300)	0	(0)	0	(0)
C04065	200 BECONTREE AVE	75	48	(27)	27	(9)	18
C04066	ROXWELL RD	11,565	11,304	(261)	261	11,747	12,008
C04067	12 THAMES RD	17,166	20,578	3,412	(3,412)	8,510	5,099
C04068	OXLOW LNE	8,907	8,525	(383)	383	804	1,187
C04069	CROWN HOUSE	2,355	1,278	(1,077)	1,077	(559)	518
C04075	Abortive costs 2022-23 C04075 Rainham Rd	(178)	(178)	0	178	0	178
C04077	WEIGHBRIDGE	143	143	0	(0)	(143)	(143)
C04078	WIVENHOE CONTAINER	0	0	0	0	0	0
C04090	SITE LONDON RD/NORTH STREET	0	30	30	0	0	0
C04099	GASCOIGNE WEST P1	1,109	459	(650)	650	0	650
C04100	Abortive costs 18-19 C04079 Wivenhoe & 19-20 CO	(102)	(102)	0	102	0	102
C05020	WOODWARD ROAD	5,518	3,642	(1,876)	1,876	539	2,415
C05025	GASCOIGNE WEST PHASE 2	32,829	35,843	3,014	(3,014)	9,038	6,023
C05026	GASCOIGNE EAST PHASE 3A	16,933	15,151	(1,783)	1,783	(1,104)	678
C05035	PADNALL LAKE PHASE 1	5,452	5,634	182	(182)	712	529
C05041	TRANSPORT HOUSE	18,719	17,704	(1,014)	1,014	15,605	16,620
C05047	GASCOIGNE WEST PHASE 3	1,994	1,416	(577)	577	(427)	150
C05065	CHEQUEERS LANE	317	317	0	0	0	0
C05066	BEAM PARK Phase 6	40,005	44,026	4,021	(4,021)	53,811	49,790
C05071	BROCKLEBANK LODGE	20	62	43	0	(20)	(20)
C05073	GASCOIGNE EAST 3B	8,041	33,406	25,365	(25,365)	88,467	63,101
C05076	GASCOIGNE EAST PHASE 2 (E1)	2,386	2,565	179	(30)	30	0
C05081	Beam Park - Phase 7	0	8	8	0	0	0
C05082	TROCOLL HOUSE	584	565	(19)	19	198	217
C05090	GASCOIGNE EAST 3A - BLOCK I	27,339	27,569	230	(230)	2,949	2,719
C05091	GASCOIGNE EAST PHASE 2 F	28,981	20,657	(8,323)	8,323	(4,675)	3,649
C05092	GASCOIGNE EAST PHASE 2 E2	8,432	3,938	(4,494)	4,494	(3,949)	545
C05093	PADNALL LAKE PHASE 2	4,561	4,601	40	(40)	1,848	1,808
C05094	PADNALL LAKE PHASE 3	259	85	(174)	174	(230)	(56)
C05100	BARKING RIVERSIDE HEALTH	7	35	29	0	0	0
C05103	TOWN QUAY WHARF	8,904	12,700	3,797	(3,798)	7,281	3,483
C05106	GASCOIGNE ROAD	30	26	(5)	5	(30)	(26)
C05111	Becontree Estate (Deactivated)	0	1	1	0	0	0
C05134	BE FIRST FEES	0	0	0	0	0	0
CAP40	IAS Residential Total	242,017	261,116	19,100	(18,514)	190,378	171,863
IAS-001	Unallocated	0	0	0	0	3,000	3,000
C03088	14-16 Thames Road	0	0	0	0	1	1
C04057	TRAVELDGE DAGENHAM	0	0	0	0	0	0
C04086	TRAVELDGE ISLE OF DOGS	0	0	0	0	0	0
C04091	PURCHASE OF WELBECK WHARF	0	0	0	0	11	11
C04103	BARKING RESTORE PLC	0	0	0	0	0	0
C04104	1-4 Riverside Industrial	223	0	(223)	223	(90)	133
C05023	3 GALLIONS CLOSE	30	0	(30)	30	4	34
C05024	FILM STUDIOS	46	27	(19)	19	8	27
C05042	26 THAMES RD	1,020	15	(1,005)	1,005	1	1,007
C05043	47 THAMES RD	70	0	(70)	70	0	70
C05044	9 THAMES RD	0	0	0	0	0	0
C05046	11-12 RIVERSIDE INDUSTRIAL	1	0	(1)	1	0	1
C05067	DAGENHAM HEATHWAY	426	156	(270)	271	97	368
C05070	23 THAMES ROAD	0	0	0	0	1	1
C05072	INDUSTRIA	4,019	3,540	(479)	479	0	479
C05074	BARKING BUSINESS CENTRE	200	0	(200)	200	3	203
C05104	7 CROMWELL CENTRE	0	0	0	0	0	0
C05110	Purchase of Maritime House	1,069	5	(1,064)	1,064	84	1,148
C05112	Purchase of Edwards Waste Site	8,844	8,844	0	0	1	1
C05133	Dagenham Trades Hall	1,502	1,464	(37)	37	(30)	7
C05147	Heathway Redevelopment	0	26	26	0	0	0
C05148	Dagenham Heathway Public Realm	0	0	0	0	0	0
CAP42	IAS Commercial Total	17,450	14,078	(3,371)	3,398	3,092	6,490
IAS Total		259,466	275,195	15,728	(15,116)	193,470	178,354

5 Devolved Formula Capital

5.1 There has been expenditure of £1.5m on schools' Devolved Formula Capital (DFC) schemes. DFC is direct funding for schools for small-scale capital projects.

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Capital Programme Carry Forward 2024/25

Project Code	Project Name	Q3 Budget £000s	Adjust £000s	P12 Revised Budget £000s	23-24 Outturn £000s	P12 Variance £000s	Carry Forward £000s	24-25 Initial Budget £000s	24-25 Revised Budget £000s	25-26 Budget £000s	26-27 Budget £000s
C00100	AIDS & ADAPTATIONS	1,079		1,079	914	(165)	165	2,000	2,165	1,000	1,000
C00106	DISABLED FACILITIES GRANT-PRVT	2,023		2,023	1,783	(240)	240	1,857	2,096		
C05125	FAMILY HUBS	117		117	55	(62)	62	61	123		
C05127	Care Tech	500		500	220	(280)	280		280		
CAP01	Care & Support Total	3,719		3,719	2,972	(747)	747	3,918	4,664	1,000	1,000
C03028	CORPORATE RETROFIT	2,881		2,881	145	(2,736)	2,736		2,736		
C03099	ABBAY GREEN & BTC CONS HLF	277		277	118	(159)	159		159		
C05084	DECARBONISATION										
C05114	UK SHARED PROSPERITY FUND	236		236	224	(12)	12	611	623		
C05136	Local Authority Delivery Ph 3	2,461		2,461	873	(1,587)					
C05137	Home Upgrade Grant Ph 1	519		519		(519)	519		519		
C05143	Electric Vehicle Charging Points		412	412	243	(169)	169		169		
CAP02	Inclusive Growth Total	6,374	412	6,786	1,603	(5,182)	3,595	611	4,206		
C05028	BOX UP CRIME	455		455	8	(448)	448		448		
C05029	WOMEN'S MUSEUM	210		210	133	(76)	76		76		
C05062	LITTER IN PARKS (CIL)	96		96		(96)	96		96		
CAP03	CIL Total	761		761	141	(620)	620		620		
GF-003	TFL LIP							4,861	4,861	2,200	
C02898	LOCAL TRANSPORT PLANS	310		310	26	(284)	297		297		
C05052	HEATHWAY HEALTHY STREETS	330		330	359	29	(29)		(29)		
C05055	ROAD SAFETY AND ACCESS	422		422	304	(117)	117		117		
C05056	VALANCE AVENUE HEALTHY STREETS	43		43	5	(38)	38		38		
C05058	TFL MINOR WORKS - VARIOUS LOCS	155		155	37	(118)	118		118		
C05079	CYCLE ROUTE CFR10	507		507	271	(236)	236		236		
C05080	LOW TRAFFIC NEIGHBOURHOODS	241		241	108	(133)	133		133		
C05083	BUS PRIORITY	1,765	908	2,673	1,925	(748)	748		748		

C05128	Porters Avenue Healthy Streets	105		105	32	(73)	73		73		
C05129	Dagenham Road Healthy Streets	172		172	42	(130)	130		130		
C05130	High Road Healthy Streets	100		100	117	17	(17)		(17)		
C05131	Gascoigne Healthy Streets	77		77	10	(67)	67		67		
CAP04	TFL Total	4,227	908	5,135	3,236	(1,898)	1,911	4,861	6,772	2,200	
C04042	COMMUNITY HALLS	6		6	2	(4)	4		4		
CAP05	Community Solutions Total	6		6	2	(4)	4		4		
GF-008	Hardware - laptops						(150)	150		210	
GF-009	Oracle R12									225	
GF-010	KTLO							700	700	700	
GF-011	ERP Upgrade									520	
GF-013	Single Property View (My Place)							150	150	150	
C03052	KEEP THE LIGHTS ON (KTLO)	575		575	225	(350)	350		350		
C03068	ICT END USER COMPUTING	12		12		(12)	12		12		
C05088	ERP Phase 2	330		330	120	(210)	210		210		
C05132	Laptop Replacement Programme	2,698		2,698	2,454	(244)	244	200	444	200	200
CAP06	IT Total	3,615		3,615	2,799	(816)	666	1,200	1,866	2,005	200
C04031	RE IMAGINING EASTBURY	4		4		(4)	4		4		
C04033	REDRESSING VALENCE	211		211	52	(159)	159		159		
C04043	THE ABBEY: UNLOCKING BARKING	347		347		(347)	347		347		
C05115	WOODWARD ARTS & CULTURE CENTRE	266		266	10	(255)	255		255		
C05138	MEND Valence House	294		294		(294)	294	294	588	294	
CAP07	Culture & Heritage Total	1,122		1,122	62	(1,059)	1,059	294	1,353	294	
GF-004	Stock Investment Corp Portfolio							1,000	1,000	1,000	
GF-005	Capita Open Housing							425	425		
C02811	WARD CAPITAL BUDGETS	787		787	205	(581)	581		581		
C03027	EST ENERGY SUPPLY CO (ESCO)	18		18	18						
C04032	HABITAT FOR HUMANITY	356		356	371	15					
C05018	STOCK CONDITION SURVEY	1,693	(84)	1,608	467	(1,141)	1,141		1,141		
C05038	82A AND 82B OVAL ROAD SOUTH	271		271		(271)	256		256		
C05077	DISPERSED WORKING	471		471	235	(237)	237		237		
C05140	MULTI-FAITH CHAD HEATH CEM.CIL	341		341	335	(6)	6	9	15		
CAP09	My Place Total	3,937	(84)	3,852	1,631	(2,221)	2,221	1,434	3,655	1,000	

GF-001	Highways Imp Programme										
GF-002	Bridges & Structures									387	387
GF-012	ENFORCEMENT System									330	
C02982	CONTROLLED PARKING ZONES	1,979		1,979	375	(1,603)	1,603		1,603		
C03011	STRUCT REP'S & MAINTCE-BRIDGES	27		27	3	(24)	24		24		
C03065	Highways Imp Programme									1,500	
C03065	HIGHWAYS INV PROG	3,860		3,860	4,695	834	(264)	4,900	4,636	3,400	
C03083	CHADWELL HEATH CEMETERY EXT	83		83	8	(76)	76		76		
C04012	PARKS BINS RATIONALISATION	27		27		(27)	27		27		
C04015	ENFORCEMENT EQUIPMENT	173		173	18	(155)	155	330	485		
C04016	ON-VEHICLE BIN WEIGHING SYS										
C04019	REPLACEMENT OF WINTER EQUIP	3		3		(3)	3		3		
C04029	ENGINEERING WORKS (RD SAFETY)				39	39					
C04063	FLOOD SURVEY	141		141	5	(137)	137		137		
C04064	BRIDGES AND STRUCTURES	826		826	254	(572)	589	387	976		
C04070	VEHICLE FLEET REPLACEMENT	1,023		1,023	75	(948)	948		948		
C05048	PROCURING IN CAB TECH	171		171	118	(54)	54		54		
C05117	HEALTHY STREETS	369		369	299	(70)	70	200	270		
CAP10	Public Realm Total	8,682		8,682	5,889	(2,796)	3,422	5,817	9,239	4,900	
C03032	PARSLOES PARK (CIL)	8,501		8,503	5,686	(2,815)	773		773		
C03090	LAKES	437		437		(437)	437		437		
C04013	PARK INFRASTRUCTURE ENHNCMTS	2		2		(2)	2		2		
C04017	FIXED PLAY FACILITIES	73		73		(73)	73		73		
C04018	PARK BUILDINGS & BLDNG SUR	62		62	2	(60)	60		60		
C04080	CHILDREN'S PLAY SPCS & FAC (CIL)	94		94	3	(91)	91		91		
C04081	PARKS & OPEN SPCS STRAT 17 (CIL)	169		169	32	(138)	138		138		
C04084	CENTRAL PARK MASTERPLAN IMP	716		716	572	(145)	145		145		
C05060	SAFER PARKS (CIL)	52		52		(52)	52		52		
C05061	B & D LOCAL FOOTBALL FACILITY (CIL)	157		157		(157)	157		157		
C05089	DE-CONTAMINATION AT ECP	1,897		1,897	226	(1,671)	1,671		1,671		
C05113	OLD DAGENHAM PARK LEVELLING UP	48		48	18	(30)	30		30		
C05122	CENTRAL PARK PAVILION	175	84	259	17	(243)	243		243		
C05123	TENNIS COURT DEVELOPMENT	403		403	346	(57)	57		57		

C05126	GREATFIELDS PARK PLAY	90		90		(90)	90		90		
C05142	OLD DAGENHAM PARK PLAY EQUIPT	50		50	25	(25)	25		25		
C05150	Bridges In Parks							83	83	58	
C05151	Dagenham Tree H&S							70	70	25	
CAP11	Parks Commissioning Total	12,926	84	13,012	6,927	(6,086)	4,044	153	4,197	83	
C03020	DAGENHAM PARK	77		77		(77)	77		77		
C03022	GREATFIELD SECONDARY SCH (NEW)	500		500	(390)	(890)					
C03053	GASCOIGNE PRMRY - 5FE TO 4FE	34		34	5	(29)	29		29		
C03054	LYMINGTON FIELDS SCHOOL 2016	6		6	6						
C04052	SEND 2018-21										
C04058	MARKS GATE INFS & JNRS 18-20	55		55	38	(17)	17		17		
C04059	CHADWELL HEATH ADDI CAPACITY									7,000	
C04072	SCHOOL CONDITION ALCTNS 18-19										
C04087	SCA 2019/20 (A)										
C04098	RIPPLE PRIMARY SUFFOLK ROAD	5		5	5						
C05033	SCA PRIORITY WORKS 20/22										
C05034	SCHOOLS EXPANSION PROG 20/22	750		750	729	(21)	21	600	621	493	
C05040	HEALTHY SCHOOL	121		121		(121)	121		121		
C05069	SCA 20-21	400		400	571	171	(171)	413	242		
C05078	GREATFIELDS PRIMARY	7,500		7,500	9,353	1,853	(1,853)	2,746	893		
C05098	SCA 21-22	600		600	460	(141)	141	381	522		
C05099	SEN Small Projects	728		728	1,170	442	(442)	1,000	558		
C05105	BASIC NEEDS 21/22	600		600	119	(481)	481	722	1,203		
C05107	SCA 22-23	1,500		1,500	3,313	1,812	(800)	800			
C05118	MAYESBROOK ADDITIONAL CLASSROOM	400		400	19	(381)	381		381		
C05119		50		50		(50)	50	50	100		
C05120	MONTEAGLE DINING HALL EXTENSION	500		500	29	(471)	471	700	1,171		
C05139	Padnall Hall (Youth Inv Fund)	827	100	927	235	(692)	692	1,148	1,840		
C05141	SCA 23-24	600		600	1,892	1,292	(1,000)	1,000		3,358	
C05144	Mayesbrook Outreach Tuition +		100	100	5	(95)	95	1,100	1,195	350	
C05145	Trinity Sch Hse Ext & Remodel		5	5	10	5	(5)	750	745	45	
C05146	Trinity Special Sch Heathway		100	100		(100)	100	4,000	4,100	5,000	700
C05149	SEND 24-25							750	750	1,500	

GF-020	All Saints							500	500	500	
CAP20	Education, Youth & Child Total	15,253	305	15,558	17,569	2,009	(1,595)	16,660	15,065	18,246	700
C05135	Salix Projects	130		130	51	(80)	80		80		
CAP55	Salix Schemes Total	130		130	51	(80)	80		80		
GF Total		60,752	1,625	62,378	42,882	(19,500)	16,774	34,948	51,721	29,728	1,900
C02933	CAPITAL VOIDS	1,500		1,500	2,732	1,232	(1,232)	2,000	768	2,000	2,000
C04003	DOMESTIC HEATING	260		260	226	(34)	34	200	234	200	200
C05000	DH INTERNAL	900		900	1,200	300	(300)	1,000	700	1,000	1,000
C05009	ELECTRICAL PROGRAMMES	200		200	269	69	(69)	1,000	931	1,000	1,000
	HRA-001 Internal Works	2,860		2,860	4,427	1,567	(1,567)	4,200	2,633	4,200	4,200
C05002	EXTERNALS 1 - HOUSES & BLOCKS	2,062		2,062	310	(1,752)	1,752	3,000	4,752	5,000	10,000
C05003	EXTERNALS 2 - HOUSES & BLOCKS	2,112		2,112	1,907	(205)	205	2,250	2,455	2,250	2,250
	HRA-002 External Works	4,174		4,174	2,217	(1,957)	1,957	5,250	7,207	7,250	12,250
C04002	LIFT REPLACEMENT	504		504	52	(452)	452	875	1,327	1,500	1,500
C04006	MINOR WORKS & REPLACEMENTS	200	(200)								
C05004	DOOR ENTRY SYSTEMS	550		550	470	(80)	80	49	129	500	500
C05005	COMPLIANCE	210		210	346	136	(136)	750	614	750	750
C05006	FIRE SAFETY WORKS	200		200	38	(162)	162	1,700	1,862	1,700	1,700
C05007	FIRE DOORS	961		961	932	(29)	29	2,750	2,779	3,000	3,000
C05011	COMMUNAL BOILERS	2		2	4	3	(3)	212	209		
	HRA-003 Compliance / Communal	2,627	(200)	2,427	1,842	(584)	584	6,336	6,920	7,450	7,450
C05116	ESTATE IMPROVEMENT	113		113	52	(61)	61	250	311	250	250
	HRA-004 Estate Environs	113		113	52	(61)	61	250	311	250	250
C05014	ENERGY EFFICIENCY	1,930		1,930	1,600	(330)	330	1,550	1,880	2,000	2,000
	HRA-005 Landlord Works	1,930		1,930	1,600	(330)	330	1,550	1,880	2,000	2,000
C05015	FEES and CONTINGENCY	1,178	292	1,470	2,456	986	(1,253)	1,253		5,758	10,610
C05121	COLNE & MERSEA	1,026		1,026	493	(534)	534	450	984		
C05068	ADAPTATIONS AND EXTENSIONS	92	(92)				92		92	92	
	HRA-006 Fees & Contingency	2,296	200	2,496	2,949	452	(627)	1,703	1,076	5,850	10,610
CAP30	HRA Stock Investment Total	14,000		14,000	13,087	(913)	738	19,289	20,027	27,000	36,760
C02820	ESTATE RENEWAL	4,000		4,000	3,528	(472)	474	4,400	4,874		
CAP31	HRA Estate Renewal Total	4,000		4,000	3,528	(472)	474	4,400	4,874		

C03071	MELISH AND SUGDEN			1	1						
C05049	INNOVATIVE SITES PROGRAMME			120	120						
C05102	MELLISH CLOSE - AUSTIN HOUSE	544	544	173	(371)	371		371			
CAP32	HRA New Build Schemes Total	544	544	294	(250)	371		371			
HRA Total		18,544	18,544	16,909	(1,635)	1,583	23,689	25,272	27,000	36,760	
C03072	PURCHASE OF SACRED HEART CONT	125	125	116	(9)	9	(9)				
C03080	ACQSTN OF ROYAL BRITISH LEGION	36	36	83	47		(7)	(7)			
C03084	SEBASTIAN COURT - REDEVELOP	350	350	52	(297)	297	3	300			
C03086	LAND AT BEC - LIVE WORK SCHEME	131	131	131							
C03089	BECONTREE HEATH NEW BUILD	328	328		(328)	328		328			
C04062	GASCOIGNE EAST PH2	(11,300)	(11,300)	(11,300)							
C04065	200 BECONTREE AVE	75	75	48	(27)	27	(9)	18			
C04066	ROXWELL RD	11,565	11,565	11,304	(261)	261	11,747	12,008	1,085	403	
C04067	12 THAMES RD	17,166	17,166	20,578	3,412	(3,412)	8,510	5,099	994		
C04068	OXLOW LNE	8,907	8,907	8,525	(383)	383	804	1,187			
C04069	CROWN HOUSE	2,355	2,355	1,278	(1,077)	1,077	(559)	518			
C04075	Abortive costs 2022-23 C04075 Rainham Rd		(178)	(178)	(178)	178		178			
C04077	WEIGHBRIDGE	143	143	143			(143)	(143)			
C04078	WIVENHOE CONTAINER										
C04090	SITE LONDON RD/NORTH STREET			30	30						
C04099	GASCOIGNE WEST P1	1,109	1,109	459	(650)	650		650			
C04100	Abortive costs 18-19 C04079 Wivenhoe & 19-20 C04100 Limbourne		(102)	(102)	(102)	102		102			
C05020	WOODWARD ROAD	5,518	5,518	3,642	(1,876)	1,876	539	2,415	742		
C05025	GASCOIGNE WEST PHASE 2	32,829	32,829	35,843	3,014	(3,014)	9,038	6,023			
C05026	GASCOIGNE EAST PHASE 3A	16,933	16,933	15,151	(1,783)	1,783	(1,104)	678			
C05035	PADNALL LAKE PHASE 1	5,452	5,452	5,634	182	(182)	712	529	218		
C05041	TRANSPORT HOUSE	18,719	18,719	17,704	(1,014)	1,014	15,605	16,620	505		
C05047	GASCOIGNE WEST PHASE 3	1,994	1,994	1,416	(577)	577	(427)	150			
C05065	CHEQUERS LANE	317	317	317							
C05066	BEAM PARK Phase 6	40,005	40,005	44,026	4,021	(4,021)	53,811	49,790	54,571	7,202	
C05071	BROCKLEBANK LODGE	20	20	62	43		(20)	(20)			
C05073	GASCOIGNE EAST 3B	8,041	8,041	33,406	25,365	(25,365)	88,467	63,101	51,913	10,453	

C05076	GASCOIGNE EAST PHASE 2 (E1)	2,386		2,386	2,565	179	(30)	30			
C05081	Beam Park - Phase 7				8	8					
C05082	TROCOLL HOUSE	584		584	565	(19)	19	198	217	120	649
C05090	GASCOIGNE EAST 3A - BLOCK I	27,339		27,339	27,569	230	(230)	2,949	2,719	597	
C05091	GASCOIGNE EAST PHASE 2 F	28,981		28,981	20,657	(8,323)	8,323	(4,675)	3,649		
C05092	GASCOIGNE EAST PHASE 2 E2	8,432		8,432	3,938	(4,494)	4,494	(3,949)	545	10	
C05093	PADNALL LAKE PHASE 2	4,561		4,561	4,601	40	(40)	1,848	1,808	384	
C05094	PADNALL LAKE PHASE 3	259		259	85	(174)	174	(230)	(56)		
C05100	BARKING RIVERSIDE HEALTH	7		7	35	29					
C05103	TOWN QUAY WHARF	8,904		8,904	12,700	3,797	(3,798)	7,281	3,483	560	
C05106	GASCOIGNE ROAD	30		30	26	(5)	5	(30)	(26)		
C05111	Becontree Estate (Deactivated)				1	1					
C05134	BE FIRST FEES										
CAP40	IAS Residential Total	242,301	(280)	242,021	261,118	19,101	(18,515)	190,380	171,863	111,699	18,707
IAS-001	Unallocated							3,000	3,000	2,000	1,000
C03088	14-16 Thames Road							1	1		
C04057	TRAVELODGE DAGENHAM										
C04086	TRAVELODGE ISLE OF DOGS										
C04091	PURCHASE OF WELBECK WHARF							11	11		
C04103	BARKING RESTORE PLC										
C04104	1-4 Riverside Industrial	223		223		(223)	223	(90)	133		
C05023	3 GALLIONS CLOSE	30		30		(30)	30	4	34		
C05024	FILM STUDIOS	46		46	27	(19)	19	8	27		
C05042	26 THAMES RD	1,020		1,020	15	(1,005)	1,005	1	1,007		
C05043	47 THAMES RD	70		70		(70)	70		70		
C05044	9 THAMES RD										
C05046	11-12 RIVERSIDE INDUSTRIAL	1		1		(1)	1		1		
C05067	DAGENHAM HEATHWAY	426		426	156	(270)	271	97	368		
C05070	23 THAMES ROAD							1	1		
C05072	INDUSTRIA	4,019		4,019	3,540	(479)	479		479		
C05074	BARKING BUSINESS CENTRE	200		200		(200)	200	3	203		
C05104	7 CROMWELL CENTRE										
C05110	Purchase of Maritime House	1,069		1,069	5	(1,064)	1,064	84	1,148		

C05112	Purchase of Edwards Waste Site	8,844		8,844	8,844			1	1		
C05133	Dagenham Trades Hall	1,502		1,502	1,464	(37)	37	(30)	7		
C05147	Heathway Redevelopment				26	26					
C05148	Dagenham Heathway Public Realm										
CAP42	IAS Commercial Total	17,450		17,450	14,077	(3,372)	3,399	3,091	6,491	2,000	1,000
IAS Total		259,751	(280)	259,471	275,195	15,729	(15,116)	193,471	178,354	113,699	19,707
Capital Programme Total		339,047	1,345	340,393	334,986	(5,406)	3,241	252,108	255,347	170,427	58,367

CABINET**18 June 2024**

Title: Treasury Management Annual Report 2023/24	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open	For Decision
Wards Affected: None	Key Decision: No
Report Author: David Dickinson, Investment Fund Manager	Contact Details: Tel: 020 8227 2722 E-mail: david.dickinson@lbbd.gov.uk
Accountable Director: Michael Bate, Interim Director of Financial Services (Deputy S151 Officer)	
Accountable Executive Team Director: Jo Moore, Interim Strategic Director Finance and Investment (S151 Officer)	
<p>Summary</p> <p>Changes in the regulatory environment place a greater onus on Elected Members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities, significant new proposed borrowing, and highlights compliance with the Council's policies previously approved by the Assembly prior to the start of each financial year.</p> <p>This report presents the Council's outturn position in respect of its treasury management activities during 2023/24. The key points to note are as follows:</p> <p>Interest Income and Investments:</p> <ul style="list-style-type: none"> i) Total treasury investments held at 31/03/2024 was £0.0m (2022/23: £54.0m); ii) Total cash held at 31/03/2023 was -£10.1m (2022/23: -£18.4m); iii) Total loans lent held at 31/03/2023 was £287.4m (2022/23: £192.2m); iv) Net General Fund Treasury outturn for 2023/24 (Interest payable plus MRP less Interest Receivable) was £10.3m compared to a net expenditure budget of £10.9m, an outperformance of £0.6m (as per table 1); v) Investment from the Council's IAS Residential, Commercial and other IAS portfolio totalled (£4.6m) for the year compared to a budget of (£2.9m), an outperformance of £1.7m (as per table 1); vi) The combined General Fund Treasury and IAS return was £5.7m against a budget of £8.0m, an outperformance of £2.3m; vii) The Council's average treasury interest return of 4.55% for 2023/24; 	

- viii) The Council's average return on its property loans was 2.62% and on its commercial loans was 8.42% for 2023/24; and
- ix) A total of £8.99m was transferred from the IAS Reserve in 2023/24, reducing it from £31.95m to £22.96m;

Interest Expense and Borrowing:

- x) Interest payable for 2023/24 totalled £49.6m (2022/23: £40.9m), consisting of £13.7m for PFI/Finance leases, £10.2m for HRA and £25.7m for General Fund;
- xi) Capitalised interest for 2023/24 totalled £12.2m;
- xii) The total long-term borrowing (General Fund and IAS) at 31/3/2022 was £681.8m, comprising of market loans, Public Works Loan Board (PWLB), Local Authority, European Investment Bank and other loans;
- xiii) The value of short-term borrowing as at 31 March 2024 totalled £343.9m;
- xiv) HRA borrowing totalled £295.9m of long-term debt and £10.7m of internal borrowing;
- xv) PFI / finance lease borrowing totalling £271.1m, the total Council borrowing as at 31 March 2024 was £1,592.7m (this excludes internal HRA borrowing).
- xvi) The Council did not breach its 2023/24 Operational Boundary limit of £1.850bn or its Authorised Borrowing Limit of £1.950bn;
- xvii) The Council complied with all other set treasury and prudential limits; and
- xviii) A loan impairment has been made against loans to Barking and Dagenham Trading Partnership (BDTP) of £3.4m in 2023/24, bringing the total provision against BDTP to £15.6m, as outlined in section 2.4.1 of the report.

Recommendation(s)

The Cabinet is asked to recommend the Assembly to:

- (i) Note the Treasury Management Annual Report for 2023/24;
- (ii) Note that the Council complied with all 2023/24 treasury management indicators;
- (iii) Approve the actual Prudential and Treasury Indicators for 2023/24, as set out in Appendix 1 to the report; and
- (iv) Note that the Council's total provision against Barking and Dagenham Trading Partnership was £15.6m as at 31 March 2024.

Reason(s)

This report is required to be presented to the Assembly in accordance with the Revised CIPFA Code of Practice for Treasury Management in the Public Services.

1. Introduction and Background

1.1 This Council is required by regulations issued under the Local Government Act 2003 to produce a treasury management review of activities and the actual prudential and treasury indicators for 2023/24. This report meets the requirements of the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

1.2 For the 2023/24 period Assembly received the following reports:

- an annual treasury strategy in advance of the year (Assembly 01/03/2023);
- a mid-year (minimum) treasury update report (Assembly 22/11/2023); and
- an annual review following the end of the year (this report).

In addition, Treasury and Investment and Acquisition Strategy (IAS) matters are reported as part of the Revenue Budget monitoring report.

1.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

2. Executive Summary of Treasury and IAS and issues for 2023/24

2.1 Overall in 2023/24 the combined Treasury and IAS Return was a surplus of £2.3m. This surplus is £0.6m for Treasury, £1.5m for IAS Commercial and Residential and £0.2m for IAS other, which includes the Hotel lease and lease schemes. The return is significantly below the c£7m surplus returned in 2021/22 and the £29m returned in 2022/23, which includes the £22m dividend returned from the sale of Muller.

2.2 For 2023/24 the surplus return was due to a one-off final dividend from Muller as the company was wound-up and the remaining surplus of £4.8m returned to the Council. Of the £4.8m return from Muller, £1.3m was interest earned by the Council's treasury team as part of a SLA for treasury management with Muller.

2.3 Table 1 below provides a summary of the returns for 2023/24. Abbey Road is reported as part of Central Expenses and the Hotel deals are reported as part of inclusive growth but both form part of the overall IAS return. The main areas where there were losses were in GF interest receivable and IAS residential. A detailed breakdown of the income and costs can be found in Appendix 2.

Table 1: General Fund and Treasury Returns in 2023/24

	2023/24 Revised Budget	2023/24 Returns	Variance
	£000s	£000s	£000s
General Fund Treasury Outturn			
Interest Payable	7,678	2,295	(5,383)
Interest Received	(6,503)	(4,888)	1,615
Bad Debt Provisions		3,430	3,430
MRP	9,700	9,470	(230)
TOTAL General Fund Return	10,875	10,307	(568)
IAS Residential & Commercial Return Against Budget			
Total Commercial Net (Return)/Loss	(1,143)	(1,417)	(274)
Total Residential Net (Return)/Loss	50	3,652	3,602
Muller - Final (Net of costs) Distribution		(4,839)	(4,839)
TOTAL IAS Residential & Commercial Return	(1,093)	(2,604)	(1,511)
IAS Other Return Against Budget			
Abbey Road Contribution	(600)	(600)	-
CR27 Lease and Leaseback	(862)	(1,061)	(199)
Travelodge Lease and Leaseback	(314)	(326)	(12)
SUB-TOTAL IAS Other Return	(1,776)	(1,987)	(211)
Total IAS Return	(2,869)	(4,591)	(1,722)
Total General Fund and IAS Return	8,006	5,716	(2,290)
Transfer to IAS Reserve		1,500	1,500

2.4 The key reasons for the relative underperformance in 2023/24 are provided in 2.4.1 below. Each of these issues can be resolved and some, including PRS lettings, have improved, but Reside Limited, BDTP and Shared Ownership will require further action to reduce the losses currently being incurred.

2.4.1 Provision for Barking and Dagenham Trading Partnership (BDTP)

In 2023/24 further provisions were required for the loan to BDTP to purchase LEUK and the working capital loan to BDTP, covering the loan and interest. Provisions set aside against BDTP for loans is provided in table 2 below. The provisions directly impact the Council's outturn and are a charge to its revenue. The total £15.6m does not include provisions for inter-company debtors, which currently totals £6.2m.

Table 2: BDTP Provisions 2021/22 to 2023/24

Entity	2021/22 Provision	2022/23 Provision	2023/24 Provision	Combined Provision
	£000s	£000s	£000s	£000s
LEUK Loan	2,347	4,776	2,506	9,629
BDTP Working Capital Loan		5,000	925	5,925
Total Provision	2,347	9,776	3,431	15,554

2.4.2 Barking and Dagenham Reside Ltd (Reside Ltd)

Reside Ltd includes 477 homes in William Street Quarter and Eastern End Thames View and is subject to an income strip style arrangement with the Council leasing the homes to a funder who then leases these homes back to Reside Ltd. This vehicle currently incurs an ongoing loss primarily because the rent payable to the funder is linked to RPI and there is no cap or collar on the indexation. In addition, management and maintenance allowances under the lease are not sufficient to reimburse the Council in full for the services it provides to this vehicle. There is a Council guarantee in place, so the Council step in should this company be unable to cover its obligations to the funder.

Reside Limited has not historically been part of the IAS, with costs and income being allocated to MyPlace but its reporting has now been transferred to the IAS and therefore the IAS reports its losses. The costs include repairs and maintenance, energy costs and caretaking.

2.4.3 IAS Residential Scheme Costs

In 2022/23 and 2023/24 several schemes completed and there was a significant transfer of units from under construction to operational. For the social housing units, the handover of the schemes was generally managed within the assumptions used for each scheme but there were several issues with the Private Rental Schemes (PRS) and Shared Ownership (SO) schemes that have impacted and continue to impact the IAS Residential return.

There were significant delays between when schemes were completed and then leased, in some cases this was many months, which resulted in schemes incurring interest, security and heating costs when they were empty. A summary of the costs against the income generated from the Reside Regeneration schemes is provided below. Overall, the return was negatively impacted by £2.5m in 2023/24.

A key reason for the significant losses is the amount of borrowing against each scheme, with a total of £174.6m of borrowing against the PRS and SO schemes. The assumptions used in the financial models were prudent and the performance of both PRS and SO schemes in 2023/24 reflects the worst-case scenario for lettings. The impact of schemes being empty is the requirement for security but also management and maintenance costs, as well as energy costs must be paid by the Council. The energy costs, even when schemes are being let are also not being charged to the residents.

Table 3: IAS Residential Costs 2023/24

Description	Total Spend £000s	Cost and Income £000s
Net Interest Cost	174,566	2,677
Energy, Security and MRP		549
Regen LLP Loss / (Surplus)		(547)
Regen Ltd Loss / (Surplus)		(216)
Total for PRS and SO	174,566	2,464

3. Treasury Position at 31 March 2024

- 3.1 The Council manages its debt and investments through its in-house treasury section to ensure adequate liquidity for revenue and capital spend, security of investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices.
- 3.2 Overall the Council's borrowing increased by £130.5m to £1,321.7m, mainly driven by an increase in short-term borrowing, which increased to £343.9m. Overall investments reduced but there was an increase in loans to £287.4m. Table 4 provides a summary of the borrowing, interest rate and average life of the loan or debt for 2023/24 and includes a comparator to 2022/23. Appendix 3 provides a detailed breakdown of the loans, debts and investments.

Table 4: Council's treasury position at the start and end of 2023/24

	31-Mar-23	Ave. Rate of interest	Average Life	31-Mar-24	Ave. Rate of interest	Average Life
	£'000	%	Years	£'000		Years
HRA Borrowing						
HRA – PWLB	265,912	3.50	33.81	265,912	3.50	31.39
HRA – Market	30,000	4.03	43.74	30,000	4.03	41.71
Total HRA Borrowing	295,912	3.55	32.28	295,912	3.55	32.28
General Fund and IAS Borrowing						
GF – PWLB	641,592	1.86	28.19	593,590	1.91	26.57
GF - Market	88,296	2.50	25.97	88,250	2.50	31.91
GF – ST Borrowing	165,317	4.02	1.28	343,900	5.13	0.33
Total GF Borrowing	895,205	1.91	23.66	1,025,740	3.04	23.66
Total Borrowing	1,191,117	2.33	28.72	1,321,652	3.15	28.72
General Fund and IAS Loans and Investments						
Treasury Investments	(54,000)	3.36	1.02			
Cash	18,420			10,077		
Loans & Equity	(192,243)			(287,374)		
Total Investments	(227,823)			(277,297)		

4. Borrowing strategy and control of interest rate risk

- 4.1 In 2023/24, the Council maintained an under-borrowed position against its capital financing requirement, using cash balances to fund capital expenditure and built up a large short-term borrowing position. This meant that the capital borrowing need, (the CFR), was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow were used. This strategy was necessary as long-term interest rates remained high throughout the year, making short-term borrowing a better option. This did result in a large short-term borrowing position of £343.9m by 31 March 2024. Caution was adopted with the treasury operations, with the Investment Fund Manager monitoring interest rates in financial markets and adopted a pragmatic strategy of not locking in higher rates while cash balances were used.

- 4.2 The Council’s treasury advisors, Link, advise that there is likely to be a fall in gilt yields and PWLB rates across the whole curve over the next one to two years as Bank Rate falls and inflation (on the Consumer Price Index measure) moves below the Bank of England’s 2% target.
- 4.3 As a general rule, short-dated gilt yields will reflect expected movements in Bank Rate, whilst medium to long-dated yields are driven primarily by the inflation outlook.
- 4.4 The Bank of England is also embarking on a process of Quantitative Tightening. The Bank’s original £895bn stock of gilt and corporate bonds will gradually be sold back into the market over several years. The impact this policy will have on the market pricing of gilts, while issuance is markedly increasing, and high in historic terms, is an unknown at the time of writing.
- 4.5 The latest interest rate forecast from Link is provided in the table below:

Link Group Interest Rate View		08.01.24											
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

- 4.6 The forecast shows longer term rates, between 25 year and 50-year PWLB, decreasing to around 4% by 2026. At the close of the day on 28 March 2024, all gilt yields from 1 to 50 years were between 3.81% and 4.56%, with the 1 year being the highest and 6-7 years being the lowest yield.
- 4.7 The PWLB borrowing rates available, including the various margins attributed to their pricing are as follows:
- PWLB Standard Rate is gilt plus 100 basis points (G+100bps)
 - PWLB Certainty Rate is gilt plus 80 basis points (G+80bps)
 - Local Infrastructure Rate is gilt plus 60bps (G+60bps)
 - HRA Borrowing rate is gilt plus 40 40bps (G+40bps)
- 4.8 Officers will continue to monitor interest rates and seek to lock in long-term rates as and when opportunities arise, but in the meantime the short-term borrowing position will continue in 2024/25.
- 4.9 The Council’s borrowing is mainly driven by the IAS and the assumptions in for each new development within the IAS has included a higher interest rate assumption since 2022. Therefore, although the higher interest rates have reduced the number of schemes that can be agreed, the impact of the higher interest rates has been factored into future borrowing assumptions.

5. Treasury and IAS 2023/24 Strategy Outturn

- 5.1 Treasury and IAS Outturn and Reserve movements is in Table 5 below and is expanded on in subsequent sections. A positive figure is a cost and a negative figure is income or an asset.
- 5.2 Overall 2023/24 saw pressures on the IAS from delays in letting PRS and the sale of SO schemes. As each scheme has a significant amount of borrowing, the delays have had a significant impact as there is insufficient rent to cover the borrowing costs. In addition, security and energy costs needs to be funded by the IAS when schemes are void.
- 5.3 In 2023/24 the final distribution of £4.8m from the sale of Muller was received and this helped the IAS provide to provide a surplus of £1.7m, generating £4.6m of net income against a revised income budget of £2.9m.
- 5.4 Table 5 provides a detailed breakdown of the HRA, General Fund Treasury and the IAS for 2023/24, including key comments on each cost and income.

Table 5: General Fund Treasury and IAS Outturn for 2023/24

Type of Income	2023/24 Budget	2023/24 Actual	Variance	Comments
HRA Borrowing Costs	10,645	10,154	(491)	Includes Long and Short-term Borrowing
IAS Return				
IAS Income	(2,746)	(16,443)	(13,697)	Includes Rent and Interest Income
IAS Borrowing Costs		23,446	23,446	Gross Interest Payable on Borrowing
IAS Capitalised Interest		(12,237)	(12,237)	Interest Capitalised
Direct Costs		5,816	5,816	Include Security, bad debt & energy
MRP	1,653	1,653		Revenue Charge
Muller - Final Distribution		(4,839)	(4,839)	Final Distribution from the Sale of Muller
Net IAS Commercial & Residential	(1,093)	(2,604)	(1,511)	
Abbey Road Contribution	(600)	(600)		Abbey Road Rental Contribution
CR27 Lease	(862)	(1,061)	(199)	Net Surplus from CR27 (The Gate)
Travelodge Lease	(314)	(326)	(12)	Net Surplus from Travelodge
Total IAS Return	(2,869)	(4,591)	(1,722)	Net IAS Return Against Budget
GF Treasury Outturn				
GF Borrowing costs	7,678	2,296	(5,382)	Interest Costs on GF Borrowing
GF Provisions		3,430	3,430	Provisions Against BDTP Loans
GF Interest Income	(6,503)	(4,888)	1,615	Interest Received on GF Loans
MRP	9,700	9,470	(230)	Revenue Charge
Total Treasury Return	10,875	10,308	(567)	GF Net Treasury Return Against Budget
Total Treasury & IAS Return	8,006	5,717	(2,289)	Combined IAS and General Fund Return
Transfer to IAS Reserve		1,500	1,500	IAS Surplus Transfer to Reserves

- 5.5 **Reserves:** a total of £8.99m was transferred from the IAS Reserve in 2023/24, reducing it from £31.95m to £22.96m, with most of this drawdown used to cover a shortfall in the Be First dividend return. In addition, £3.0m was transferred from the IAS reserve to the Business Support Reserve.

The £11.0m reserve held to cover any losses within the hotel lease and lease back schemes was not inflated for 2023/24 as the current balance held is sufficient to cover any forecast drawdowns. The total IAS reserve is currently £33.96m and reflects the significant contribution the IAS has made to the overall Council's reserve position.

Reserves	Opening Balance	Transfers	Closing Balance
IAS Reserve	(31,950)	8,990	(22,960)
Travelodge and CR27 Reserve	(11,000)		(11,000)
Total IAS and Hotel Reserve	(42,950)	8,990	(33,960)

6. Borrowing Outturn and Capitalised Interest

HRA Borrowing Costs

- 6.1 HRA long-term borrowing costs are fixed and so matched the budget but a short-term borrowing position between the Council and the HRA, along with higher treasury returns has decreased the borrowing costs to approximately £10.2m against a budget of £10.7m, resulting in an underspend of £0.5m for 2023/24.

General Fund Long and short-term borrowing costs

- 6.2 Overall borrowing costs were higher than budgeted as both long-term and short-term borrowing rates on new borrowing was much higher than the forecast, with £3.4m additional borrowing costs being incurred. Most of this cost was picked up in a higher capitalised interest figure which netted off this additional cost but also increased the total cost of the schemes the interest was capitalised against.
- 6.3 Short-term borrowing was used for most of the year to cover cashflow requirements, with a yearend short-term borrowing position of £343.9m. The average borrowing rate was 4.86%. £150m of the short-term borrowing was through the Public Works Loan Board as treasury sought to reduce its reliance of borrowing from other local authorities.
- 6.4 Officers have sought to ensure that the borrowing matches the relevant asset life and repayment profile of the Council's investment portfolio. The current large short-term borrowing position is likely to increase in 2024/25 but if medium to long-term borrowing opportunities arise then the short-term positions will be replaced with longer-term borrowing.
- 6.5 The current borrowing strategy has a target of reducing the long-term average borrowing rate to 2.0% (excluding short-term borrowing). The average rate increases when adding short-term borrowing, with the total average long-term borrowing rate at 1.98%. For pipeline schemes, the increased interest rate has

prevented the Council from agreeing unviable schemes based on the current borrowing costs but it has contributed to delays in schemes being progressed.

- 6.6 Chart 1 below summarises the GF long term debt position as at 31 March 2024, indicating the repayment profile average rate will increase. Officers will continue to monitor rates and will seek to lock in lower rates when they occur.

Chart 1: Council General Fund Long Term Debt Profile to 2077

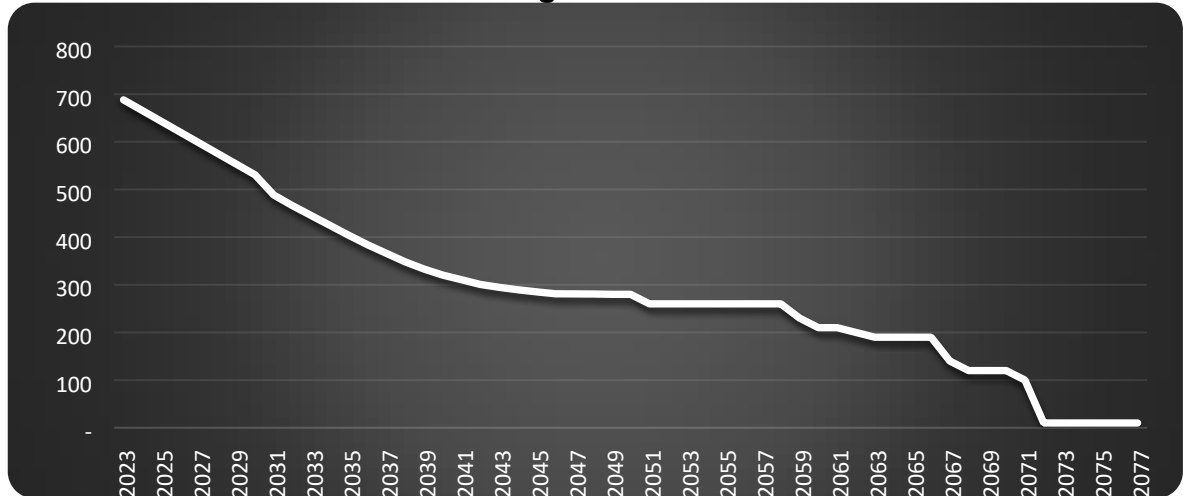
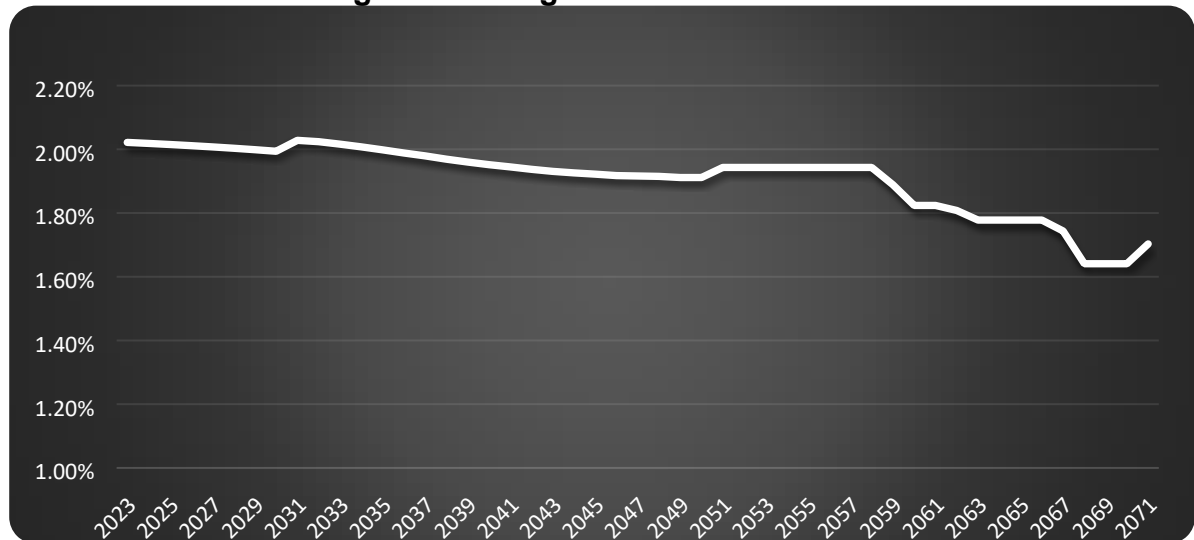


Chart 2 outlines the average long-term borrowing costs over the duration of the Council’s borrowing. With elevated borrowing rates, if more expensive borrowing is added to the current long-term debt portfolio the average rate will increase.

Chart 2: Council Average Borrowing Rate Profile to 2077



Capitalisation of Development Interest

- 6.7 The Council’s IAS will increase the Council’s interest payment costs as borrowing increases to fund the development costs. Were the Council to borrow a billion pounds at 2.0% (the current target average long-term debt rate) then the interest costs would be £20m per year, although this would decrease as debt is repaid. This will be funded by rental income from the various schemes but will result in a long-term obligation for future generations as some of the loans that will be taken out have maturity dates of up to 50 years.

- 6.8 The Council's borrowing is largely to fund the IAS. During the construction stage there is a cost of carry as there is no income from the scheme. For previous developments, such as Weavers, interest was capitalised during the construction against loans made to Reside. As construction is now carried out by the Council, a method to capitalise the interest was identified through advice provided by the fund's Treasury advisors, Link. As a result, interest incurred during the construction phase is capitalised against developments that cost over £10m and that take in excess of two years to build. This approach has reduced the pressure on the Council's interest budget but has increased the overall scheme costs.
- 6.9 Capitalisation of interest starts when the development is agreed at Gateway 2. Where land has been purchased as part of land assembly the capitalisation of interest will be from the later date of either the completion date of the purchase or the date of this accounting policy. Some schemes, such as Temporary Accommodation have been combined as one overall scheme.
- 6.10 Interest is capitalised quarterly and is based on the weighted average of the borrowing costs that are outstanding during the period. Cessation of capitalisation will occur when substantially all the activities necessary to prepare the qualifying asset for its intended use are complete and the property is handed over to Reside.
- 6.11 For 2023/24 the capitalised interest rate was 2.67%. A total of £12.2m was capitalised against developments in 2023/24. It is likely that this will be around the peak of capitalised interest, as schemes complete, and the pipeline of schemes reduces in the short term.

7. Annual Investment Strategy (AIS) 2023/24

- 7.1 All investments were managed in-house and were invested with institutions of high credit standing listed in the Council's approved lending list and specified limits. The Council's investment policy is outlined in the 2023/24 Annual Investment Strategy. The policy sets out the Council's approach for choosing investment counterparties.
- 7.2 Council officers met quarterly with the Treasury Adviser to discuss financial performance, objectives, targets and risk in relation to the Council's investments and borrowing. The Cabinet Member for Finance, Performance and Core Services was briefed regularly on treasury activity by the Section 151 Officer.
- 7.3 **Investments decisions during 2023/24** - When making investment decisions the Council's investment priorities are security of capital; liquidity of its investments; and Yield (after ensuring the above are met). Using the above as the basis for investment decisions does mean that investment returns will be lower than would be possible were yield the only consideration. During 2023/24, the Council ensured that all investments were made with appropriately rated counterparties and that liquidity was maintained. On occasion, short term borrowing was also used to allow the Council to take advantage of investment opportunities.
- 7.4 Treasury made few investments during the year as cash and borrowing was used to fund the IAS developments. The Council held an investment balance of £54.0m at 31 March 2023 and ended the year with a balance of £0.0m.

7.5 Treasury investments provided an average return of 4.25% for 2023/24 (1.99% for 2022/23). Although the average return was on a reducing balance, the increase in the average return for the year provided an interest surplus. With rates increasing during the year there was little benefit from investing longer term and most investments were short-term in Money Market Funds.

7.6 Investments held by the Council at 31 March 2024

As at 31 March 2024 the Council held no treasury investments.

7.7 Income from treasury investments and loans in 2023/24

The Council earned a return of £11.5m for its loans and treasury investments in 2023/24. Historically most of this income has come from treasury outperformance but with cash being used to fund investments, the overall contribution from treasury investments was £2.1m, with the remaining £9.3m coming from loans to third parties. The treasury return is largely from surplus cash held as part of the Council's short-term borrowing positions and this return has been used to reduce the short-term borrowing costs, which are charged to the IAS commercial strategy.

Provisions of £3.4m against loans to BDTP did decrease the net interest return to £8.0m for 2023/24. Table 6 provides a summary of the interest earned by the Council in 2023/24.

Table 6: Income from treasury investments and loans for 2023/24

Interest Received	£000s	Comments
Treasury Income	(1,720)	Interest from Treasury Investments
HRA	(526)	Interest from HRA Internal Lending
Schools	98	Interest allocated to School Balances
Treasury Investments Income	(2,148)	
Reside Loans	(4,885)	Interest from Loans to Reside
General Fund Loans	(4,439)	Interest from subsidiary & other loans
Loans Income	(9,324)	
BDTP Provision	925	Provision against General Fund Loans
BDTP Provision	2,506	Provision against General Fund Loans
Net Loans & Treasury Income	(8,041)	

8. Investment and Acquisition Strategy Outturn

Council's Growth Strategy

8.1 In 2015, the Growth Commission Report – “No-one left behind: in pursuit of growth for the benefit of everyone”, recommended the establishment of a Borough-wide regeneration vehicle that would be an early statement of the Council's intent to increase the pace of regeneration of the borough. Be First was set up to deliver the Council's long-term strategic regeneration objectives, including enhancing economic growth and prosperity for residents. Be First was also charged with delivering financial benefits to the council by bringing forward returns in New Homes Bonus, Council Tax and NNDR and delivering dividends to the Council.

- 8.2 In October 2016, Cabinet agreed the IAS and an Investment Panel was also established and charged with managing an investment portfolio. In 2017 the Council revised the IAS, with a revised strategy subsequently taken to Cabinet each year, the last one agreed was at the October 2020 Cabinet. The IAS was originally set a target of delivering a net income of £5.13m per annum by 2023/24.
- 8.3 The IAS Return for 2023/24 is provided in table 7 below, split into Residential, Commercial and Other. Other includes the hotel lease and lease back, a return from Abbey Road and a one-off Muller dividend payment. Overall, the IAS provided a return of £4.6m against a budget of £2.9m, providing a surplus of £1.7m, although most of this surplus was due to the one-off dividend from the sale of Muller.

Table 7: IAS Returns 2023/24

IAS Returns 2023/24			
	Budget	Actual	Variance
	£000s	£000s	£000s
IAS Commercial			
Rents		(7,127)	
Direct Cost		2,093	
IAS Interest Received		(1,699)	
Interest Payable on St Borrowing		4,092	
Minimum Debt Provision		1,224	
Commercial Net (Return) / Loss	(1,143)	(1,417)	(274)
IAS Residential			
Reside Scheme Surplus		(2,733)	
Direct Cost - Residential		3,723	
Interest Received		(4,884)	
Interest Payable		17,903	
Capitalised Interest		(10,787)	
MRP		429	
Residential Net (Return) / Loss	50	3,652	3,602
IAS other			
Abbey Road Contribution	(600)	(600)	
CR27 Lease and Leaseback	(862)	(1,061)	(199)
Muller Surplus		(4,839)	(4,839)
Leases and Reserves	(314)	(326)	(12)
IAS Other Net (Return) / Loss	(1,776)	(6,826)	(5,050)
IAS Net (Return) / Loss	(2,869)	(4,591)	(1,722)

IAS Residential 2023/24 Performance

- 8.4 The IAS Residential schemes have provided a loss of £3.65m for 2023/24. A breakdown of the return in table 8 can be found in Appendix 2 of this report.

Table 8: IAS Residential 2023/24 Performance

IAS Residential Outturn 2023/24											
Spend Type	Loan / Net Spend £000s	Reside Rental Surplus	Costs	Net Operating Income	Total Interest Costs	Cap Ave. Rate: 2.67%	Net Interest Costs	Interest Income	Interest Margin	MRP	Total net (return) / loss
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Affordable Rent - Reside Weavers	150,925	(1,465)	5	(1,460)	3,213	(565)	2,648	(3,658)	(1,010)		(2,470)
Social Rents - BD Homes	75,768		294	294	1,740	(523)	1,217	(1,089)	128	96	518
Private Rents & SO - Reside Regen	174,566	(762)	478	(284)	3,733	(931)	2,802	(124)	2,678	71	2,465
Reside Limited			1,618	1,618							1,618
Abbey Road	22,374	(506)	221	(285)	443		443		443	248	406
Other Residential Costs	317		1,109	1,109	6		6	(13)	(7)		1,102
Assets Under Construction	511,194				8,769	(8,769)				14	14
Total Residential Return	935,144	(2,733)	3,725	992	17,904	(10,788)	7,116	(4,884)	2,232	429	3,653

8.5 The IAS Residential has been negatively impacted by delays in letting PRS and SO units. The table below shows the interest cost and other holding costs for each scheme for 2023/24 and then compared to the surplus to be paid by Reside, showing a shortfall of £2.5m, as outlined in the table below:

Table 9: Impact of delays in letting PRS and SO schemes in 2023/24

Project Name	Total Spend £'000	Cost and Income £'000
Interest Cost - Gascoigne PH2 E2	31,243	619
Interest Cost - Gascoigne East F1	44,906	517
Interest Cost - Gascoigne West 1 (Forge)	33,349	660
Interest Cost - Weavers	4,756	94
Interest Cost - Becontree Heath B	10,811	214
Interest Cost - Kingsbridge	7,592	150
Interest Cost - Sebastian Court (Bobby Moore)	7,880	156
Interest Cost - Gascoigne East F1 (Ewars Marsh)	34,030	392
Energy, Security and MRP		549
Interest Income		(124)
Regen LLP Loss / (Surplus)		(547)
Regen Ltd Loss / (Surplus)		(216)
Total for PRS and SO (Completed)	174,567	2,464

8.6 Reside Ltd (Atlantic Income Strip) was also a major contributor towards the overall loss as £1.6m of costs were charged to the IAS to cover costs to management, energy and security. A review of Reside Ltd is essential to improve performance as it will continue to lose money as the lease payment to the funder increases each year by RPI and lifecycle costs will need to be funded in the next few years as the properties are all around 12 years old.

8.7 Energy costs were also a significant cost to Residential schemes through charges from the BD Energy, with £550k charged in 2023/24.

8.8 The Reside company surpluses, although forecast to be £2.2m, are lower than originally forecast due to higher costs in MyPlace and an increase in bad debts.

Minimum Revenue Provisions (MRP) costs are now being charged as Reside starts to repay some of the principal on its loans from the Council.

Residential Property Loan

- 8.9 The Council has several loans and leases to Reside for properties it has developed. In 2022/23 733 properties were completed, including 176 social housing homes, 228 affordable rent homes, 79 shared ownership homes and 250 private rental.
- 8.10 Although there have been issues with the speed at which the properties have been let, once let the properties should provide a steady income stream to the Council, through the loans to Reside and to Reside through careful management. On all loans, debt repayment is factored into all the cashflows and assumptions, with the properties paid off over a 52-year period.
- 8.11 Appendix 3 provides a list of the loans to Reside at 31 March 2024, with each loan against a specific property, having a 52-year debt repayment period and an interest rate charged based on the tenure within each scheme.
- 8.12 The table below provides the scheme, property name, number of homes and the tenure type of IAS schemes that completed in 2023/24.

Scheme Name	Property Name(s)	No. of homes	Tenure Type
Gascoigne East Block F	Sailor Court and Palomar Court	48	Affordable Rent
<i>Gascoigne East Block J</i>	<i>Farrimond House, King Edwards Road & St Mary's Road</i>	58	<i>Affordable Rent</i>
<i>Gascoigne West Phase 2</i>	<i>Fishmonger House & Gilderson Hse</i>	122	<i>Affordable Rent</i>
	Total Affordable Rent	228	
Gascoigne East Block F2	Mizzen Street	4	London Affordable Rent
<i>Gascoigne East Block J</i>	<i>Farrimond House, St Mary's Road & Fisherman Street</i>	66	<i>London Affordable Rent</i>
<i>Gascoigne West Phase 2</i>	<i>1 - 15 Plaice House & Townhouses</i>	46	<i>London Affordable Rent</i>
<i>Gascoigne West Phase 2</i>	<i>16 - 75 Plaice House</i>	60	<i>Target Rent</i>
	Total Social Rent	176	
Gascoigne East Block F1	Fifeshire Court and Cutter Court	92	Market Rent
<i>Gascoigne West Phase 2</i>	<i>Trawler House and Chand House</i>	158	<i>Market Rent</i>
	Total Private Rent	250	
Gascoigne East Block F1	Ewars Marsh Court	79	Shared Ownership
	Total Shared Ownership	79	
Total Properties Completed in 2023/24		733	

Commercial Property Holdings

- 8.13 Table 10 provides a summary of the commercial property return in 2023/24.

Table 10: IAS Commercial Property Returns 2023/24

Project Name	Rent	Costs	Bad Debts	Net Operating	MRP	Average Interest For Year 4.88%	Net (return) / loss
Thames Road	(1,635)	692	207	(736)	454	2,838	2,556
Other Regeneration	(1,692)	218	82	(1,392)	251	1,410	268
Other Commercial	(3,563)	696		(2,867)	519	3,006	659
Capitalised Interest						(3,162)	(3,162)
Other Commercial	(237)	198		(39)		(1,699)	(1,737)
Total IAS Commercial	(7,127)	1,804	289	(5,034)	1,224	2,394	(1,417)

- 8.14 A more detailed summary of the commercial holdings and performance is included in appendix 2 of this report.
- 8.15 High interest rates impacted the Commercial property holdings as short-term borrowing is used to fund all the commercial property, apart from Industria and 12 Thames Road, where a fixed long-term borrowing rate is used.
- 8.16 The IAS commercial property portfolio is largely held as part of land assembly for future regeneration of a number of areas including Thames Road and Barking Town Centre. A review of the Council's IAS commercial holdings, as well as non-IAS commercial holdings, is currently being undertaken with a report likely to be taken to Cabinet for consideration later in 2024/25.
- 8.17 For all IAS commercial property, MRP is charged, with a total of £1.2m charged as in 2023/24 2024.

IAS Leases

- 8.18 The IAS has a number of leases, including legacy holdings such as Reside Limited, and two hotels through Aviva. The Council is also considering completion on a further lease and lease back arrangement with RailPen for Trocoll House.
- 8.19 The Council also leases properties to Reside to manage, such as the Bobby Moore building and Forge. Each lease has a long-term repayment period and represent an obligation by the Council and in some cases Reside to make regular lease payments back to the lessor.
- 8.20 Most leases are performing well or have only just started, however there is significant pressure on the Reside Limited lease between the Council and M&G / Long Harbour. The lease with M&G / Long Harbour has an RPI inflation linked lease which was structured to match the increase expected in rents and provide a surplus to the Council. However recent below inflation rent increases have resulted in the Reside Ltd lease incurring losses, with these losses expected to increase unless mitigating action is taken. To prevent the Council incurring losses on this lease, rents can be increased by above inflation, there can be a renegotiation of the lease or savings around management and maintenance costs can be implemented. Currently meetings are being arranged with M&G / Long Harbour to discuss the impact of the lease on these properties.

- 8.21 Additional reporting on all the Council's leases will be provided in future reports, which will include the returns, maintenance of the asset, the performance of the operator, which will include Reside in some instances, and a forecast.
- 8.22 Lease and lease back arrangements are a form of borrowing for the Council and have increased the Council's debt position and CFR by a significant amount, with this likely to reach half a billion pounds when Trocoll and other lease arrangement with Reside are completed. These leases have an effective variable rate and are reliant on the lease between the Council and the operator matching or exceeding the lease arrangement with the funder.
- 8.23 Lease and lease back arrangements have now been removed from the IAS for future schemes.

Other Commercial Loans Outturn

- 8.24 In addition to loans to Reside, the Council has several loans including working capital loans. These are outlined in Appendix 3:
- 8.25 Commercial loans durations vary with most of the loans having a maximum duration of 15 years. Each loan has a state aid compliant interest rate and have been agreed at Cabinet. A number of loans are linked to the Bank of England base rate and these will provide an increased return for 2023/24 due to the increase in base rate to 4.5%. The equity investment in BD Muller Developments was repaid in 2023/24.

Loan Impairment

- 8.26 The Council has loaned one of its subsidiary companies, BDTP to purchase a company, London East UK (LEUK). The loan is secured against the land held by LEUK and BDTP. Included in the loan agreement is a breach clause, whereby a breach occurs if the combined value of LEUK and BDTP is below the outstanding loan balance. Since the purchase, BDTP has sold two parcels of land and has used the proceeds from the sale to fund losses incurred by BDTP over the past two years. In 2022/23 the valuation of the land held by LEUK has reduced to £21.7m, which is below the outstanding loan value of £24.9m. A provision of £2.4m was made against the loan.
- 8.27 In 2023/24 a working capital loan of £3.5m was made to BDTP, in addition to a working capital loan of £1.5m made in 2022/23. As at 31 March 2023 the loan plus interest accrued totalled £5.34m. BDTP is a subsidiary of the Council but has been significantly impacted by the impact of Covid and is currently going through a restructure. A provision of £5.0m for the loan was charged in 2023/24 as, although the loan was not being written off, there was still a significant amount of work required within the business to restructure and be able to generate sufficient income from its business operations to repay the loan.

Further Loan Provisions

- 8.28 The £2.4m provision from 2022/23 was funded by the IAS, with both provisions in 2023/24 (£2.4m and £5.0m) being put against £8m from the Travelodge lease and lease back deal.

- 8.29 In 2023/24 the loan to BDTP for the purchase of LEUK increased from £26.5m to £29m due to capitalised interest being added to the loan, now significantly higher than the asset value of £21.7m. A further provision of £2.5m was made against the loan, taking the total provision to £9.6m.
- 8.30 In addition, as the likelihood of BDTP repaying the working capital loan and interest remains low, a further provision for the 2022/23 interest and 2023/24 interest, totalling £0.9m was made, taking the total provision to £5.9m. Overall, the total provision against BDTP is £15.5m.

IAS Capital Spend 2023/24

- 8.31 In 2023/24 a total of £275.2m (£316.1m in 2022/23) was spent on IAS investments, £15.7m more than the budgeted £242.15m. The higher spend was due to acceleration of Gascoigne East 3b. Of this total spend, £14.1m was spent on commercial, including £3.5m on Industria and £8.8m on purchasing Edwards Waste.

Table 7: IAS Capital Spend 2023/24

IAS	Budget	Actual	Variance
Residential Developments	242,017	261,126	19,109
Commercial Investments	17,450	14,078	(3,372)
Investments Total	259,467	275,204	15,737

- 8.32 Appendix 1 contains a more detailed breakdown of the capital spend for both the IAS and the Council's General Fund.

9. Compliance with Treasury limits and Prudential Indicators

- 9.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators (affordable limits) are included in the approved Treasury Management Strategy (TMSS).
- 9.2 During the financial year to date the Council has operated within and complied with the treasury limits and Prudential Indicators set out in the Council's annual TMSS. The Council's prudential indicators are set out in Appendix 1 to this report. In 2023/24, the Council did not breach its authorised limit on borrowing of £1.95bn or its Operational limit of £1.85bn.

10. Options Appraisal

- 10.1 There is no legal requirement to prepare a Treasury Management Annual Report, however, it is good governance to do so and meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

11. Consultation

- 11.1 The Section 151 officer has been informed of the approach, data and commentary in this report.

12. Financial Implications

Implications completed by: Michael Bate, Interim Director of Financial Services (Deputy S151 Officer)

- 12.1 This report sets out the outturn position on the Council's treasury management position and is concerned with the returns on the Council's investments as well as its short- and long-term borrowing positions. The net impact of the position is reflected in the Council's overall outturn position and the impacts into future years from borrowing and investment decisions will be incorporated into its MTFS.

13. Legal Implications

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

- 13.1 Section 28 of the Local Government Act 2003 imposes a statutory duty on the Council to monitor its budget during the financial year and its expenditure and income against the budget calculations. The Council sets out its treasury strategy for borrowing and an Annual Investment Strategy which sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 13.2 The Council is legally obliged to 'have regard to' the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities when carrying out its functions under the Act. Furthermore, the Prudential Code emphasises that authorities can set their own prudential indicators beyond that specified in the Code where it will assist their own management processes.

14. Risk Management

- 14.1 The whole report concerns itself with the management of risks relating to the Council's cash flow. The report mostly contains information on how the Treasury Management Strategy has been used to maximise income throughout the past year.
- 14.2 EIB funded urban regeneration programme - The urban regeneration programme will be governed by a programme delivery board established in the Regeneration department. A programme manager will be identified within the Council who will be responsible for delivering each scheme within the investment programme.

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

List of appendices:

- **Appendix 1** - The Prudential Code for Capital Investment in Local Authorities
- **Appendix 2** - IAS Residential and Commercial Outturn and Treasury Outturn 2023/24
- **Appendix 3** - Loans, Debts and Investments held as at 31 March 2024
- **Appendix 4** - The Economy and Interest Rates

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The Prudential Code for Capital Investment in Local Authorities

1. Introduction

1.1 There are a number of treasury indicators which previously formed part of the Prudential Code, but which are now more appropriately linked to the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code). Local authorities are still required to “have regard” to these treasury indicators.

1.2 The key treasury indicators which are still part of the Prudential Code are:

- Authorised limit for external debt;
- Operational boundary for external debt; and
- Actual external debt.

2. Net borrowing and the Capital Financing Requirement

2.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council’s borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need;

2.2 To ensure that borrowing levels are prudent over the medium term the Council’s external borrowing, net of investments, must only be for a capital purpose. This means that the Council is not borrowing to support revenue expenditure.

2.3 Net borrowing must not, except short term, exceeded the Capital Financing Requirement (“CFR”) for 2023/24 plus the expected changes to the CFR over 2023/24 from financing the capital programme. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs in 2023/24.

2.4 The Council uses borrowing to fund its Investment and Acquisition Strategy (IAS), which is predominantly focused on the regeneration of the borough and the provision of affordable housing. Prior to any investment a scheme is appraised to ensure that it is financially viable and provides a contribution to the Council that will, at a minimum, cover its interest costs and Minimum Revenue Provision (MRP) contribution, as well as pay for its management and maintenance costs. The IAS will result in a significant increase in the Council’s borrowing, but this will be supported by an asset of a similar value being built and cash flows into the Council to support the increased borrowing.

2.5 Once a scheme is agreed and after development starts, treasury will seek to secure the borrowing to fund the scheme at a competitive rate. As such, from time to time, the Council may hold a higher than average cash balance as it holds the borrowed amount until it is required for the investment. It also means that decisions

made on future schemes may have different borrowing rate assumptions, depending on borrowing rates at the time.

- 2.6 Borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit.
- 2.7 **The authorised limit** – This sets the maximum level of external borrowing on a gross basis (i.e. Not net of investments) and is the statutory limit determined under Section 3 (1) of the Local Government Act 2003 (referred to in the legislation as Affordable Limit).
- 2.8 **The operational limit** – This links directly to the Council’s estimates of the CFR and estimates of other cash flow requirements. This indicator is based on the same estimates as the Authorised Limits reflecting the most likely prudent but not worst-case scenario but without the additional headroom included within the Authorised Limit for future known capital needs now. It should act as a monitor indicator to ensure the authorised limit is not breached.
- 2.9 **Total external borrowing**, including PFI and Finance Leases at 31 March 2024 was £1.59bn, which is lower than the Approved Authorised Limit of £1.95bn and Operational Boundary of £1.85bn. During 2023/24 there were no breaches of these limits.

3. Capital Outturn and Capital Finance Requirement for 2023/24

- 3.1 The capital budget for 2023/24 was £336.7m and consists of £44.4m for the General Fund, £16.9m for HRA, £275.2m for the IAS and £0.2m for PFI lifecycle costs. The total revised budget was £340.4m, with the overall delivery at 99.0%. Several IAS schemes completed in 2023/24 and grant was allocated to the schemes as they completed and were handed over to Reside, which reflects the high level of grant. A number of projects will be reprofiled in 2024/25 to take into account the carry forward amounts.
- 3.2 The HRA programme is self-financed using a mixture of Government grants, capital receipts and HRA revenue funding. Therefore, they do not pose a pressure on the General Fund, in terms servicing the cost of borrowing. The HRA spend was a small underspend for stock investment, however this is against a much reduced, revised budget. Estate renewal, including buybacks underspent by £0.5m and this will be carried forward to 202/24.

3.3 The 2023/24 outturn position is detailed below:

Capital Expenditure by Service	Outturn 2023-24	Revised Budget 2023-24	Variance
	£000s	£000s	£000s
CARE & SUPPORT	2,972	3,719	(747)
INCLUSIVE GROWTH	1,604	6,785	(5,181)
CIL	141	761	(620)
TFL	3,224	5,134	(1,910)
COMMUNITY SOLUTIONS	2	6	(4)
IT	2,798	3,615	(817)

CULTURE & HERITAGE	62	1121	(1,059)
MY PLACE	1,632	3,853	(2,221)
ENFORCEMENT	18	173	(155)
PUBLIC REALM	5,853	8,510	(2,657)
PARKS COMMISSIONING	6,926	13,009	(6,083)
EDUCATION, YOUTH & CHILD	17,569	15,559	2,010
SALIX	51	130	(79)
SCHOOLS CAPITAL DFC	1,508	0	1,508
General Fund	44,359	62,375	(18,016)
HRA			
STOCK INVESTMENT	13,085	14,000	(915)
ESTATE RENEWAL	3,526	4,000	(474)
NEW BUILD SCHEMES	294	544	(250)
HRA Total	16,905	18,544	(1,639)
IAS			
RESIDENTIAL	261,116	242,017	19,099
COMMERCIAL	14,079	17,450	(3,371)
IAS Total	275,195	259,467	15,728
Add: PFI Lifecycle costs	198		
Approved Capital Programme	336,656	340,386	(3,928)
Financed by:			
Grants	(27,465)	(103,391)	
s106 / CIL	(4,426)	(726)	
Capital Receipts	(17,808)		
MRR	(17,987)	(27,181)	
RCCO (GF)	(2,280)	(3,654)	
RCCO (HRA)	-		
Sub-Total	(69,965)	(134,952)	0
Net borrowing requirement for the year	266,691	205,434	(3,928)
Prudential Indicator – Capital Financing Requirement			
Opening CFR at 31 March 2023	1,707,121	1,707,121*	0
CFR – General Fund	178,921	140,434	38,487
CFR – Housing	0	0	-
Net movement in CFR	178,921	290,953	(112,032)
Total CFR as at 31 March 2024	1,886,042	1,847,555	38,487
Net financing need for the year	266,691	205,434	61,257
Less: MRP*	(15,616)		(15,616)
Less: Capital Receipts and Grant Adjustments	(72,155)	(65,000)	(7,155)
Movement in CFR	178,921	140,434	38,487
Long & Short-Term Borrowing	1,321,652	1,352,000	(30,348)
PFI and finance lease liabilities	271,068	271,068	0
Total debt 31 March 2022	1,592,720	1,623,068	(30,348)

(Under) / Over Borrowing	(293,322)	(224,487)	(68,835)
Operational Boundary	1,850,000	1,850,000	0
Authorised Limit	1,950,000	1,950,000	0

*total adjusted to match 2022/23 outturn

4. Affordability Prudential Indicators.

- 4.1 The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.
- 4.2 The ratio of financing costs to net revenue stream. This indicator identifies the cost of capital (borrowing and MRP net of investment income) against the net revenue stream. For 2023/24 this was 3.61%, with most of the cost being MRP. In future the interest payable will increase significantly as the Council continues to borrow and the treasury income is likely to reduce as cash balances are reduced but there will be a significant increase in interest income from loans. There is forecast to be a significant increase in investment income.

Table 2: Ratio of financing costs to net revenue stream 2023/24

General Fund Cost of Capital	2023/24 Outturn	2023/24 Revised Budget	Over / (Under) spend
	£000s	£000s	£000s
Net Cost of Services	200,115	194,460	5,655
Cost of Capital			
<i>General Fund Return</i>	10,308	10,874	(566)
<i>IAS Residential and Commercial Return</i>	(1,093)	(2,604)	(1,511)
<i>IAS Other Return</i>	(1,987)	(1,776)	(212)
Net Cost of Capital	7,228	6,494	(2,289)
Financing Cost to Net Revenue	3.61%	3.34%	

5. Limits for Fixed and Variable Interest Exposure

- 5.1 The following prudential indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. The upper limit for variable rate exposure is set to ensure the Council is not exposed to interest rate rises which could adversely impact on the revenue budget. The Council's existing level of fixed interest rate exposure is 100.0% and variable rate exposure is 0.0%. The high fixed interest rate is as a result of locking in low long-term rates for the HRA borrowing and for the IAS, which invests in property, which requires certainty over the cost of borrowing.

Table 3: Fixed and variable rate exposure 2023/24 to 2024/25

Interest rate exposures	2023/24	2023/24	2024/25
	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	70%	70%	70%
Limits on fixed interest rates:			
• Debt only	100%	100%	100%
• Investments only	90%	90%	90%
Limits on variable interest rates			
• Debt only	70%	70%	70%
• Investments only	80%	80%	80%

6. Maturity Structure of Fixed Rate Borrowing

- 6.1 This prudential indicator deals with projected borrowing over the period and the rates that they will mature over the period. The majority of GF borrowing is either equal instalment repayment or annuity repayment, which means that each year a part of the loan is repaid. Table 4 summarises the borrowing structure based on £895.2m GF and £295.9m HRA Borrowing long and short-term borrowing.

Table 4: HRA Borrowing as at 31 March 2024

Maturity structure of HRA fixed interest rate borrowing 2023/24				
	Actual Position £000s	Lower	Lower	Upper
Under 12 months	-	0%	0%	50%
12 months to 2 years	-	0%	0%	60%
2 years to 10 years	-	0%	0%	70%
10 years to 20 years	50,000.00	16.9%	0%	70%
20 years to 30 years	50,000.00	16.9%	0%	100%
30 years to 40 years	185,912.00	62.8%	0%	100%
40 years to 50 years	-	0.0%	0%	100%
50 years and above	10,000.00	3.4%	0%	100%
Total Borrowing	295,912.00	100.0%	0%	100%

Table 4: GF Borrowing as at 31 March 2024

Maturity structure of General Fund fixed interest rate borrowing 2023/24				
	Actual Position £000s	Lower	Lower	Upper
Under 12 months	323,900	36.18%	0%	50%
12 months to 2 years	20,000	2.23%	0%	60%
2 years to 10 years	20,000	2.23%	0%	70%
10 years to 20 years	269,500	30.10%	0%	70%
20 years to 30 years	112,340	12.55%	0%	100%
30 years to 40 years	90,000	10.05%	0%	100%
40 years to 50 years	180,000	20.11%	0%	100%
50 years and above	10,000	1.12%	0%	100%
Total Borrowing	895,205	100.00%	0%	100%

7. Investments over 364 days

7.1 The overriding objective of the investment strategy is to ensure that funds are available on a daily basis to meet the Council’s liabilities. Taking into account the current level of investments, and future projections of capital expenditure, the following limits will be applied to sums invested:

Maximum principal sums invested > 364 days £'000s	2023/24 £000s	2024/25 £000s	2025/26 £000s
Principal sums invested > 364 days	300,000	250,000	220,000

8.1 Summary Assessment

- 8.1 The outturn position is set out above in respect of the Prudential Indicators approved by Assembly in February 2022.
- 8.2 The outturn figures confirm that the limits and controls set for 2023/24 were applied throughout the year, and that the treasury management function adhered to the key principles of the CIPFA Prudential Code of prudence, affordability and sustainability. The treasury management indicators were regularly monitored throughout 2023/24.

IAS Residential and Commercial Outturn and Treasury Outturn 2023/24

1.1 IAS Residential Outturn 2023/24

IAS Residential Outturn 2023/24										
	Loan / Net Spend £000s	Reside Rental Surplus £000s	Costs £000s	Total Interest Costs	Capitalised Interest Average Rate: 2.67% £000s	Net Interest Costs £000s	Interest Income £000s	Interest Margin £000s	MRP £000s	Total £000s
Spend Type	£000s	£000s	£000s		£000s	£000s	£000s	£000s	£000s	£000s
Affordable Rent - Reside Weavers	150,925	(1,465)	5	3,213	(565)	2,648	(3,658)	(1,010)	-	(2,471)
Social Rents - BD Homes	75,767	-	294	1,740	(523)	1,217	(1,089)	128	96	518
Private Rents and SO - Reside Regen	174,566	(762)	478	3,733	(931)	2,802	(124)	2,679	71	2,465
Reside Limited	-	-	1,618	-	-	-	-	-	-	1,618
Abbey Road	22,374	(506)	221	443	-	443	-	443	248	406
Other Residential Costs	317	-	1,109	6	-	6	(13)	(7)	-	1,102
Total Completed Schemes	423,950	(2,733)	3,725	9,135	(2,019)	7,116	(4,884)	2,232	415	3,638
Assets Under Construction	511,194	-	-	8,769	(8,769)	-	-	-	14	14
Total Residential Return	935,144	(2,733)	3,725	17,904	(10,788)	7,116	(4,884)	2,232	429	3,652
Individual Scheme Returns										
796-806 Dagenham Road (Elmtree)	2,181	-	-	43	-	43	(66)	(23)	-	(23)
Weavers	35,897	-	0	711	-	710	(1,076)	(366)	-	(366)
200 Becontree Avenue	4,348	-	-	86	-	86	(91)	(5)	-	(5)
A House for Artists	2,844	-	-	56	-	56	(60)	(3)	-	(3)
Challingsworth (Crown House)	26,036	-	-	516	-	516	(716)	(200)	-	(200)
Chequers	10,716	-	-	212	-	212	(295)	(83)	-	(83)
Convent Court	8,169	-	-	162	-	162	(184)	(22)	-	(22)
Gascoigne East PH2 C	6,491	-	-	129	-	129	(179)	(50)	-	(50)

Gascoigne East Phase 2 Block E2	1,871	-	38		38	(53)	(15)		(15)	
Gascoigne East Phase 3aJ	12,916	5	431	409	23	(18)	4		9	
Gascoigne East Phase F1	13,715		319	156	163	(212)	(49)		(49)	
Gascoigne West Phase 1	20,355	-	403		403	(560)	(157)		(157)	
Sebastian Court	5,386	-	107		107	(148)	(41)		(41)	
Weavers LLP Loss / (Surplus)	(1,465)		-		-				(1,465)	
Total for AR (Completed)	150,925	(1,465)	5	3,213	565	2,648	(3,658)	(1,010)	-	(2,471)
Becontree Heath Block A	6,451		128		128	(176)	(49)	96	47	
Chequers	5,365	-	106		106	(56)	50		50	
Gascoigne East PH2 C	4,859	-	96		96	(102)	(6)		(6)	
Gascoigne East PH2 E2	12,331	-	244		244	(271)	(27)		(27)	
Gascoigne East Phase 3aJ	14,609	-	527	501	26	(30)	(4)		(4)	
Gascoigne East Phase F1	1,932		40	22	18	(11)	8		8	
Gascoigne West Phase 1	3,653	-	72		72	(77)	(4)		(4)	
Sebastian Court	2,992	-	59		59	(67)	(8)		(8)	
Challingsworth (Crown House)	16,801	294	333		333	(157)	176		470	
Gascoigne West Phase 1	6,776	-	134	-	134	(142)	(8)	-	(8)	
Total for LAR and TR (Completed)	75,767	-	294	1,740	523	1,217	(1,089)	128	96	518
Gascoigne East Phase 2 Block E2	31,243		347	619	620	-	620		967	
Gascoigne East Phase F1	44,906		1,027	510	516	-	516		516	
Gascoigne West Phase 1 (Block Forge)	33,349	59	660		660	-	660		720	
Weavers	4,756		94		94	(124)	(29)		(29)	
Becontree Heath Block B	10,811		214		214	-	214		214	
Kingsbridge	7,592		150		150	-	150	71	222	
Sebastian Court (Bobby Moore)	7,880		156		156	-	156		156	
Gascoigne East Phase F1 (Ewars Marsh)	34,030	71	813	421	391	-	391		462	
Regen LLP and Ltd Loss / (Surplus)	(762)		-		-				(762)	
Total for PRS and SO (Completed)	174,566	(762)	478	3,733	931	2,802	(124)	2,679	71	2,465
Reside Limited	-	1,618	-	-	-	-	-	-	1,618	
Abbey Road	22,374	(506)	221	443	443	443	443	248	406	
Other Costs	317	-	1,109	6	-	6	(13)	(7)	1,102	
Total for Completed Schemes	423,950	(2,733)	3,723	9,135	2,019	7,116	(4,884)	2,232	415	3,638

Assets Under Construction Capitalised Interest Costs									
Brocklebank Lodge	1,104		29	29					-
Town Quay Wharf	8,651		46	46					-
Padnall Lake Phase 3	2,357		61	61					-
Royal British Legion	2,631		70	70			14		14
Gascoigne East 3B	22,894		156	156					-
Gascoigne East Phase 2 Block E1	6,657		167	167					-
Roxwell Road	16,093		273	273					-
Padnall Lake	14,610		278	278					-
Transport House	24,358		365	365					-
Oxlow Lane	18,554		401	401					-
Padnall Lake Phase 2	17,638		502	502					-
Woodward Road	21,521		539	539					-
Beam Park	56,415		612	612					-
Gascoigne East Phase 3A Plot I	45,359		893	893					-
12 Thames Road	67,270		838	838					-
Gascoigne West Phase 2	147,605		3,540	3,540					-
Industria	37,476								-
Total for Assets Under Construction	511,194	-	8,769	8,769	-	-	-	14	14

1.2 IAS Commercial Outturn 2023/24

Project Name	Rent £'000	Costs £'000	Bad Debts £'000	Net Operating £'000	MRP £'000	Average Interest For Year 4.88%	Net (return) / loss £'000	Asset Net Purchase cost (after MRP) £'000
7 Cromwell	(103)	2	(23)	(124)	10	61	(53)	1,239
47 Thames	(5)	7		2	1	8	11	132
9 Thames		5		5	4	25	34	466
3 Gallions	(265)	8		(257)	45	249	37	5,080
27 Thames	8	7		15	6	29	50	601
1-4 Riverside		10		10	12	59	81	1,257
23 Thames	(164)	20		(144)	53	280	189	5,721
14-16 Thames	(15)	284		269	18	98	385	1,994
Edwards Waste		1		1	7	434	442	9,668
BBC	(1,091)	68	230	(793)	254	1,359	820	27,564
26 Thames		280		280	44	236	560	4,825
Total Thames Road	(1,635)	692	207	(736)	454	2,838	2,556	58,547
Dagenham Trades Hall	(90)			(90)		30	(60)	1,464
Maritime	(1,077)	53	31	(993)	184	1,016	207	20,712
Heathway	(525)	165	51	(309)	67	364	122	7,273
Total Other Regeneration	(1,692)	218	82	(1,392)	251	1,410	269	29,449
Welbeck	(1,800)	95		(1,705)	243	1,266	(196)	25,425
Restore	(879)	20		(859)	118	616	(125)	12,358
Travelodge (Dagenham)	(470)	33		(437)	69	356	(12)	7,131
Travelodge (Pianoworks)	(414)			(414)	89	464	139	9,307
Industria		548		548		304	852	37,463
Total Other Commercial	(3,563)	696		(2,867)	519	3,006	658	91,684
Capitalised Interest						(3,162)	(3,162)	
Total IAS Commercial	(6,890)	1,606	289	(4,995)	1,224	4,092	321	179,680
Other Costs / (Income)	(237)	7		(230)			(230)	
Treasury						(1,699)	(1,699)	
Brokerage Costs		191		191			191	
Grand Total	(7,127)	1,804	289	(5,034)	1,224	2,393	(1,417)	179,680
IAS Other				(1,339)			(1,339)	
Muller Final Distribution				(3,500)			(3,500)	
Return with Muller							(6,256)	

1.3 Treasury Outturn 2023/24

General Fund Return Against Budget

Interest Payable	£000s	£000s	£000s
L1 Renewables		231	
Short-term Borrowing		2,064	
Capitalised interest		(3,305)	
Total Interest Payable	7,678	(1,010)	(5,383)
Interest Received			
BD ENERGY		(462)	
BDTP		(3,096)	
BEC		(4)	
Be First		(431)	
Barking Riverside		(443)	
Care City		10	
Dagenham and Redbridge Football Club		(4)	
Gascoigne School		(1)	
Grafton School		(1)	
Make It London		(9)	
Studio 3 Arts		1	
TPFL		(14)	
Other Interest		(7)	
HRA		(526)	
Schools		98	
Total Interest Received	(6,503)	(4,888)	1,615
Bad Debt Provisions			
BDTP	0	3,340	3,430
MRP			
MRP	9,700	9,470	(229)
General Fund Return	10,875	3,572	(567)

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Loans, Debts and Investments held as at 31 March 2024

Type of Loan, Borrowing or Investment	Amount £000s	Start Date	End Date	Rate %
HRA Borrowing				
HRA – PWLB				
PUBLIC WORKS LOAN BOARD	50,000.00	28/03/2012	28/03/2042	3.50
PUBLIC WORKS LOAN BOARD	65,912.00	28/03/2012	28/03/2062	3.48
PUBLIC WORKS LOAN BOARD	50,000.00	28/03/2012	28/03/2061	3.49
PUBLIC WORKS LOAN BOARD	50,000.00	28/03/2012	28/03/2052	3.52
PUBLIC WORKS LOAN BOARD	50,000.00	28/03/2012	28/03/2060	3.49
Total HRA – PWLB	265,912.00			
HRA – Market				
BARCLAYS BANK PLC	10,000.00	30/05/2008	30/05/2078	3.98
Phoenix Life Ltd	10,000.00	06/10/2021	26/03/2060	4.07
Phoenix Life Ltd	10,000.00	06/10/2021	26/03/2059	4.05
Total HRA – Market	30,000.00			
Total HRA Borrowing	295,912.00			
General Fund and IAS Borrowing				
GF – PWLB				
PUBLIC WORKS LOAN BOARD	20,000.00	09/06/2016	09/06/2066	2.72
PUBLIC WORKS LOAN BOARD	10,000.00	14/06/2016	15/12/2059	2.65
PUBLIC WORKS LOAN BOARD	10,000.00	28/06/2016	29/12/2059	2.49
PUBLIC WORKS LOAN BOARD	10,000.00	29/06/2016	29/06/2062	2.38
PUBLIC WORKS LOAN BOARD	10,000.00	07/07/2016	06/01/2062	2.14
PUBLIC WORKS LOAN BOARD	20,000.00	05/04/2017	05/04/2067	2.36
PUBLIC WORKS LOAN BOARD	14,347.83	12/09/2017	12/09/2040	1.98
PUBLIC WORKS LOAN BOARD	30,000.00	19/12/2017	19/06/2058	2.36
PUBLIC WORKS LOAN BOARD	13,333.33	21/02/2018	21/02/2036	2.38
PUBLIC WORKS LOAN BOARD	6,470.59	07/03/2018	07/03/2035	2.20
PUBLIC WORKS LOAN BOARD	14,000.00	19/03/2018	19/03/2038	2.31
PUBLIC WORKS LOAN BOARD	15,600.00	31/05/2018	29/05/2043	2.27
PUBLIC WORKS LOAN BOARD	30,476.19	01/10/2018	01/10/2039	2.38
PUBLIC WORKS LOAN BOARD	14,444.44	30/10/2018	30/10/2036	2.14
PUBLIC WORKS LOAN BOARD	16,000.00	10/12/2018	10/12/2043	2.28
PUBLIC WORKS LOAN BOARD	15,652.17	04/02/2019	04/02/2042	2.17
PUBLIC WORKS LOAN BOARD	31,304.35	26/03/2019	26/03/2042	1.99
PUBLIC WORKS LOAN BOARD	16,666.67	04/06/2019	04/06/2046	1.97
PUBLIC WORKS LOAN BOARD	15,500.00	08/08/2019	08/08/2039	1.39
PUBLIC WORKS LOAN BOARD	16,086.96	05/09/2019	05/09/2042	1.23
PUBLIC WORKS LOAN BOARD	16,229.83	28/02/2020	28/02/2038	2.27
PUBLIC WORKS LOAN BOARD	16,204.35	03/03/2020	03/03/2038	2.18
PUBLIC WORKS LOAN BOARD	16,627.59	10/03/2020	10/03/2040	2.06
PUBLIC WORKS LOAN BOARD	17,423.47	11/03/2020	11/03/2045	1.98
PUBLIC WORKS LOAN BOARD	20,000.00	15/12/2020	15/12/2070	1.33
PUBLIC WORKS LOAN BOARD	20,000.00	23/12/2020	23/12/2030	1.02
PUBLIC WORKS LOAN BOARD	20,000.00	23/12/2020	23/12/2055	1.50
PUBLIC WORKS LOAN BOARD	17,222.22	12/07/2021	12/07/2039	1.38
PUBLIC WORKS LOAN BOARD	20,000.00	12/07/2021	13/07/2071	1.71
PUBLIC WORKS LOAN BOARD	20,000.00	17/11/2021	17/11/2071	1.51
PUBLIC WORKS LOAN BOARD	30,000.00	07/12/2021	07/12/2071	1.37
PUBLIC WORKS LOAN BOARD	30,000.00	16/12/2021	16/12/2066	1.31
PUBLIC WORKS LOAN BOARD	20,000.00	16/12/2021	16/12/2071	1.25

Total GF PWLB Borrowing	593,589.99			
GF - Market				
DEXIA PUBLIC FINANCE BANK	10,000.00	30/06/2008	30/06/2077	3.98
European Investment Bank	71,563.24	30/01/2015	31/03/2044	2.21
L1 RENEWABLES	6,686.97	15/12/2016	01/10/2046	3.44
Total GF - Market	88,250.21			
GF – ST Borrowing				
Arun District Council	2,000.00	08/01/2024	04/04/2024	5.60
Arun District Council	2,000.00	17/01/2024	05/04/2024	5.55
BLAENAU GWENT BOROUGH COUNCIL	1,500.00	19/03/2024	19/04/2024	6.50
CORNWALL COUNTY COUNCIL	10,000.00	14/03/2024	16/12/2024	6.00
COVENTRY UNIVERSITY	10,000.00	27/11/2023	05/04/2024	5.80
EAST DEVON DISTRICT COUNCIL	3,000.00	01/12/2023	02/09/2024	5.65
East London Waste Authority	2,000.00	05/03/2024	05/06/2024	6.20
EXETER CITY COUNCIL	5,000.00	03/01/2024	03/07/2024	5.55
HALTON BOROUGH COUNCIL	10,000.00	19/01/2024	19/04/2024	5.55
HUMBER BRIDGE BOARD	3,000.00	15/01/2024	15/05/2024	5.50
L B CROYDON	10,000.00	10/01/2024	10/04/2024	5.55
LBBD Pension Fund	16,900.00	02/04/2019	01/04/2024	5.25
LEICESTER CITY COUNCIL	10,000.00	14/04/2022	15/04/2024	1.00
LEICESTER CITY COUNCIL	10,000.00	05/05/2022	03/05/2024	1.00
MALDON DISTRICT COUNCIL	2,000.00	21/12/2023	21/06/2024	5.65
MANCHESTER COMBINED AUTHORITY	5,000.00	18/03/2024	18/06/2024	6.60
MANSFIELD DISTRICT COUNCIL	2,000.00	07/03/2024	19/04/2024	6.15
MIDDLESBROUGH TEESIDE PENSION FUND	2,000.00	18/03/2024	09/05/2024	6.50
NORTH WARWICKSHIRE BOROUGH COUNCIL	1,500.00	20/03/2024	20/06/2024	6.50
NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL	5,000.00	15/12/2023	17/06/2024	5.70
Police & Crime Commissioner for Humberside	4,000.00	11/01/2024	11/04/2024	5.50
PRESTON CITY COUNCIL	4,000.00	26/03/2024	26/06/2024	6.80
PUBLIC WORKS LOAN BOARD	20,000.00	29/12/2023	29/12/2024	5.25
PUBLIC WORKS LOAN BOARD	60,000.00	27/02/2024	27/02/2025	5.45
PUBLIC WORKS LOAN BOARD	70,000.00	20/03/2024	20/03/2025	5.40
Royal Borough of Kingston upon Thames	5,000.00	18/01/2024	18/07/2024	5.55
Rutland County Council	2,000.00	05/02/2024	07/05/2024	5.65
SOUTH DOWNS NATIONAL PARK AUTHORITY	2,000.00	16/02/2024	18/11/2024	6.00
SOUTH OXFORDSHIRE DC	5,000.00	14/04/2022	14/04/2025	0.50
TAMWORTH BOROUGH COUNCIL	5,000.00	15/01/2024	15/07/2024	5.60
TENDRING DISTRICT COUNCIL	4,000.00	29/02/2024	30/08/2024	5.55
Vale of White Horse District Council	5,000.00	14/04/2022	14/04/2025	0.50
Vale of White Horse District Council	5,000.00	30/01/2024	30/07/2024	5.50
Warwickshire County Council	10,000.00	19/06/2023	19/06/2025	4.35
WEALDEN DISTRICT COUNCIL	5,000.00	14/03/2024	16/09/2024	6.00
WEST YORKSHIRE COMBINED AUTHORITY	15,000.00	04/12/2023	30/09/2024	5.55
WILTSHIRE COUNCIL	10,000.00	12/03/2024	12/06/2024	6.45
Total GF – ST Borrowing	343,900.00			
Total GF Borrowing	1,025,740.20			
Total Borrowing	1,321,652.20			
Loans				
Loans to Reside				
B&D Homes Ltd	(6,451)	23/08/2020	23/08/2025	2.75

B&D Homes Ltd - Gascoigne West 1 , Cargo & Carrier	(3,250)	21/11/2022	31/12/2024	2.10
B&D Homes Ltd - GE F - Mizen Street - LAR	(1,932)	07/12/2023	31/12/2025	2.20
BD Homes Ltd - Chequers Lane , Kerwin LAR	(5,365)	15/02/2023	31/03/2025	2.10
BD Homes Ltd - Crown House Challingsworth SO	(12,358)	01/01/2023	31/03/2025	2.50
BD Homes Ltd - Gascoigne East C - LAR	(4,859)	19/12/2022	31/12/2024	2.10
BD Homes Ltd - Gascoigne East Phase 2 Block E2 LAR	(12,331)	20/03/2023	31/03/2025	2.75
BD Homes Ltd - Gascoigne West 1 Cargo LAR	(3,653)	08/11/2022	31/12/2024	2.10
Reside Abbey Roding LLP PSL Loan	(8)	31/03/2020	30/09/2024	3.50
Reside Ltd - PSL Loan	(53)	31/03/2020	30/09/2024	3.50
Reside Regeneration LLP - GE Phase 2	(4,756)	31/03/2020	31/03/2025	2.75
Reside Regeneration Ltd	(179)	31/03/2020	31/03/2025	3.00
Reside Weavers - 10 Units 798-806 Dag rd	(2,181)	01/10/2019	31/03/2025	3.00
Reside Weavers - 200 Becontree Ave RM8 2TR	(4,348)	03/08/2022	30/09/2024	2.10
Reside Weavers - A House for Artists	(2,844)	01/04/2022	31/03/2027	2.10
Reside Weavers - Chequers Lane , Kerwin AR	(10,716)	14/11/2022	31/12/2024	2.75
Reside Weavers - Convent Court	(8,169)	16/05/2022	30/06/2024	2.25
Reside Weavers - Crown House, Challingsworth - AR	(26,036)	08/11/2022	31/12/2024	2.75
Reside Weavers - Gascoigne East C - AR	(6,491)	05/12/2022	31/12/2024	2.75
Reside Weavers - Gascoigne East Phase 2	(34,553)	31/03/2020	31/03/2025	3.00
Reside Weavers - Gascoigne West 1 Cargo & Carrier	(3,525)	21/11/2022	31/12/2024	2.10
Reside Weavers - Gascoigne West 1 Carrier - AF	(20,355)	15/08/2022	30/09/2024	2.20
Reside Weavers - Gascoigne East Phase 2 Block E2AR	(1,871)	20/03/2023	31/03/2025	2.75
Reside Weavers - PSL Loan	(12)	31/03/2020	29/07/2024	3.50
Reside Weavers - Sailor Court & Palomar - AR	(13,715)	11/09/2023	30/09/2025	2.75
Reside Weavers - Seb Ct Alf Ramsey AR	(5,386)	16/05/2022	30/06/2024	2.75
Reside Weavers - Seb Ct Martin Peters LAR	(2,992)	31/01/2023	31/12/2024	2.25
Reside Weavers Block J - AR	(12,916)	13/03/2024	31/03/2026	2.75
Reside Weavers Block J - LAR	(14,609)	05/03/2024	31/03/2026	2.75
Reside Weavers LLP	(1,344)	31/03/2020	31/03/2025	3.00
TPFL Regeneration Ltd	(64)	31/03/2020	31/03/2025	3.00
Total Loans to Reside	(227,322)			
General Fund Loans				
Barking Enterprise Centre CIC	(116)	12/08/2021	12/08/2031	3.50
BARKING RIVERSIDE LTD	(5,500)	01/04/2020	31/03/2025	8.25
BD ENERGY LTD	(1,086)	31/03/2020	31/03/2025	8.25
BD ENERGY LTD	(2,222)	31/03/2020	31/03/2027	8.25
BD ENERGY LTD	(10,413)	25/02/2022	31/03/2047	4.50
BD TRADING PARTNERSHIP LEUK	(28,981)	01/04/2020	01/04/2025	9.31
BD TRADING PARTNERSHIP LEUK	(5,925)	22/12/2021	31/07/2024	11.25
BE-FIRST LTD	(5,478)	31/03/2020	31/03/2025	8.75
Dagenham & Redbridge Football Club	(71)	01/04/2020	31/01/2028	3.75
Gascoigne Primary School	(20)	01/05/2020	03/03/2036	4.50
Grafton Primary School	(26)	01/11/2019	02/03/2026	4.50
Make IT Bow Ltd	(213)	18/07/2022	30/06/2032	4.00
Total General Fund Loans	(60,052)			
Total Loans	(287,374)			

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The Economy and Interest Rates

UK Economy

Against a backdrop of stubborn inflationary pressures, the Russian invasion of Ukraine, and war in the Middle East, UK interest rates have continued to be volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2023/24.

Markets have sought an end to central banks' on-going phase of keeping restrictive monetary policy in place on at least one occasion during 2023/24 but to date only the Swiss National Bank has cut rates and that was at the end of March 2024.

UK, EZ and US 10-year yields have all stayed stubbornly high throughout 2023/24. The table below provides a snapshot of the conundrum facing central banks: inflation is easing, albeit gradually, but labour markets remain very tight by historical comparisons, making it an issue of fine judgment as to when rates can be cut.

	UK	Eurozone	US
Bank Rate	5.25%	4%	5.25%-5.5%
GDP	-0.3%q/q Q4 (-0.2%/y/y)	+0.0%q/q Q4 (0.1%/y/y)	2.0% Q1 Annualised
Inflation	3.4%/y/y (Feb)	2.4%/y/y (Mar)	3.2%/y/y (Feb)
Unemployment Rate	3.9% (Jan)	6.4% (Feb)	3.9% (Feb)

The Bank of England sprung no surprises in their March meeting, leaving interest rates at 5.25% for the fifth time in a row and, despite no MPC members no longer voting to raise interest rates, it retained its relatively hawkish guidance. The Bank's communications suggest the MPC is gaining confidence that inflation will fall sustainably back to the 2.0% target. However, although the MPC noted that "the restrictive stance of monetary policy is weighing on activity in the real economy, is leading to a looser labour market and is bearing down on inflationary pressures", conversely it noted that key indicators of inflation persistence remain elevated and policy will be "restrictive for sufficiently long" and "restrictive for an extended period".

Of course, the UK economy has started to perform a little better in Q1 2024 but is still recovering from a shallow recession through the second half of 2023. Indeed, Q4 2023 saw negative GDP growth of -0.3% while y/y growth was also negative at -0.2%.

But it was a strange recession. Unemployment is currently sub 4%, against a backdrop of still over 900k of job vacancies, and annual wage inflation is running at above 5%. With gas and electricity price caps falling in April 2024, the CPI measure of inflation - which peaked at 11.1% in October 2022 - is now due to slide below the 2% target rate in April and to remain below that Bank of England benchmark for the next couple of years, according to Capital Economics. The Bank of England still needs some convincing on that score, but upcoming inflation and employment releases will settle that argument shortly. It is noted that core CPI was still a heady 4.5% in February and, ideally, needs to fall further.

Shoppers largely shrugged off the unusually wet weather in February, whilst rising real household incomes should support retail activity throughout 2024. Furthermore, the impact

of higher interest rates on household interest payments is getting close to its peak, even though fixed rate mortgage rates on new loans have shifted up a little since falling close to 4.5% in early 2024.

From a fiscal perspective, the further cuts to national insurance tax (from April) announced in the March Budget will boost real household disposable income by 0.5 - 1.0%. After real household disposable income rose by 1.9% in 2023, Capital Economics forecast it will rise by 1.7% in 2024 and by 2.4% in 2025. These rises in real household disposable income, combined with the earlier fading of the drag from previous rises in interest rates, means GDP growth of 0.5% is envisaged in 2024 and 1.5% in 2025. The Bank of England is less optimistic than that, seeing growth struggling to get near 1% over the next two to three years.

As for equity markets, the FTSE 100 has risen to nearly 8,000 and is now only 1% below the all-time high it reached in February 2023. The modest rise in UK equities in February was driven by strong performances in the cyclical industrials and consumer discretionary sectors, whilst communications and basic materials have fared poorly.

Despite its performance, the FTSE 100 is still lagging behind the S&P 500, which has been at an all-time high for several weeks.

USA Economy.

Despite the markets willing the FOMC to cut rates as soon as June 2024, the continued resilience of the economy, married to sticky inflation, is providing a significant headwind to a change in monetary policy. Markets currently anticipate three rate cuts this calendar year, but two or less would not be out of the question. Currently, policy remains flexible but primarily data driven.

In addition, the Fed will want to shrink its swollen \$16 trillion balance sheet at some point. Just because the \$ is the world's foremost reserve currency (China owns over \$1 trillion) does not mean the US can continually run a budget deficit. The mix of stubborn inflation and significant treasury issuance is keeping treasury yields high. The 10 year stands at 4.4%.

As for inflation, it is currently a little above 3%. The market is not expecting a recession, but whether rates staying high for longer is conducive to a soft landing for the economy is uncertain, hence why the consensus is for rate cuts this year and into 2025...but how many and when?

Euro-Zone Economy.

Although the Euro-zone inflation rate has fallen to 2.4%, the ECB will still be mindful that it has further work to do to dampen inflation expectations. However, with growth steadfastly in the slow lane (GDP flatlined in 2023), a June rate cut from the current 4% looks probable.

CABINET

18 June 2024

Title: Debt Management Performance 2023/24 (Quarter 4) and Updated Debt Management Policy	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report	For Decision
Wards Affected: None	Key Decision: No
Report Author: Stuart Kirby, Head of Collections	Contact Details: E-mail: stuart.kirby@lbbd.gov.uk
Accountable Strategic Leadership Director: Jo Moore, Strategic Director of Resources	
<p>Summary</p> <p>This report sets out the performance of the Collections service in the collection of revenue and debt management for the fourth quarter of the financial year 2023/24.</p> <p>The Council's Debt Management Policy has been reviewed and updated to add clarity to the process and is attached at Appendix A. Updates to the policy include:</p> <ul style="list-style-type: none"> • Recovery process flow charts for all debts • Care collection process • Inclusion of Rents and Parking processes • Debt management & write off process. 	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <p>(i) Note the performance of the debt management function carried out by the Council's Collection service, including the improvements in collection rates and the reduction in arrears since the start of the year;</p> <p>(ii) Note the reduction in bad debt provision of £7.4m, primarily due to the write-off of non-recoverable historic debt arrears; and</p> <p>(iii) Approve the updated Debt Management Policy 2024, as set out at Appendix A to the report.</p>	
<p>Reason</p> <p>Assisting in the Council's Policy aim of ensuring an efficient organisation delivering its statutory duties in the most practical and cost-effective way. This ensures good financial practice and adherence to the Council's Financial Rules on the reporting of debt management performance and the total amounts of debt written-off each financial quarter.</p>	

1. Introduction and Background

- 1.1. This report sets out performance for the fourth quarter of the 2023/2024 financial year and covers the overall progress of each service element since April 2023.
- 1.2. The Collection service is responsible for the collection of Council Tax, Business Rates, Housing Benefit Overpayments, General Income, Rents and for the monitoring of cases sent to Enforcement Agents.

Council Tax Collection

- 1.3. Council Tax collection for 2023/24 finished at 93.54% compared with 93.56% at the end of 2022/23. This is a shortfall of £21k.
- 1.4. Arrears collection increased by £397k compared with 2022/23.
- 1.5. In September 2022 a total of £750k was credited to accounts as a result of the government energy rebate scheme. This increased collection in 2022/23 by 0.8%, these payments were not made in 23/24, however collection rates have been maintained in 23/24.
- 1.6. Council Tax collection peaked in 2019/20 at 95.2%, however collection in 2020/21 reduced by 2.5% to 92.8% due to the pandemic. Collection partially recovered in 2021/22 finishing at 93.6% but the cost-of-living crisis has prevented further increases.
- 1.7. The percentage of collection is measured to the end of the current year however collection of Council Tax does not end on the 31st of March. The table below shows collection for each year since 2018/19 and the percentage collected by the end of 23/24. Yellow denotes the in-year percentage collected.

CHARGE YEAR	COLLECTION YEAR						YEARS
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
2018/19	94.7%	96.7%	97.1%	97.4%	97.6%	97.7%	5 years
2019/20		95.2%	96.2%	96.9%	97.2%	97.4%	4 years
2020/21			92.8%	95.1%	96.0%	96.4%	3 years
2021/22				93.6%	95.5%	96.1%	2 years
2022/23					93.6%	95.5%	1 year
2023/24						93.5%	

- 1.8. On average a further 2.6% is collected five years after the end of each year. However, the reduction in collection in 2020/21 set collection back by the equivalent of two years and due to the ongoing cost of living crisis returning to an in-year collection rate over 95% continues to be difficult.

Council Tax Arrears

- 1.9. Arrears have reduced significantly in 2023/24, with debts prior to 2023/24 reducing from £26.3m to £16.9, a £9.3m or 36% reduction.

1999/00 - 2022/23	
	Arrears
CFWD	£26,362,521
Charge changes	£294,168
Costs raised	£46,717
Arrears & costs written off	-£6,056,329
Paid (arrears & costs)	-£3,652,722
Balance	£16,994,355

- 1.10. The focus of arrears work over the past two years has been centred around reviewing closed accounts to trace and collect or write off uncollectable debts. These are the debts not reviewed by Elevate.
- 1.11. The work carried out to reduce bad debts has significantly reduced the Council Tax bad debt provision, decreasing it from £13m to £10.75m, a reduction of £2.26m.
- 1.12. The table below shows the breakdown of debt by year with most of the debt now less than three years old.

Year	Total	Percentage of total
1999/00	£5,599	0.0%
2000/01	£10,219	0.0%
2001/02	£10,868	0.0%
2002/03	£14,410	0.1%
2003/04	£22,662	0.1%
2004/05	£44,776	0.2%
2005/06	£48,896	0.2%
2006/07	£72,923	0.3%
2007/08	£127,744	0.6%
2008/09	£173,230	0.8%
2009/10	£195,316	0.9%
2010/11	£178,268	0.8%
2011/12	£183,154	0.8%
2012/13	£201,585	0.9%
2013/14	£269,475	1.2%
2014/15	£312,728	1.4%
2015/16	£403,505	1.8%
2016/17	£503,375	2.3%
2017/18	£668,132	3.0%
2018/19	£953,741	4.3%
2019/20	£1,435,849	6.5%
2020/21	£2,132,529	9.6%
2021/22	£3,137,241	14.2%
2022/23	£4,314,974	19.5%
2023/24	£6,677,645	30.2%
Totals	£22,098,845	

Improvements made in 2023/24

- 1.13. To maintain collection rates the Council Tax team have been transforming communication and processes. The way customers contact the service has changed considerably in the last four years. The service deals with approximately 50k pieces of written communication from customers each year. Before the pandemic 48% of customers made contact via email increasing to 72% in 2023/24. This has increased customer expectations regarding response times placing a greater pressure on the service.
- 1.14. To meet this increased demand as well as combat the risk to collection rates imposed by the cost of living crisis the team have introduced the following improvements and plan to improve further in 2024/25.
- **Text and email contact** – Texts and emails now link to a landing page with links to online account management, including moving in and out, discounts applications, methods of payment, payment arrangements as well as sign posting to support.
 - **Customer queries** – Customers can now complete an online form to query any aspect of their bill. The form guides customers through a simple set of questions and removes the need to phone or email the service.
 - **Direct debit** – The Direct Debit campaign this year increased Direct Debit payers to 57%, a 1.8% increase or the equivalent of an additional 1,400 payers.
 - **Enforcement** – The Legal team have been assisting with pursuing some larger unpaid debts.
 - **Legal team** – The Legal team have been engaged to give a dedicated resource to taking bankruptcy, committal, or orders on properties action. This additional resource and legal expertise will increase collection in 24/25 and debtors that have been deliberately avoiding payment will be prosecuted.

Improvements planned in 2024/25

- **Robotic Automation and AI** - The Council Tax team not only collect Council Tax they maintain a database of over 80k properties. To ensure that bills are accurate 95% of the team are often dedicated to this task. Robotics will be brought in to assist in 24/25, they will initially undertake repetitive database maintenance tasks, freeing staff to pursue unpaid debts. Eventually they will be used as part of the collection process. On a case-by-case basis they will gather information from other databases, interpret and present intelligence to the collection officer, this is a task that when done manually can take several hours.
- **Contact Centre** – in 2024/25, the Contact Centre will introduce AI VoiceBots; these are automated conversational agents powered by artificial intelligence technology. They are designed to interact with customers over the phone using natural language processing (NLP) and speech recognition capabilities.

They can understand spoken queries from callers and provide relevant responses or assistance without the need for human intervention. These will be introduced to handle simpler queries such as providing information on making payments, registering as a new resident, and updating change of circumstance, freeing up resources for the Council Tax team to concentrate on pursuing non-payment and enforcement actions.

The current integrated chatbot (messaging function) currently integrated on the website currently handles queries for payments and allows residents to pay online vs. ringing through. The AI VoiceBot will take that one step further. Additionally, there will be a greater integration of customer service and Council Tax functions, with the Contact Centre receiving enhanced training to handle various tasks including emails, correspondence, and online transactions, thereby increasing overall efficiency and effectiveness.

2. Business Rates

- 2.1. Business rates collection for 2023/24 finished 0.2% above last year at 96.7%. However, business rates for schools are being paid for by Government and there was a delay in March, had this been paid the collection rate at year end would have been 97.1%. These payments will be received in 2024/25.

Arrears

- 2.2. Arrears unpaid for debts prior to 2023/24 have reduced by 50% or £5.9m.
- 2.3. The focus of the team over the past two years has been to identify businesses that have not paid and to pursue payment or to establish if the business is no longer trading and to write off any uncollectable debts. These are debts that were not reviewed by Elevate.

1999/00 - 2022/23	
	Arrears
CFWD	£11,780,406
Charge changes	£2,178,857
Costs raised	£26,150
Arrears & costs written off	-£4,262,219
Paid	-£3,784,859
Balance	£5,938,335

Year	Arrears	Percentage of total arrears
2000/01	£0	0%
2001/02	£0	0%
2002/03	£990	0%
2003/04	£0	0%
2004/05	£8,821	0%
2005/06	£10,969	0%
2006/07	£11,290	0%
2007/08	£6,397	0%
2008/09	£65,077	1%
2009/10	£35,919	0%

2010/11	£89,530	1%
2011/12	£88,476	1%
2012/13	£95,477	1%
2013/14	£95,694	1%
2014/15	£109,504	1%
2015/16	£103,732	1%
2016/17	£235,953	3%
2017/18	£265,961	3%
2018/19	£511,889	6%
2019/20	£679,767	8%
2020/21	£1,330,647	16%
2021/22	£939,617	11%
2022/23	£1,252,626	15%
2023/24	£2,422,610	29%
Totals	£8,360,944	

2.4. The work carried out to reduce bad debts has significantly reduced the business rates bad debt provision, decreasing it from £9.1m to £5.7m, a reduction of £3.4m.

3. Rents

3.1. Rent collection for 2023/24 was 100.26%, 2.01% above 2022/23.

3.2. Rent arrears have gradually decreased throughout the year. The table below shows the quarterly collection rates and the value of arrears.

	Collection %	Arrears
Quarter 1	97.20%	£9,321,826
Quarter 2	98.73%	£9,333,450
Quarter 3	99.68%	£9,247,472
Quarter 4	100.26%	£8,667,086

3.3. To make the best use of resources in the targeting of action for arrears, the service commenced a trial of new software (Rentsense) from December 2023. This allows for the profiling of tenant payment history and early intervention on cases moving into arrears, at risk of moving into arrears or failing to make the required progress to reduce existing arrears. The new software provides this information in a live environment and broken down by geographical 'patch' to prioritise tasks for individual officers, with enhanced reporting on the progress and impact of interventions. The pilot has been effective and further improvements to collection over the next period are expected.

3.4. Improvement have also been achieved through an increase in customer contact. This includes an increase in formal recovery letters sent (103% increase on same period 22/23) and targeted activity including door knocking campaigns with residents who had not engaged and had significant arrears.

4. Reside

4.1. Reside collection for 2023/24 was 92.74%, this is 3.37% below last year.

- 4.2. Collection has been impacted by key legacy issues outside of the control of the Rents Team which are now being addressed.
- 4.3. Following the case of Croydon v. Kalonga which started in 2017 and related to the possession process for Fixed Term Tenancies, the service received an instruction from Legal Services in 2020 not to take recovery action pending a Supreme Court decision, which was made in 2022, and subsequent legal advice. That advice was received, and recovery proceedings recommenced from July 2023. The advice created separate recovery processes for Fixed Term and Assured Shorthold Tenancies. While this has enabled recovery to recommence, this means any opportunities for automation of process are limited.
- 4.4. Since July 2023 (recommencement of recovery action) to end of March 24 344 recovery letters have been issued to residents in arrears, 38 of these effectively a final warning before legal action commences. There are currently 23 cases where possession is being sought with Legal Services, including 3 cases where possession orders have already been obtained. Legal Services are applying for warrants in these cases.
- 4.5. An exercise has been undertaken using credit referencing data to trace and recover arrears from former tenants, with 90 former tenants owing £330k. Where tenants are traced and payment cannot be secured, legal action will be commenced. This work is on-going.
- 4.6. Whilst recovery is now being actively pursued, progress continues to be delayed due to the number of manual checks required before notices can be issued. As well as the twin-track processes for Fixed Term and ASTs, there are also 9 cases at legal action stage where the tenancy agreement was signed-up in the wrong Reside company name. Counsel advice has been obtained and further Notices need to be served on residents before possession proceedings can be commenced. These Notices have been drafted and are being served as of April 2024 with possession to be sought following this.
- 4.7. As a result of decisions taken early on, not all Reside companies were set up to be recognised within the housing, banking and financial systems. This prevented the offer of standard payment options such as automated telephone payments, online payments and Direct Debit. Many tenants were left with the only option to call the office each month/week during working hours and speak to a member of staff to make a manual payment. This also required payments to be manually transferred by an officer to the correct company to enable individual accounts to be administered. The service was allocated 1.4FTE for Reside collection (discussed further at 5.9) with at least 1 FTE being required to service the phone line during working hours.
- 4.8. A project is now nearing completion to fully remedy this situation with all but one of the companies capable of offering the full range of payment methods, with no need for manual intervention to allocate payments correctly. The technical solution for the final company is currently being tested through the banking process and is expected to go live in April.
- 4.9. The team were initially allocated 1.4FTE to manage the rent collection process for reside tenants, which are currently 1911 tenancies. Due to the level of manual

processes, including receipt of payments by phone, this provided limited capacity for proactive recovery action. A bid for additional resources (2 FTE) was agreed in October 2023 but due to delays in the recruitment process, the first additional member of staff joined the team in March 2024. The second vacancy is in the process of being readvertised.

- 4.10 Whilst the above issues have added considerable work and complexity to the recovery process, the actions taken to date and additional staff resource committed put the service in a strong position to reduce arrears and improve the collection rate during 2024/25.

5. General Income

- 5.1. General income (Sundry debt) collection for 2023/24 was 4.7% higher than 2022/23 at 94.7%.
- 5.2. The Sundry team work closely with departments to help ensure that invoices are issued accurately and that the charges being raised are fully understood.
- 5.3. Arrears have reduced by 77% or £14.9m since the start of the year. The table below show the age of outstanding debts, BD Groups excluded (£5.9m).

Year of issue	Sum of Balance Outstanding	Percentage of total arrears
2010/2011	0	0%
2011/2012	£2,267	0%
2012/2013	0	0%
2013/2014	£2,013	0%
2014/2015	£2,106	0%
2015/2016	£4,882	0%
2016/2017	£28,303	1%
2017/2018	£140,988	3%
2018/2019	£258,877	6%
2019/2020	£603,350	14%
2020/2021	£352,505	8%
2021/2022	£1,522,257	35%
2022/2023	£1,418,435	33%
Grand Total	£4,335,983	

6. Adult social care

- 6.1. The overall collection rate for homecare and residential debts in 2023/24 was 54.3%, an increase of 12.5%. Homecare collection was 50.7% and residential 56.2%.
- 6.2. £6,925,689 has been collected which is an increase in cash collection of 30% versus last year which saw £4,841,747 collected.
- 6.3. Charges this year have increased by 9% from £11.6m in 2022/23 to £12.8m in 2023/24.

- 6.4. This improvement is as a result of the collection function being moved to the Financial Assessments Team and the process being revised including automated reminders, increased phone contact and legal progression.
- 6.5. Deferred Payments have £1.4m secured.
- 6.6. Arrears have reduced by 46% or £7.1m since the start of the year, this is a 28% increase on collection against 22/23.
- 6.7. 2024/25 will start with a balance of £15.2m in arrears for collection.

Year of issue	Arrears	Percentage of total arrears
2008/2009	£3,353	0%
2011/2012	0	0%
2012/2013	0	0%
2013/2014	0	0%
2014/2015	0	0%
2015/2016	£4,540	0%
2016/2017	0	0%
2017/2018	£118	0%
2018/2019	0	0%
2019/2020	£665,390	4%
2020/2021	£1,559,606	10%
2021/2022	£2,289,903	15%
2022/2023	£4,126,105	27%
2022/2023	£6,570,969	43%
Grand Total	£15,219,985	

7. Collection rates

- 7.1. The table below shows collection rates for 2023/24:

Collection area	2023/24	2022/23	Variation
Council tax current year	93.54%	93.56%	0%
Council tax arrears	£2,240,359	£1,843,645	+£396,713
Rent	100.26%	98.34%	+2.01%
Business rates	96.7%	94.5%	+0.2%
General Income	94.7%	87.8%	+4.7%
Leasehold	94.5%	87.7%	-12.4%
Commercial rent	96.3%	95.5%	+0.8%
Care	54.3%	41.7%	+12.5%
Housing Benefit Overpayments	17.5%	15.6%	+1.9%
Reside	92.74%	96.11%	-3.37%

- 7.2. The total amount charged across all revenue streams in 2023/24 increased by 6.1% or £26.9m and collection increased by £37.5m or 9.6%

2023/24	NCD	PAID	PERCENTAGE
COUNCIL TAX	£103,786,040	£97,083,291	93.5%
NNDR	£65,790,077	£63,595,765	96.7%
HB OVERPAYMENTS	£17,201,142	£3,008,398	17.5%
SUNDRY DEBT	£158,423,983	£149,996,998	94.7%
CARE	£12,765,692	£6,925,689	54.3%
LEASEHOLD	£7,419,971	£5,527,652	74.5%
RENT	£104,437,589	£104,714,051	100.3%
TOTAL	£469,824,494	£430,851,844	91.7%

8. Arrears

8.1. Arrears have reduced by 40% since the start of the year.

ARREARS AND MOVEMENT IN 2023/24				
	YEAR START	YEAR END	REDUCTION	CHANGE %
COUNCIL TAX	£26,362,521	£16,994,355	-£9,368,167	-36%
NNDR	£11,780,406	£5,938,335	-£5,842,071	-50%
HB OVERPAYMENTS	£19,926,437	£16,991,007	-£2,935,430	-15%
SUNDRY DEBT*	£19,189,656	£4,335,983	-£14,853,673	-77%
CARE	£16,350,523	£8,424,757	-£7,925,766	-48%
LEASEHOLD	£726,017	£1,166,302	£440,285	61%
RENT	£10,047,235	£8,621,577	-£1,425,658	-14%
TOTAL	£104,382,795	£62,472,315	-£41,910,480	-40%

*BD Groups excluded (£5.9m)

9. Debt management

9.1. The Debt Management Policy has been reviewed and updated to add clarity to the process and is attached at **Appendix A**. The policy details the collection process and write off processes.

9.2. Updates to the policy include:

- Recovery process flow charts for all debts
- Care collection process
- Inclusion of Rents and Parking processes
- Debt management & write off process.

10. Bad Debt Provisions

10.1 The decrease in debt brought about by the project to write off aged debts has resulted in the provision required for bad debts decreasing by £7.4m to £56.6m, as detailed below:

	Opening BDP	Closing BDP	Change
Council Tax	£13,014,571	£10,750,981	-£2,263,590
Business Rates	£9,127,037	£5,685,000	-£3,442,037
Costs (Ctax & Bus Rates)	£2,060,191	£2,023,912	-£36,279
HB Overpayments	£17,491,027	£16,102,947	-£1,388,080
Sundry	£2,843,571	£2,514,891	-£328,680
Care	£13,538,411	£13,291,046	-£247,365
BDTP	£5,927,265	£6,234,423	£307,158
TOTAL	£64,002,073	£56,603,200	-£7,398,873

11. Financial Implications

Implications completed by: Michael Jarrett, Finance Manager

- 11.1. Compared to the same period last year, collection rates have improved across most categories of debt. However, they have not recovered to pre-pandemic levels, this is due to the impact of the Cost-of-living crisis and transition of residents from Housing Benefit to Universal Credit. To try and alleviate some of this additional pressure, adjustments have been made to the process of debt recovery allowing residents a longer period to pay, given their reduced financial circumstances.
- 11.2. Collecting all debts due is critical to funding the Council and maintaining cashflow. A Debt Steering Group has been established to monitor performance and direct the focus of the team to where targets are not being achieved. This should improve prompt collection of Council revenues.
- 11.3. The Council maintains a bad debt provision which is periodically reviewed. Although there appears to be a reduction in the bad debt provision, this mainly results from a decrease in debt following the writing off non-recoverable historic debt arrears. This then, not only reduces the outstanding arrears, but also the overall bad debt provision. Increases to the provision are met from the Council's revenue budget and reduce the funds available for other Council expenditure.
- 11.4. The arrears project has been reviewing historic debt and where these are recoverable the necessary action is being taken. Where debts are no longer recoverable, they have/will be written off. Most of these debts are more than three years old, and a 100% provision has been allowed for these debts.

12. Legal Implications

Legal Implications completed by: Dr. Paul Feild, Principal Standard & Governance Lawyer

- 12.1 Monies owned to the Council in the form of debts are a form of asset that is the prospect of a payment sometime in the future. The decision not to pursue a debt carries a cost and so a decision not to pursue a debt is not taken lightly. The courts held at common law the Council holds a fiduciary duty to its residents to act as a trustee and to the Government to make sure money is spent wisely and to recover

debts owed to the Council. If requests for payment are not complied with, then the Council will seek to recover money owed to it by way of court action once all other options are exhausted.

- 12.2 The Accounts and Audit Regulations 2015 require the Councils statement of accounts to be prepared in accordance with proper accounting practice. The CIPFA Code of Practice on Local Authority Accounting, requires the Council's statement of accounts to include sufficient provision for bad debts to be determined by the S.151 Local Government Act 1972 Chief Finance Officer (Director of Resources).
- 12.3 Debt recovery will follow the Council's Debt Management Policy of which a revised version has been presented with this report. The decision to write off debts has been delegated to Chief Officers who must have regard to the Financial Rules and Procedures in terms of their authority to write off the said debts.

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

List of appendices:

- **Appendix A: Debt Management Policy 2024**

London Borough of Barking and Dagenham

Debt Management Policy

2024

<i>Approved By</i>	
<i>Date Approved</i>	
<i>Version</i>	1.0
<i>Last Revised</i>	April 2024
<i>Review Date</i>	April 2025
<i>Category</i>	Finance
<i>Owner</i>	Support & Collections
<i>Target Audience</i>	Debt Recovery Officers, Debtors, Debt Support Agencies

The Council is committed to continuous improvement, and it is critical that new approaches and ways of working will be introduced. This policy will be reviewed annually to allow it to be updated and to take any service improvements or changes into account.

This procedure may be reviewed earlier than the Review Date in the event of significant developments requiring changes to the document.

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1. Introduction

This document sets out how Barking & Dagenham Council will collect and recover income due to the council. It identifies the principles to be applied to debt management across the council and aims to ensure that all monies due are collected and that debt owed to the council is kept to a minimum. This is because the council has both a legal duty and a responsibility to its citizens to ensure that income due is paid promptly.

The council is committed to using the most effective recovery methods available and this policy ensures that the council complies with relevant legislation, official guidance, and best practice in meeting the following objectives:

- all debtors, taxpayers and ratepayers are treated fairly.
- use of best practice is adopted.
- a coordinated approach to managing debt is followed.
- to identify appropriate support which may be required and ensure circumstances are taken into consideration.
- action taken is fair and open, and that no debtor receives less favorable treatment because of their race, nationality, color, ethnic or national origin, religious belief, gender, marital status, sexual orientation, age, or disability.

This policy applies to all sums owing to the Council and has been developed to ensure a consistent approach to the management of debts across the Council. The main types of debt are:

- Council Tax
- Housing Benefit Overpayments – this occurs when benefit is paid that the claimant is not entitled to.
- Sundry debt – the fees and charges made for a wide range of Council Services e.g. trade waste, nurse fees, insurance etc.
- Adult Social Care Debt such as care costs
- Business Rates
- Rent for council properties including houses and flats, garages, and commercial property.
- Leasehold properties
- Parking charges and PCN's

2. Background

The council will ensure that when recovering debt it will take account of the guidance issued by the Local Government Ombudsman, [Focus Reports and Good Practice Guides - Local Government and Social Care Ombudsman](#). The council will pause all recovery action recommended in this policy whilst a debtor is in debt respite, also known as “breathing space,” in accordance with The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020. All cases will be considered for discounts and reliefs that may be appropriate before taking debt recovery action.

3. Income Collection Principles

Different debt types attract different debt recovery processes, some of which are governed by legislation.

The following principles are applied to all debt recovery processes and the different approaches are detailed in Appendix A of this document.

- All demands/invoices will be issued as soon as practicable and where appropriate within legislative requirements.
- All demands/invoices will be sent to the correct address and the person(s)/company/organisation liable to make payment.
- Where known, the appropriate discounts/reliefs/benefits will be applied prior to the sending of the demand/invoice.
- Customers that fail to make payment or fall behind will be reminded as soon practicable.
- The Council will be open to discussing repayment of debts with customers and will agree to bespoke repayment plans where appropriate.
- Where debt recovery action is required, the most appropriate and effective method will be used to maximise income collection.
- Wherever possible payment via Direct Debit will be promoted.
- Customers experiencing severe financial difficulty will be given support and referred to the Homes and Money hub or sign posted to an appropriate supporting body e.g. Citizens Advice Bureau
- Vulnerable customers will be referred to supporting departments within the Council or signposted to voluntary sector partners.
- Any disputed charges will be investigated fully, and if appropriate debt recovery action suspended.
- Where appropriate debts that cannot be collected will be written off.

4. Fraud Prevention Privacy Notice

The personal information we have collected will be shared with fraud prevention agencies who will use it to prevent fraud and money-laundering and to verify your identity. If fraud is detected, certain services, finance, or employment may be refused.

Further details of how information will be used by us and these fraud prevention agencies, and data protection rights, can be found on the Barking & Dagenham Council website here: [Privacy notices | London Borough of Barking and Dagenham \(lbbd.gov.uk\)](#)

Barking & Dagenham Council will not accept deliberate manipulation or fraud, and any instances are taken very seriously and are actively investigated. Any individual who falsifies their records or dishonestly provides inaccurate information to make a financial or otherwise gain, will face prosecution. The council reserves the right to recoup funds paid in error, or via fraudulent misappropriation.

5. Summary of Debt Collection Process

Council Tax

Council tax is charged on domestic properties and the amount of council tax payable is dependent on the council tax band. Some taxpayers will be eligible for a reduction in the amount payable through discount, exemption, or support. The statutory guidance for the collection and recovery of council tax is the Local Government Finance Act 1992 and the Council Tax (Administration and Enforcement) Regulations 1992.

Payment is due annually and a taxpayer has a statutory right to pay by ten (April to January) or, on the taxpayer request, twelve instalments (April to March). The instalments are due on a date specified by the Council. Reminders and final notices will be issued in accordance with statutory timescales.

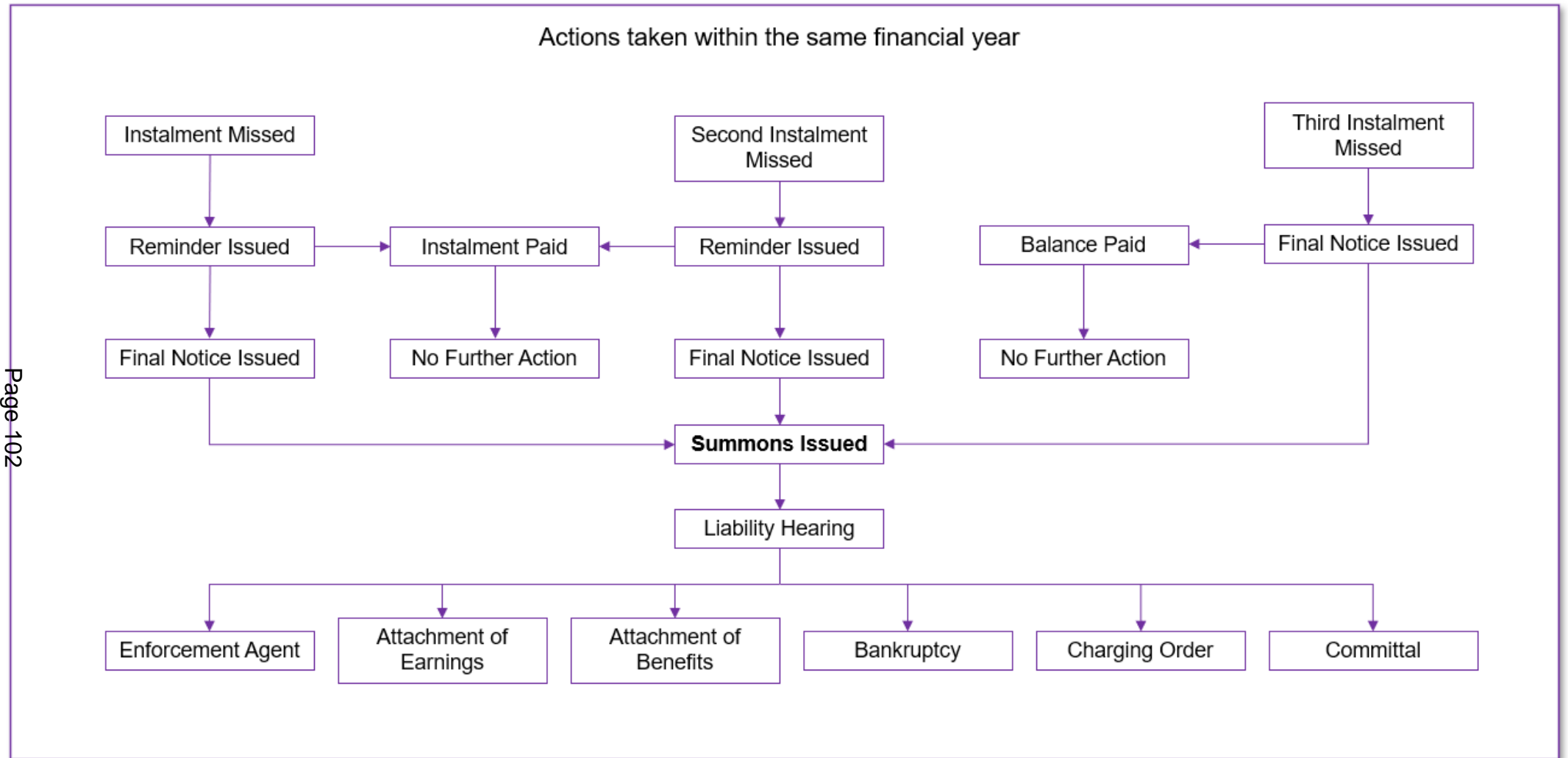
Where an instalment is not paid a reminder will be issued, failure to make payment will result in a Final Notice being issued removing the right to pay by instalments, this will be followed by a summons. If a third instalment is missed within the same financial year the right to pay by instalments is rescinded and the debt is payable in full.

Where a summons is issued, the Council will apply to Magistrates' court for a liability order allowing for further debt recovery action to begin. Additional costs will be applied at this point.

When the Liability Order has been obtained, and where no arrangement is in place, the Council will look at each account and make a decision as to the appropriate recovery action. These are:

- Attachment of earnings
- Attachment of Benefits
- Enforcement Agents
- Bankruptcy
- Charging Order
- Committal

Flow chart on the following page shows the debt recovery process for Council Tax:



Business Rates

Pre-Summons

The statutory authority for collection and recovery of Business Rates in within the Local Government Finance Act 1988 and the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989 (as amended).

Business rates are due annually and the ratepayer has a statutory right to pay over ten months (April to January) or, on the ratepayer request, twelve instalments (April to March). The instalments are due on a date specified by the council. Reminders and final notices will be issued in accordance with statutory timescales.

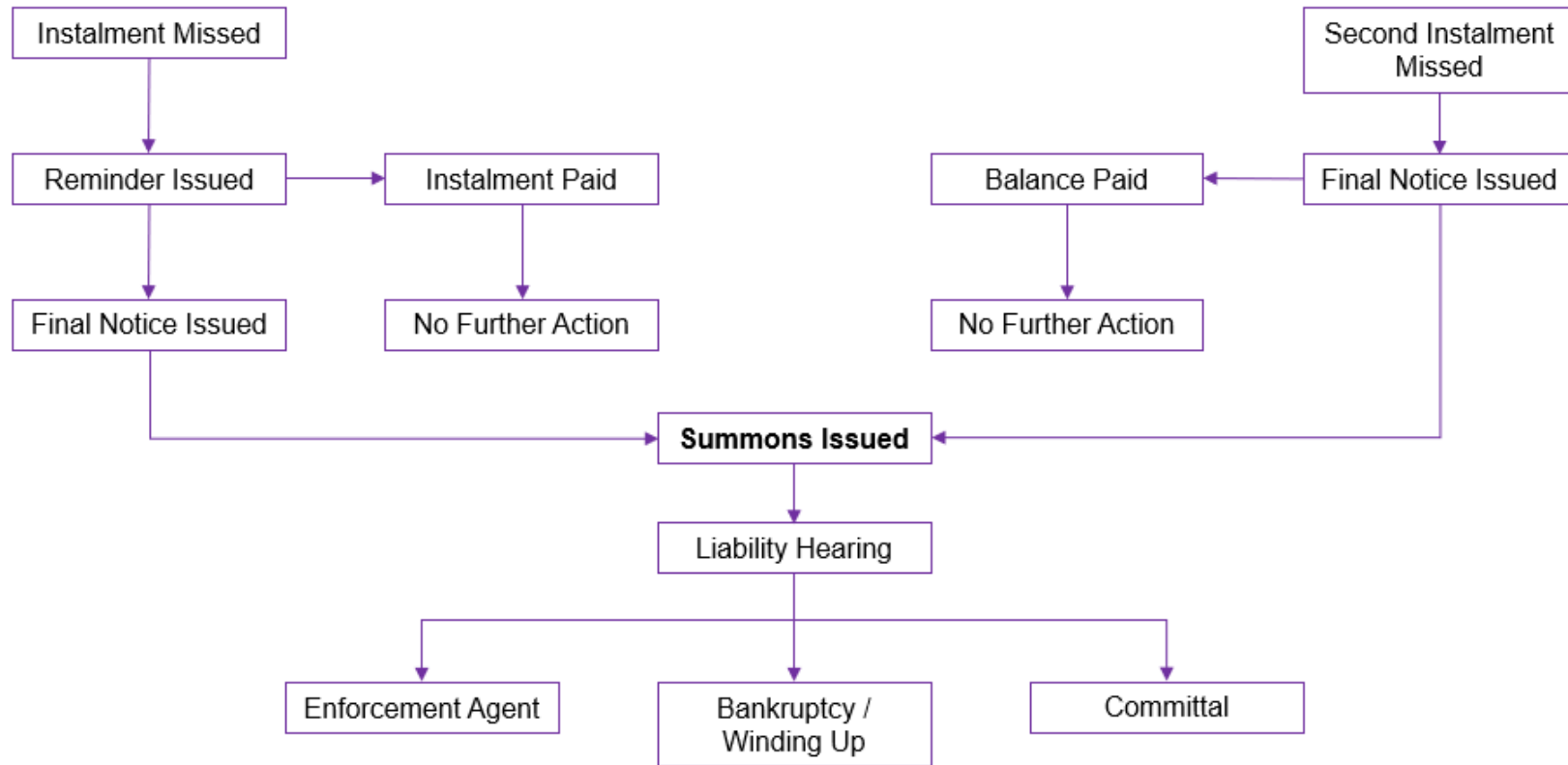
Where an instalment is not paid a reminder will be issued, failure to make payment will result in a summons. If a second instalment is missed within the same financial year a Final Notice will be issued and the right to pay by instalments is rescinded and the debt is payable in full, failure to make payment will result in a summons.

Where a summons is issued, the Council will apply to Magistrates' court for a liability order allowing for further debt recovery action to begin. Additional costs will be applied at this point.

When the Liability Order has been obtained, and where no arrangement is in place, the Council will look at each account and make a decision as to the appropriate recovery action. These are:

- Enforcement Agents
- Bankruptcy/winding up.
- Committal (non-company accounts)

Actions taken within the same financial year



Overpayments of Housing Benefit

Overpayments arise through changes in benefit entitlement. The council have processes to minimise overpayment and to ensure that where they do occur, they are identified promptly and if recoverable this is done using the most appropriate method of recovery.

In all cases where an overpayment has arisen the council will consider whether an official error has caused or contributed towards the overpayment.

Where the council has identified an overpayment, which was caused or contributed to by an official error, it must decide whether recovery of the overpayment is appropriate under the guidance issued by the Department for Work and Pensions.

Official error overpayments are only recoverable if the claimant or the person from whom recovery of the overpayment is sought could reasonably have known that an overpayment was occurring at the time the overpayments were being made.

Recovery will be from the following:

- the claimant
- the person to whom the payment of benefit was made.
- the person who misrepresented or failed to disclose the material fact.
- the partner of the claimant if the partner was living with the claimant at the time of the overpayment and at the time the decision to recover was made.

In all cases where recovery of an overpayment is sought the council will have regard to its' statutory duty to protect the loss from public funds but in doing so have regard to:

- the length of time the recovery of the overpayment may take.
- the effect of recovery on the affected person
- the ability of the affected person to repay the debt.

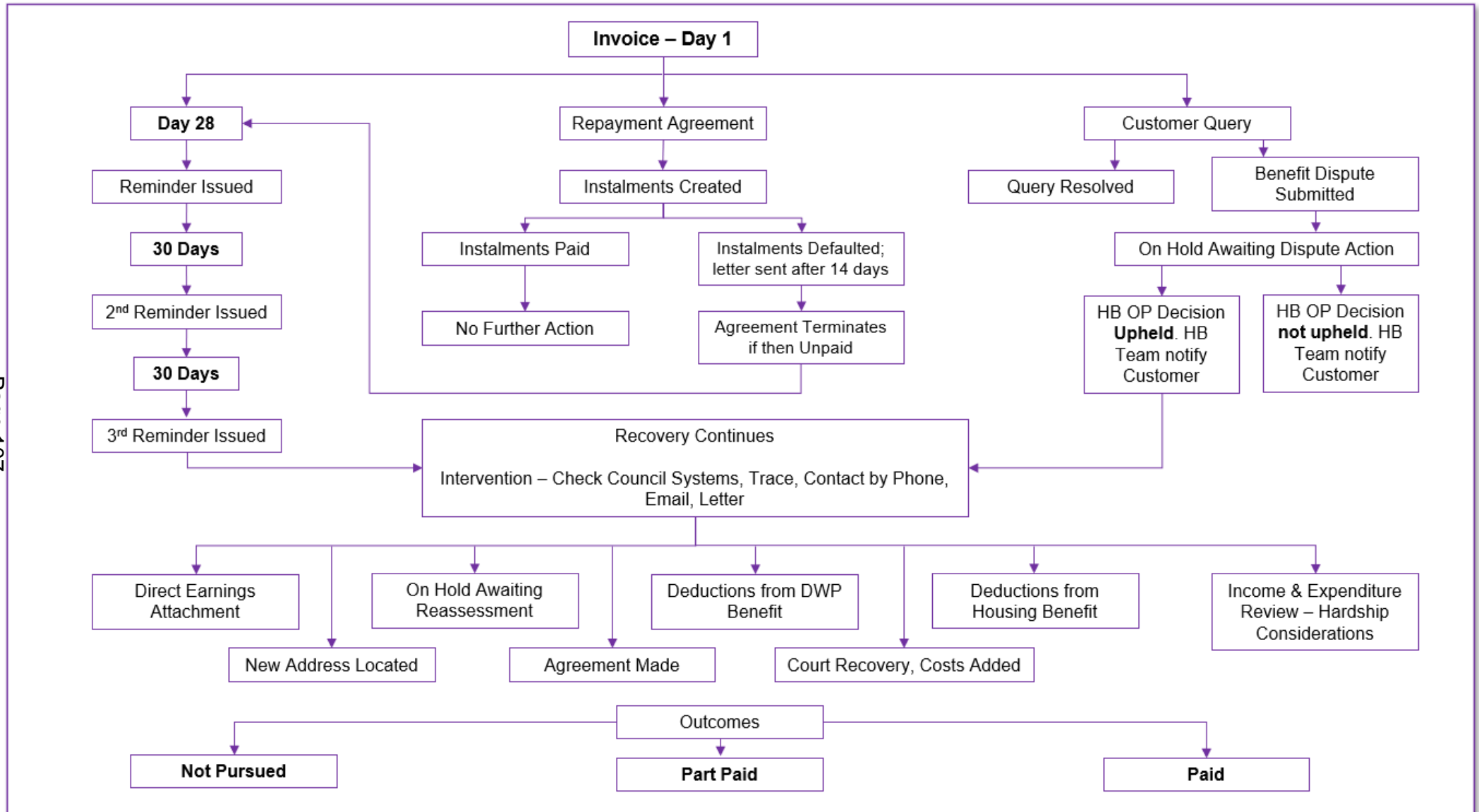
When an overpayment has been identified the person from whom the overpayment is recoverable will be sent a determination letter and an invoice. If the claimant remains in receipt of housing benefit, then deductions will be set and advised in the determination letter. Where the claimant is not in receipt of housing benefit and neither response nor payment is made, three reminders will be sent and if still no contact has been made then the most appropriate recovery action will be considered.

If the claimant makes contact a repayment arrangement will be made with the minimum being the level at which deductions can be made from local or state benefit. If this is not possible an income and expenditure form must be completed, and the arrangement reviewed after 12 months. For lower value debts a smaller arrangement can be made without the need for the form to be completed.

If you are already receiving Housing Benefit or Universal Credit Housing Element, we may be able to give you more financial assistance towards your rent. Discretionary Housing Payments are free standing payments we can provide if you receive Housing Benefit and/or Universal Credit.

To access full details on the please click the following link [Discretionary Housing Payments \(DHP\) | London Borough of Barking and Dagenham \(lbbd.gov.uk\)](#)

- The methods of recovery for housing benefit overpayments are:
- on-going deductions from further payments of housing benefit (fixed statutory rate)
- deductions from other Department for Works and Pensions benefits (fixed statutory rate)
- recovery from another local authority (where the debtor is in receipt of housing benefit from that authority)
- issuing a Direct Earnings Attachment (DEA)
- referral to an external debt collection agency (if unpaid after using the above options)
- apply to the County Court for a County Court Judgement (CCJ). With a County Court Judgement further recovery action can be taken by way of issuing a Questioning Order to obtain personal information as to employer to attach the debtor's earnings
- where the overpayment is recoverable from a landlord deduction from current benefit payments



Sundry Invoices

Invoices for all other services provided by the council or monies due to them for other reasons will be raised in a timely manner. Some examples of invoices issued are commercial rents, commercial insurance, service charges, licences, fees and charges, trade waste, school salaries and recharges, dropped kerbs, staff salary overpayments, environmental fines and guardianship clawbacks.

Once the invoice is issued, payment terms are 21 days unless otherwise required by the service area.

A total of 3 reminder letters are issued before further recovery commences.

Letter 1 will be issued where payment is not made by the due date.

Letter 2 will follow 14 days later if no payment or contact received after letter 1.

Letter 3 will follow 7 days later if there is still no contact or payment.

Where payment is not made following the issue of 3 reminder letters, contact will be attempted via telephone, email or letter depending on the contact information available.

If there is still no contact, checks will be carried out on council tax if the customer lives locally to confirm if details are the same or have changed. If new information is available, contact will be attempted by telephone, email or letter again.

If the customer lives out of borough, a credit search will be carried out and if new information is available, contact will be attempted again.

At any point if the customer (individuals or small businesses) contacts us and is unable to pay in full, we will consider an instalment plan and will work them to review their income and expenditure.

For large and small businesses invoiced for services such as Trade Waste, Commercial Rent, Commercial Insurance, and Environmental fees we liaise with the relevant department, the Business Rates to confirm who is at the property and also complete a search on Companies House to see if a company is still operating or if they have gone into liquidation.

For larger companies, local authorities, government, and health organisations, payment is due in full at any point of contact.

Before a final notice is issued, we liaise with the various service areas.

Where invoices are queried/disputed email contact will be made with the service area to facilitate a response to the customer. The expectation is that the service area will respond within 10 working days; if this is not possible, they will advise, within that period, when a reply can be expected.

If nothing is heard, then a reminder to the service area will be sent and if no response within a further 5 working days, then the email thread will be sent to the budget holder asking them to arrange a response within 5 working days. They are also to be advised that the absence of a response will result in a detailed update escalated to their respective Director.

At the end of every month a report will be distributed to all service managers showing all outstanding invoices over 60 days by cost centre, this will be in addition to any specific reporting requirements requested by service managers. This report is for information only and

if the service manager wishes to make contact with any debtor, they must firstly liaise with the Sundry Debt Team so as not to compromise any action being taken by them.

Where debts such as Commercial Rent and Leasehold Service Charges are charged quarterly in advance as per the terms of the lease, reminder letters will be sent as above. Relevant departments' checks/liaisons are carried out and where necessary, credit checks are undertaken.

All movement in and out of properties are instructed by Legal Services and passed on to the Sundry Debt Team. The Sundry Debt Team will be instructed further if there are discrepancies and disputes.

Any decision to cancel or reduce charges and /or refund money is instructed from the relevant issuing department.

For commercial Rent, weekly meetings are held with the department and where arrears are increasing with no formal repayment arrangement in place instructions/guidance must be sought from Property Services.

Recovery actions are:

For continuing tenancies a warrant can be issued, without a court order, to the Enforcement Agency. This should not become a standard action as the debtor will just wait for that to happen each time. Issuing a warrant could mean the contents of the property being removed which could mean trading ceases so this must be taken into consideration.

Property Services can consider termination of the tenancy.

A court summons will be considered if there are arrears after the tenancy has been terminated.

For Leasehold Service Charges, we send out monthly reminder letters and consider further recovery when a Leaseholder does not pay anything for 2 quarters. Manual efforts to contact the Leaseholder will continue before a decision is made to take Legal action.

In some instances, the lender will pay on the Leaseholder's behalf, but many will request that we have a judgement first. The debt will be referred to the council's legal department to issue a county court summons, obtain a judgement, then a charging order.

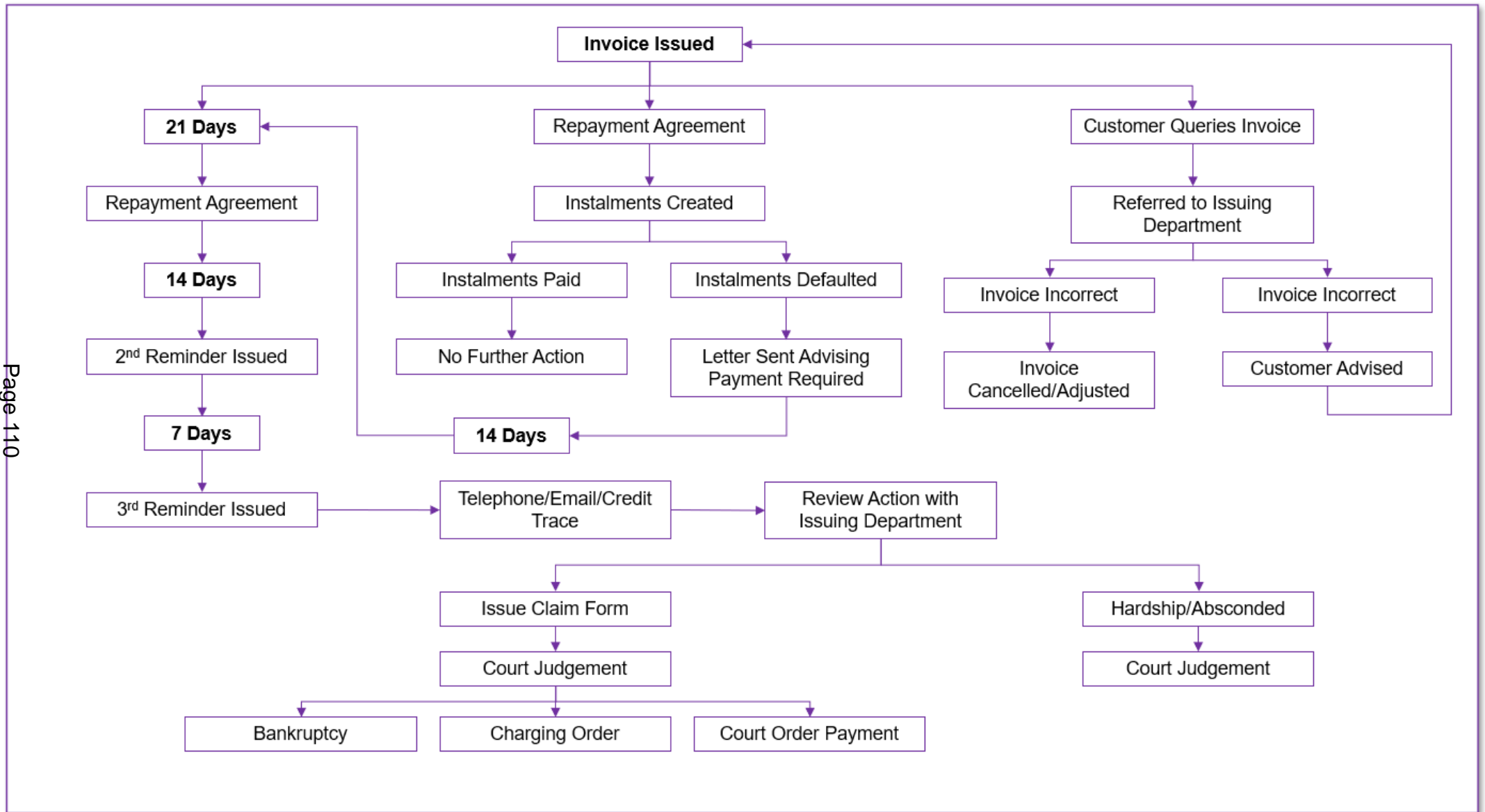
Across all debt streams, once all necessary actions have been taken, if we still cannot reach a resolution, a referral for court action is progressed to the legal department.

The following actions apply:

- Letter before Action
- County Court Summons
- Judgement

We can enforce the judgement by:

- Obtaining a Charging order
- Bankruptcy
- Attachment of Earnings



Adult Social Care and Support

Charges for Care and Support

A person or their legally empowered representative should be informed that care and support is a chargeable service prior to council funded care being arranged.

A financial assessment or “light touch” (see Fairer charging policy) assessment will be carried out to establish how much an individual can afford to pay, except where a person doesn’t wish to have an assessment and agrees to pay the full cost for care.

The person’s authority and agreement must be obtained before sending invoices to a representative, unless that person has legal authority, such as lasting power of attorney (LPA) for property and finances.

The outcome of the financial assessment will be confirmed in writing to the person, as well as information about how and when charges will be collected, and how to request a review or appeal a charge.

The Care Act 2014, provide a framework that enables a council to charge a person when it is arranging to meet care and support needs and allows the Council to take the appropriate debt recovery action.

Guiding Principles

- The council’s statutory duty of care towards people assessed as needing care and support services remains. It should also consider how different approaches might impact on a person’s wellbeing, in line with the general duty to promote a person’s wellbeing.
- If there are doubts about a person’s capacity or safeguarding concerns, including financial abuse, the matter will be referred to social care professionals.
- Where a Deferred Payment Agreement (DPA) could be offered i.e. a person meets the eligibility criteria for a DPA, debt recovery through County Court does not apply unless the person has been offered a DPA as a means to recover sums owed in the first instance. Only where a person is not eligible or has refused, will the council proceed to recover the debt through the County Court.
- If an individual, or the person acting as their representative, fails to pay the contribution within the timeframe specified, the council will initiate debt recovery action.
- Before pursuing any debt recovery action, the local authority must be satisfied that it has undertaken its Public Sector Equality duties.

Reasons for Non-Payment or Disputed Invoices

A dispute may arise for various reasons. Where an invoice is disputed debt recovery will not be started and any existing action will be halted until the dispute is resolved. investigated fully and resolved in a timely manner. Reasons for non-payment can include.

- **Issues with service delivery** - This may be due to service not being received or the person being dissatisfied with the standard of service received. This should be raised with your Social Worker and Adults in the first instance.

- **Person believes they are entitled to Continuing Healthcare (CHC)** – If a person believes they are entitled to continuing health care (CHC) funded by the NHS, and is awaiting the outcome of an assessment, invoices for any social care funded service will continue to be sent until CHC funded care has been confirmed. This should be raised with your Social Worker and Adults in the first instance.
- **Person states they cannot afford the charge** – If a financial assessment has been undertaken then the person should be able to afford the charge. Disputes tend to arise if the person has outgoings, such as credit card bills or loan repayments which are not an allowable expense. The person will be supported with getting debt management advice by referral to relevant agencies.
- **No attorney or deputy in place** - In some cases the person will lack capacity and there will not be anyone with the authority to act on the person's behalf. Invoices should continue to be issued, but recovery actioned suspended until someone has been given legal authority to act for the person.

Recovery of Charges

When an invoice is not paid by the due date, the council will consider the full range of options available to recover debt. Within the Care Act is an obligation to have considered and evidenced well-being. This should be followed through within debt recovery processes.

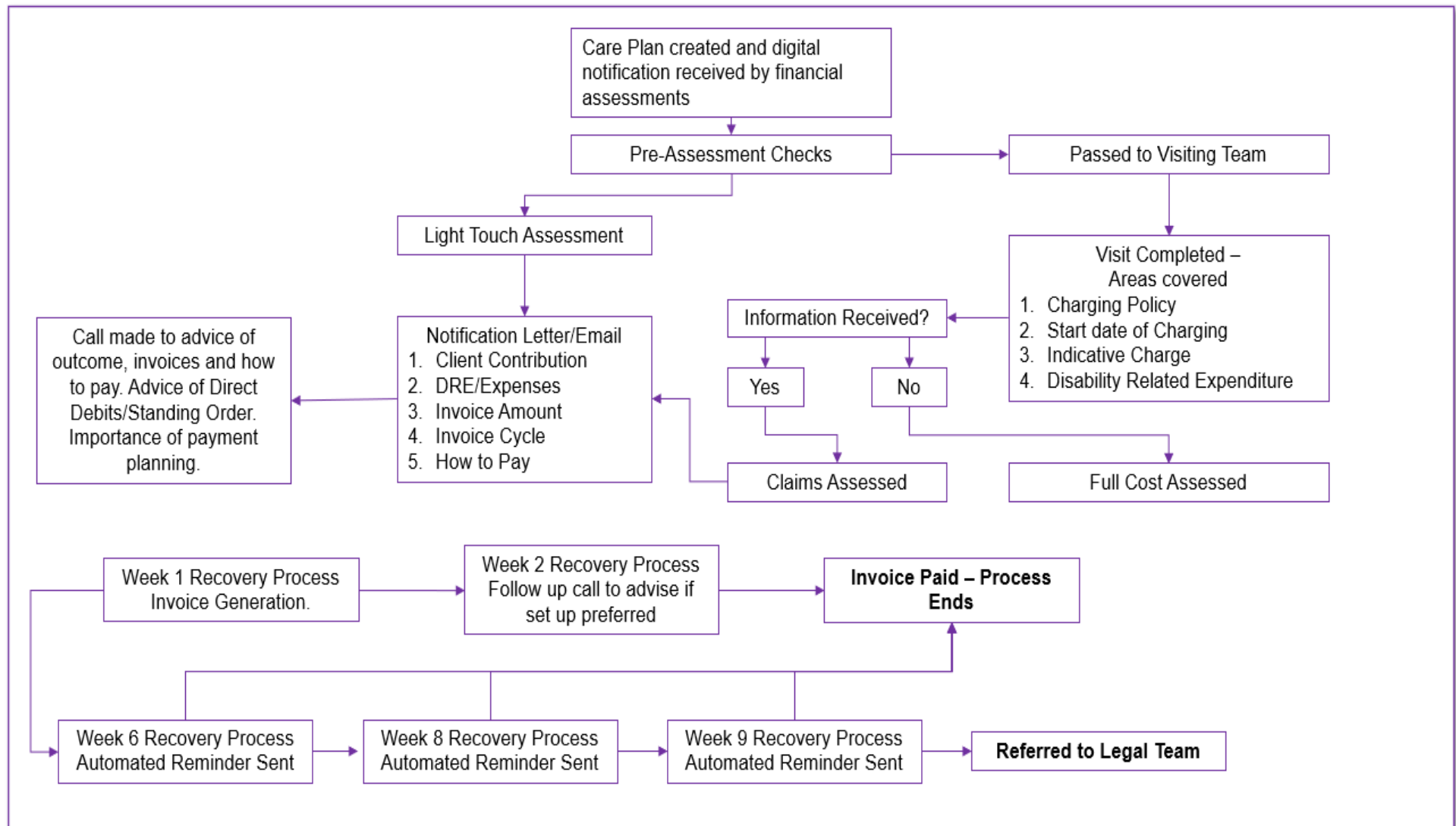
Options may include negotiating a repayment plan, using an advocate to help the person understand the options available to them, supporting the family to gain a power of attorney or deputyship, the local authority itself applying to be a deputy or the use of independent mediation.

If a person has mental capacity to make financial decisions, the council may proceed to recover debts owed through the County Court, this action will be taken as a last resort, after all reasonable alternative avenues have been taken to recover the debt and it is economically viable to do so. The council will have regard to [Practice Direction – Pre-Action Conduct and Protocols - Civil Procedure Rules](#) provided by the Ministry of Justice and any associated guidance when doing so.

Recovering from an estate

The council will make a claim against the estate of a deceased person.

The process for citation and application for a grant to a creditor is governed mainly by the Non-contention Probate Rules 1987



Rents

The setting of the rent for council properties and other housing charges is a Cabinet function. The basis for setting rent is Section 24 of the Housing Act 1985 which provides that a local housing authority may make such reasonable charges as they determine for the tenancy or occupation of their houses.

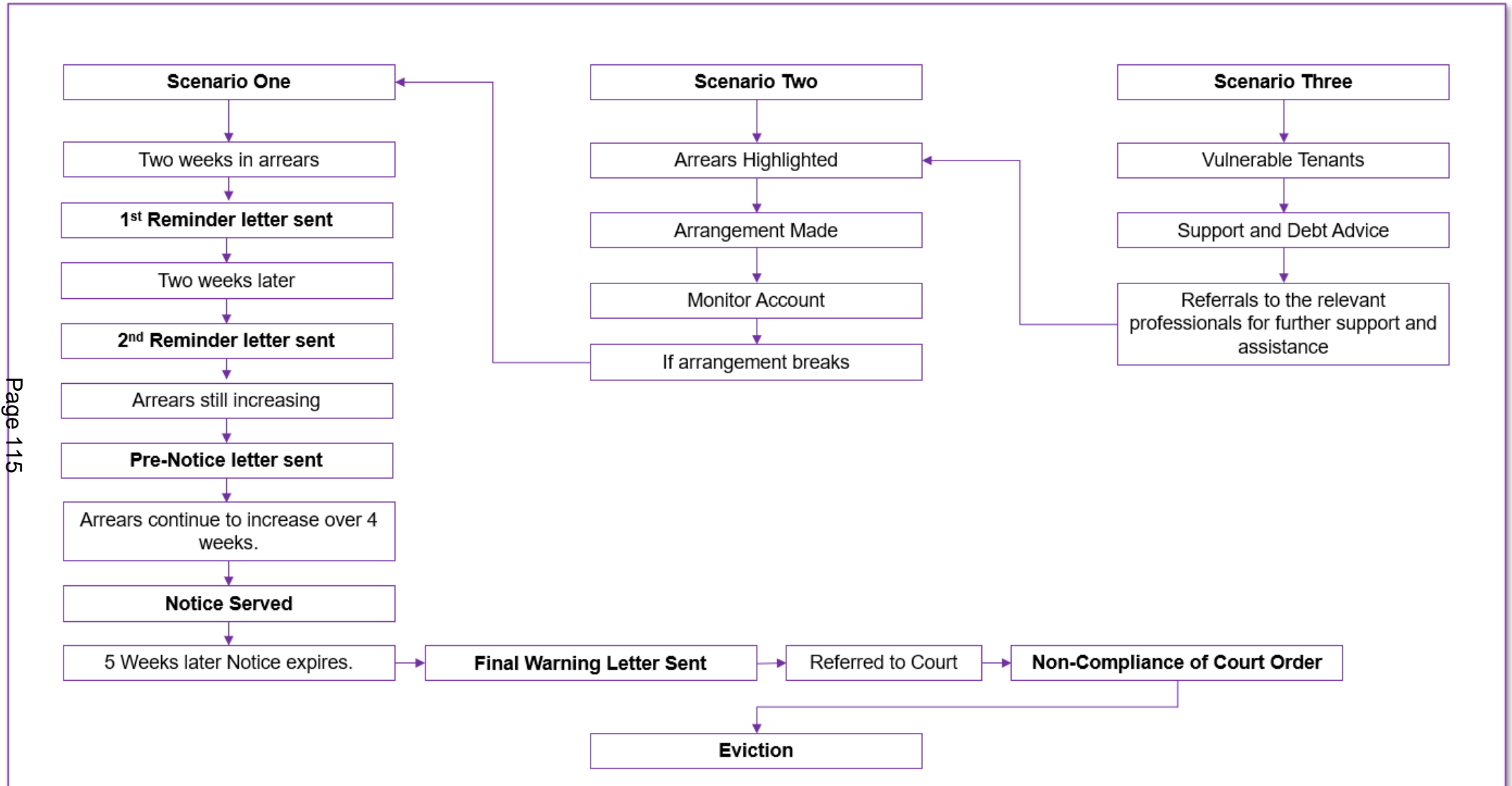
Rent for council properties are charged weekly, the amount of rent payable is dependent on the number of bedrooms and type of property.

Recovery Process

- Non- payment of rent for 2 weeks prompts recovery action and automated reminder letters are sent.
- If over 4 weeks full rent is not paid and there has been failure to engage and make a reasonable arrangement to clear the rent arrears. A Notice Seeking Possession will be served to the tenant/s. (If it is an Introductory tenancy a Notice of Possession Proceeding will be served)
- If the arrears are cleared before the expiry date on the notice that notice is no longer valid.
- If all the rent arrears cannot be cleared during this period an appropriate arrangement can be made by the tenant and the Rents department, if this is adhered to, no further recovery action is needed. But the notice will be valid for one year.
- Once the notice has expired if there has been no arrangement made or engagement by the tenant, recovery action will continue.
- Once the Final Warning Letter has been sent if the arrears continue to increase and there is still no engagement the case will be referred to our Court Team.
- Pre-action protocol will be applied to ensure the account meets the criteria for an application to the County Court.
- A possession claim will be logged, and a court hearing date will be set.
- Confirmation of the court hearing date and time will be sent to the tenant with a rent statement and what type of possession order we intend to seek based on current position of the rent account.
- Case will be presented to the District Judge at County Court and relevant possession order/court outcome will be requested.
- The tenant will be notified and has the right to be in attendance at the court hearing.
- If the terms of the possession order are not complied with then consideration will be given to applying for an eviction warrant.
- Eviction Ratification process will be undertaken to try and establish tenant's circumstances, this will be presented to a Senior Housing Panel where a decision will be made as to whether to proceed with an eviction.
- If an eviction is approved a request for a warrant will be submitted to the County Court.
- Confirmation of this will be sent to the tenant.
- Tenant has right to make an application to the County Court to suspend the eviction warrant.
- If no submissions are made the warrant will be executed.

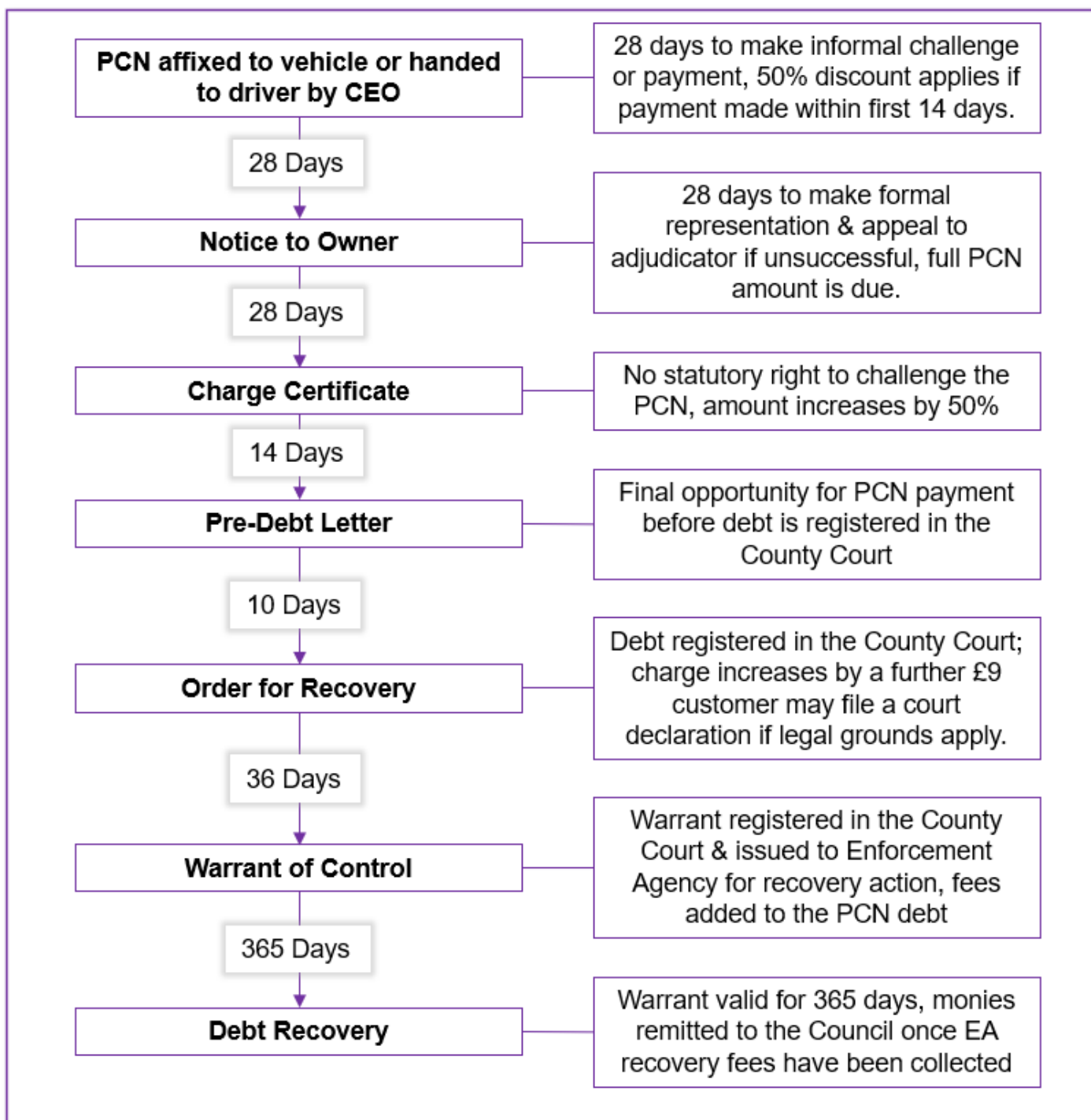
During the entire rents recovery process tenants are actively encouraged to engage and make an arrangement with the Council to pay their rent arrears to prevent evictions.

Please see flow chart for Rent Recovery Process.

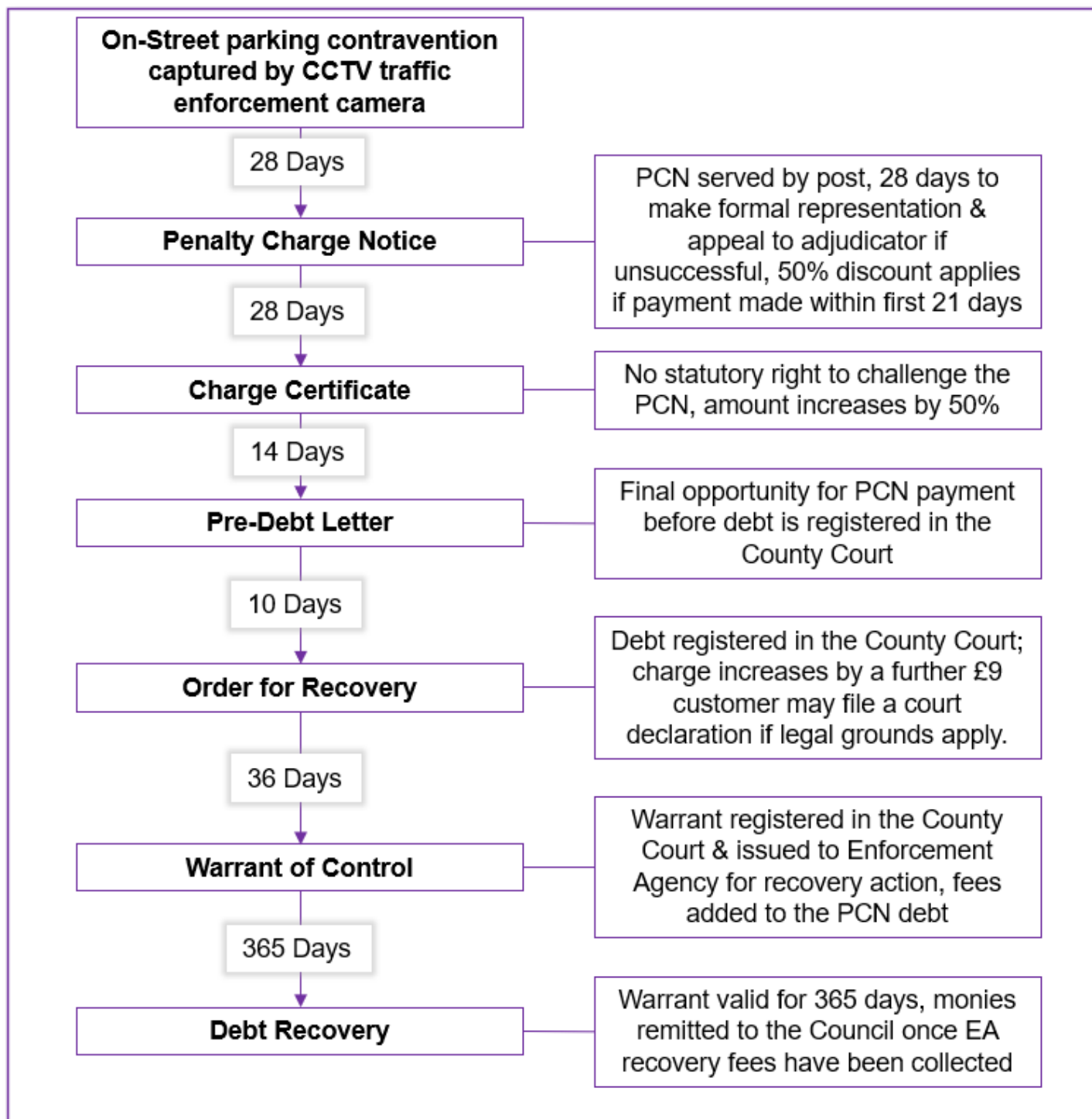


Parking

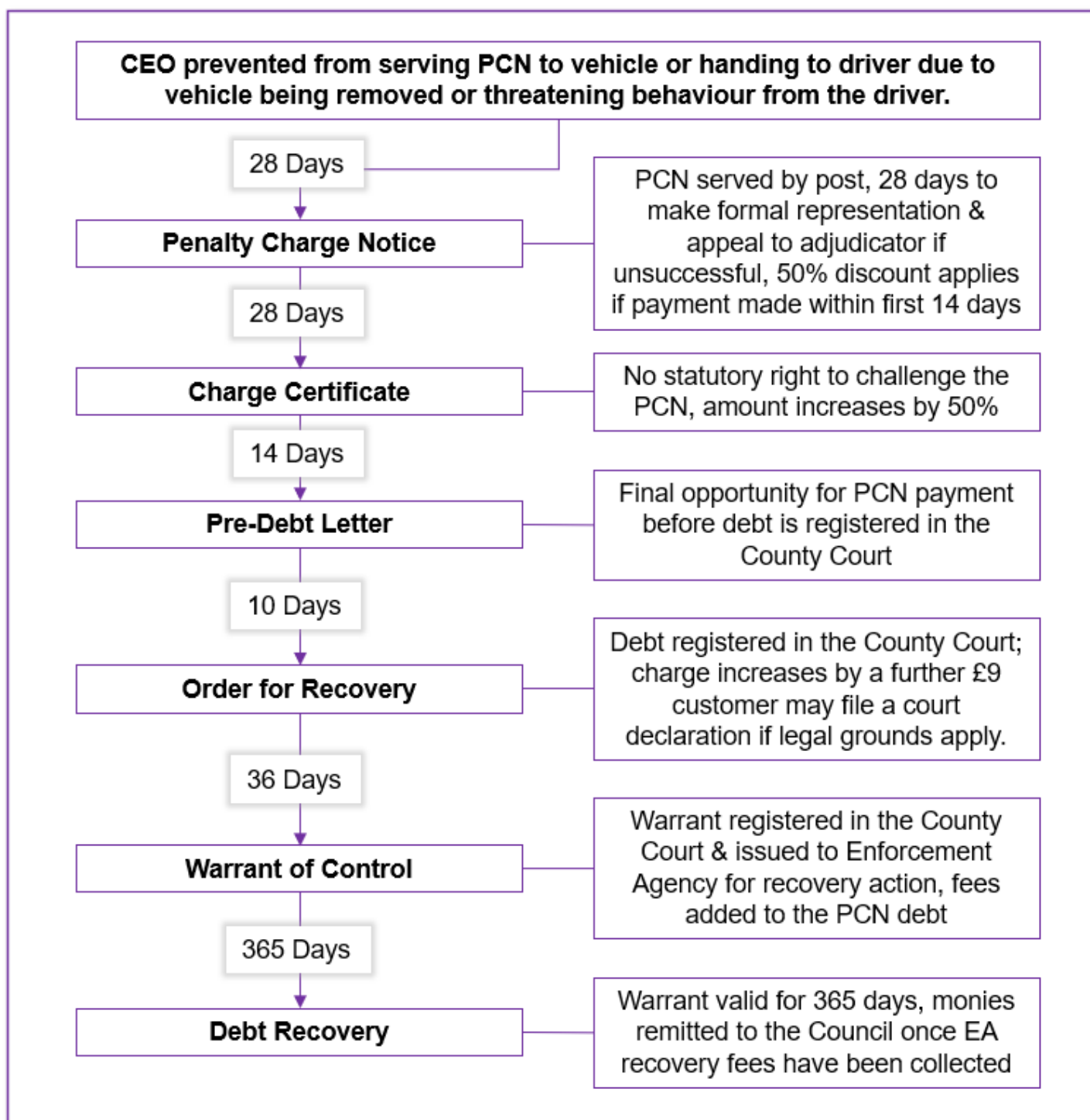
PCNs served by Civil Enforcement Officer under the Traffic Management Act 2004



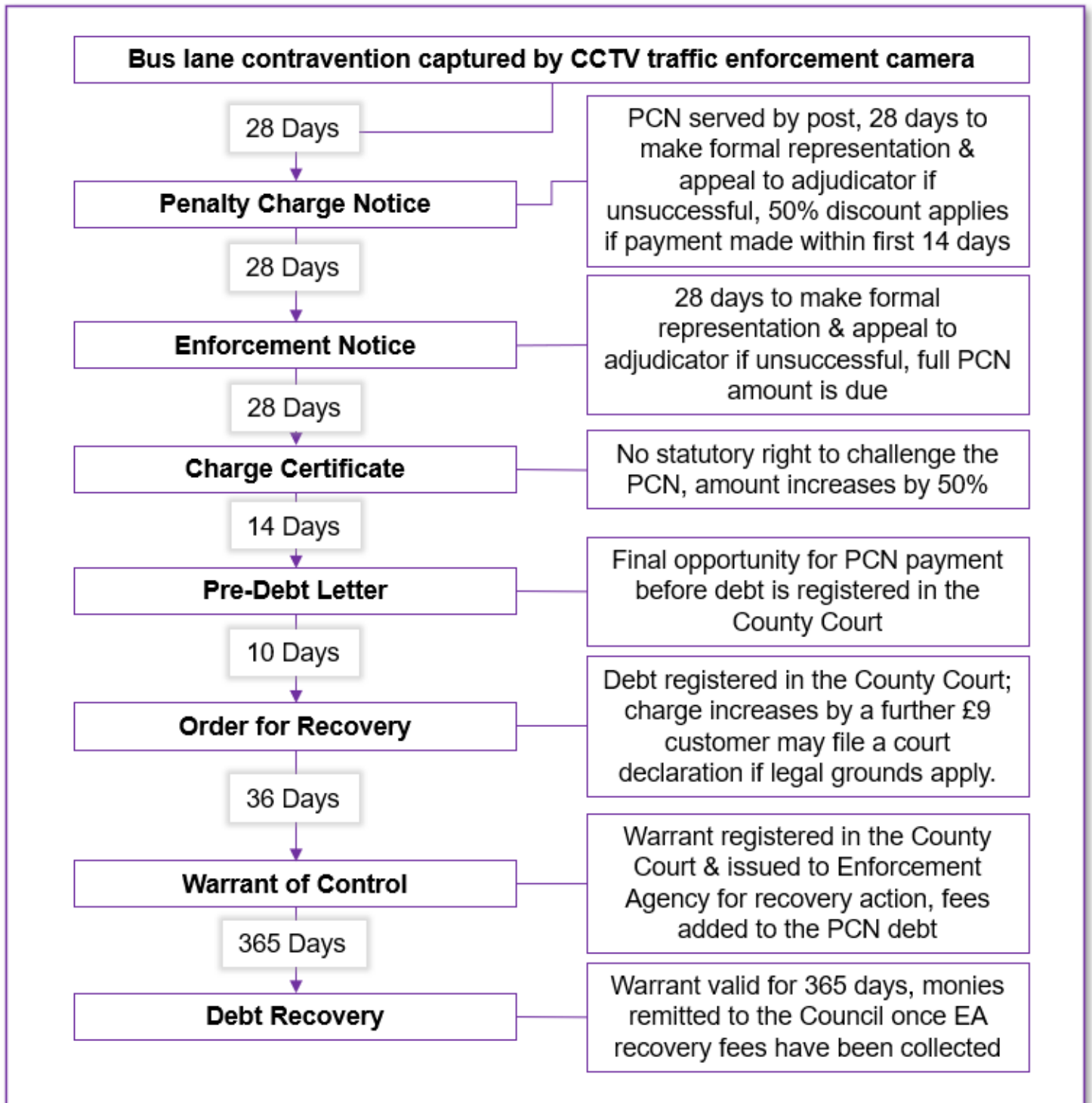
PCNS served by post under the Traffic Management act 2004 – CCTV Capture



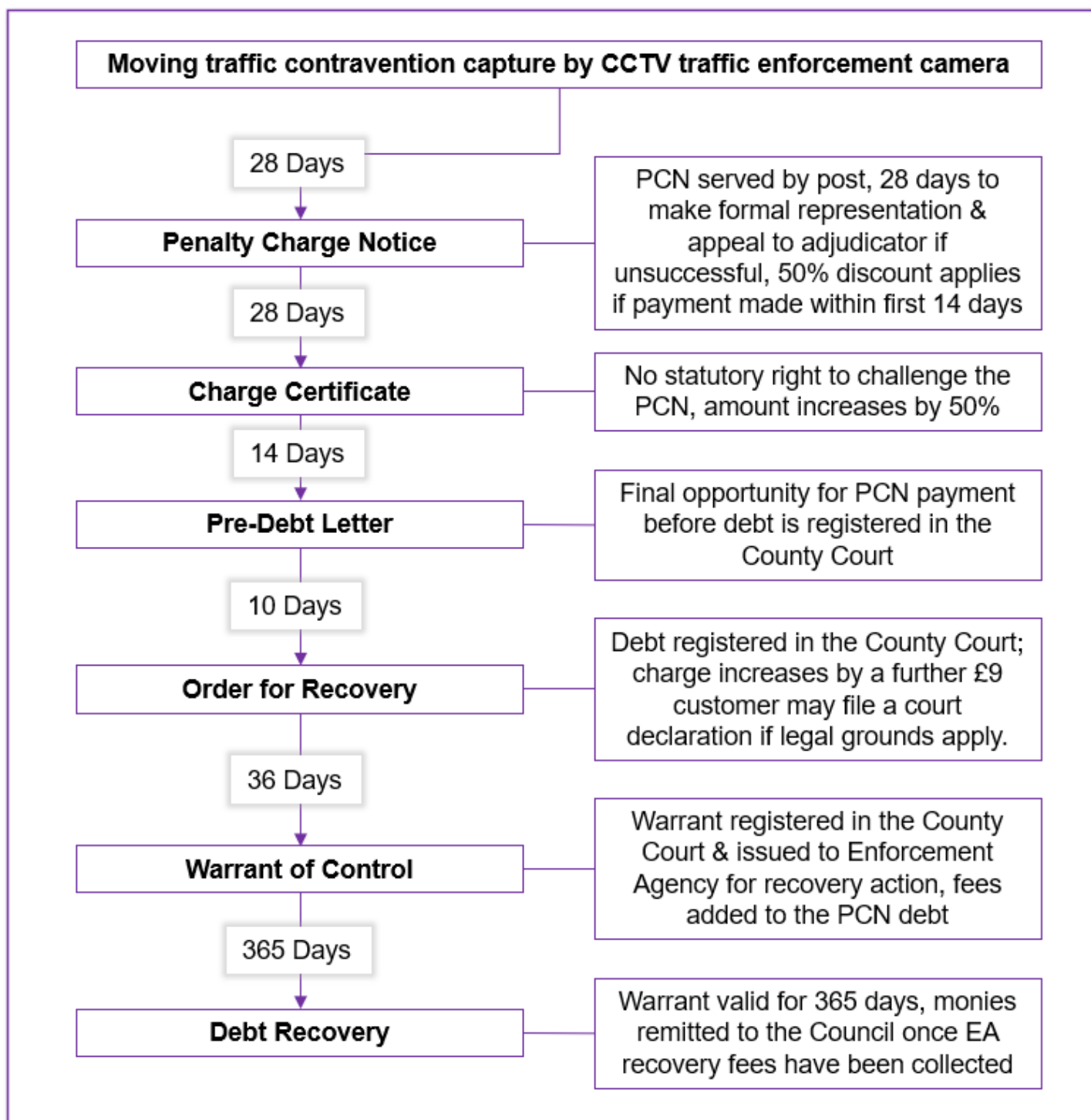
PCNs served by post under the Traffic Management Act 2004



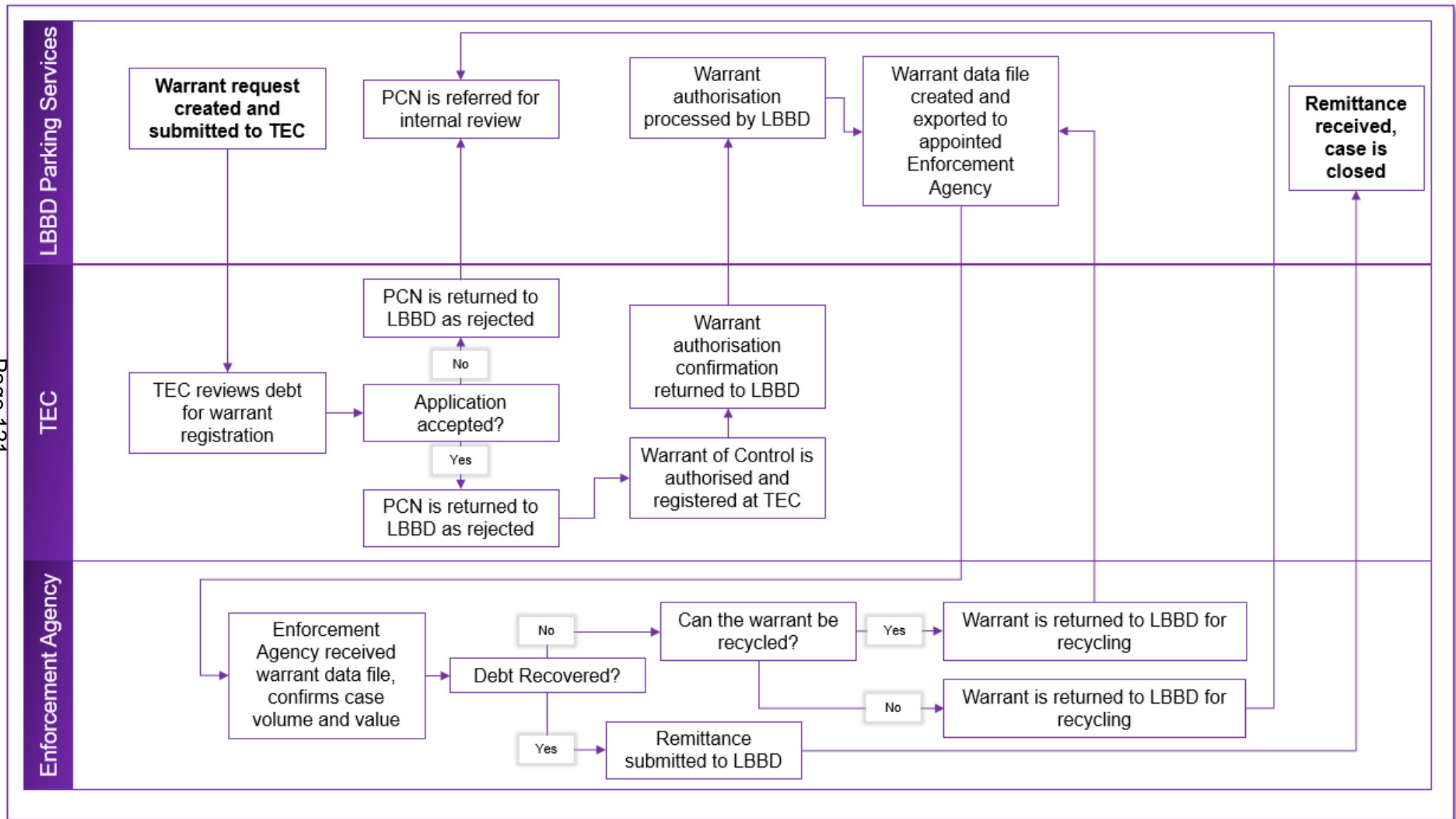
PCNs served by post under the Road Traffic Regulation Act 1984 and the London Local Authorities Act 1996



PCNs served by post under the London Local Authorities and Transport for London Act 2003



Requesting a warrant of Control and Allocating it to an Enforcement Agency



Tracing

The Council will make all necessary attempts to trace any debtor that has absconded to ensure that payment is received. This will include checking internal and external sources of information and sharing information with other authorities and using tracing agents as appropriate.

Enforcement Agents and Enforcement Agents Management

The ability to refer debt to Enforcement Agents is an important tool in the recovery process. The Council appreciates the sensitivity attached to the use of Enforcement Agents.

The Council will seek to use Enforcement Agent only where it has determined that this is the most effective collection method for the debt in question.

Enforcement Agents will be selected with regard to their performance and customer service standards and capabilities. The council will balance the requirement for effective debt collection with the reasonable and lawful behaviour of its Enforcement Agents functions and contractors.

Enforcement Agents performance and contract management will be in place to ensure that compliance with codes of conduct good practice. The Council manage performance across a range of areas including charges, hours of operation, levels and accuracy of distraint, entry and re-entry.

Enforcement Agents payments and incentives will be reviewed as part of the procurement process to align performance to council objectives, maximise income and minimise cost to the council and the customer.

Enforcement Agents services will comply with the National Standards for enforcement agents - [Bailiffs and enforcement agents: national standards - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

Treatment of costs

The Council will seek to levy and recover all costs and fees that are legitimately due from the debtor to the Council or its agents. Only in cases where it would not be in the public interest to pursue costs/fees will they be waived.

A distinction will be drawn between costs which are withdrawn because they were charged incorrectly and costs which are written off because they are considered to be irrecoverable under the guidance of this policy.

Where costs are considered as irrecoverable, they shall be treated in the same manner as other debts for the purpose of this policy.

6. Debt Write-Off Policy

Purpose of the Write-off Policy

Barking & Dagenham Council aims to collect all income due but, in some circumstances, this will not be achievable because it is uneconomic or is not in the interests of the council or the debtor to take action to recover the debt.

This policy details the circumstances where debts may be written off and the procedures that must be followed to comply with the Financial Procedure Rules and to accurately record the write-off. The rules for writing off irrecoverable debts are those contained within the Council's Financial Rules.

In considering the approval to write off a debt the authorising staff shall give consideration to:

- This Policy
- The interest of the local community
- The Council's fiduciary duty
- The rights of the customer and the effect of continued enforcement action

Financial Regulations

The authority for writing off debt is replicated in the Council's Financial Procedure Rules. De Minimis value debts will be written off after following the reminder process.

Debts above the de minimis will be referred for write-off in the following situations:

a) Bankruptcy and/or Liquidation

Upon receipt of the notification, a claim should be lodged with the receiver for the amounts due at the date of bankruptcy and/or liquidation. All or part of the debt may be reinstated if the Receiver subsequently recovers any monies. (Separate guidance notes are available for calculating the debt due at the date of bankruptcy and/or liquidation.)

b) Individual Voluntary Arrangements, Administration Orders and Debt Relief Orders

Where debts have been included in a County Court decision, the full debt will be passed for write-off. The debt (or part) will be reinstated if any monies are recovered or if the Orders are later revoked.

c) Absconders

In cases where debtors move leaving debts, comprehensive checks will be made including the use of third-party organisations and local sources. Where these checks fail to locate the debtor's current whereabouts the debt will be written off. If the debtor reappears then the write off will be reversed and recovery reinstated.

d) Costs

In all cases where a summons is issued, court costs, are added to the amount owed. If the costs exceed the amount of the debt staff have the discretion to reduce the amount of costs to the court's element of the charge only providing the summons debt is paid in full before the court hearing date.

e) Vulnerable Debtors

In exceptional cases, debts can be incurred by vulnerable debtors such as those with

terminally illnesses. Consideration should be given to writing off these debts if there is evidence of exceptional vulnerability, there is no realistic prospect of recovery or recovery of the debt would cause additional deprivation or hardship.

f) Extreme Hardship

Where a debtor is paying the maximum, they can afford based on an assessment of their income and expenditure, and a large amount of arrears remains outstanding, some of the arrears may be considered for write-off on the grounds of hardship. (Note: Consideration of use of the Local Assistance Hardship Fund at Appendix C and any entitlement to benefit must have been investigated before being written off).

The debtor will be requested to complete an income and expenditure enquiry form annually and if their circumstances remain largely the same a full report will be prepared with a view to writing off all or part of the debt.

g) Old Debts

Debts over three years old, where no payments have been received for 12 months, will be reviewed, and may be written off providing a liability order has been granted and all recovery options have been exhausted.

Credit balances with no forwarding address, generally arise where an account has been closed and a credit balance remains. If the forwarding address is not known and the credit cannot be refunded via BACS direct into the taxpayer's bank account, the credit balance will be written back.

h) County Court Judgement Debts

Where a County Court judgment has been made but there is no remedy to enforce the judgment, debts will be passed to Enforcement Agents. Where they are subsequently returned uncollected, they will be written off.

Debts may also be written off where the debtor's circumstances are such that court action would not be appropriate due to:

- Being in receipt of long-term state benefit and for housing benefit overpayments no state or local benefit is being received.
- Vulnerability – such as the elderly, frail, disabled, and terminally ill and where evidence exists of the debtor's reduced mental capacity or inability to deal with their own financial affairs, and there is no-one either able or appointed to act on their behalf.
- Hardship – the debtor's financial circumstances which will have been ascertained through the completion of an income and expenditure form.

i) LA Error

There are instances whereby the Local Authority does not pursue the debt as it was created by official error and the individual, to whom the debt relates, did not contribute or could have been aware that they were overpaid or liable to pay the debt.

This must be considered when reviewing any debts created by overpaid Housing Benefit. These debts are considered non recoverable in accordance with Regulation 100 of the Housing Benefit General Regulations 2006.

Authorisation Process

A Write off or non-recoverable form must be completed on all cases to confirm debt type, period of overpayment, or write off, amount and reason.

Any member of staff, Member or Contractor who has an interest in any debt must not participate in the decision-making process regarding the write off, of the debt and must declare their interest.

For the purposes of this policy an interest includes those in the following list, however, the list is not intended to be exhaustive. Where a member of staff is unsure whether they have an interest, they should seek advice from their line manager or internal audit.

- The debt is owed by a relative, including relatives by marriage.
- The debt is owed by a relative of a current or former partner.
- The debt is owed by a friend or neighbor.
- The debt is owed by an organisation of which you are a member.
- The debt is owed by an organisation of which a relative is a member.
- The debt is owed by a company or individual with whom you have a business relationship.

All write-offs must be approved by a duly authorised officer as shown in the Council's Financial Procedure Rules.

For write-offs exceeding the de minimis value a write-off form must be retained with details of the debt(s) written off and the appropriate authorisation obtained.

For debts under the de minimis value and after following the reminder process a monthly write off schedule from a system report will be produced and retained for audit purposes.

The staff authorised to write off debts along with their authorisation limits are listed below:

Amount	Job Title
Up to £5,000	Team Leaders/Relationship Managers/Service Managers
Between £5,001 & £10,000	Head of Service
Between £10,001 & £20,000	Director/Strategic Director
Above £20,001	Deputy or Section 151 Officer

Performance Monitoring

The Council will monitor the implementation of the process to ensure that it is effective. Monitoring will include:

- Quarterly Reports to Cabinet on Debt Management performance and write off levels
- quality checks on work processes to ensure fairness and consistency.
- audit and quality checks on work processed by individuals.
- rate of collection – to identify our performance against the targets set for the collection of debts.
- number of cases at each stage of the recovery process
- complaints received – to assist us with making service improvements.

- setting targets to improve performance.
- regular monitoring of Service Level Agreements

7. Unclaimed credits policy

Purpose of the unclaimed credits policy

In certain circumstances customers pay more than has been charged creating a credit on their account. It is always the aim of Barking and Dagenham that any credit is refunded as soon as is practicable. Refunds can only be made via BACS.

Credits can occur for several reasons:

Council Tax – credits can occur where a retrospective change has occurred

- band is reduction.
- liability periods are changed.
- a discount is applied or adjusted.
- an exemption is applied or adjusted.
- Council Tax support is applied or adjusted.
- enforcement costs are withdrawn.
- The customer has paid more than charged in error.

Where the customer has not requested a refund and has a recurring charge

Business rates – credits can occur where a retrospective change has occurred

- ratable value reduction
- liability periods are changed.
- relief is applied or adjusted.
- an exemption is applied or adjusted.
- enforcement costs are withdrawn.
- The customer has paid more than charged in error.

Sundry debt/HB Overpayments – credits can occur where a retrospective change has occurred

- Invoice amount is adjusted.
- Invoice is cancelled.
- The customer has paid more than charged in error.

Where the customer has not requested a refund and has a recurring charge any credit will be transferred to the new charge.

Circumstances where credits will be written off

In some circumstances it is not possible to refund or transfer the credit, this includes the following:

- a) The customer has left the borough and cannot be traced. Every effort will be made to trace customers that have overpaid but where it is not possible the credit will be written off.
- b) The customer has died and next of kin cannot be traced.
- c) The customer has not provided BACS details, no longer lives in the borough, and will not respond to correspondence.
- d) A period of six years has elapsed.

Write off reversals.

Where a customer subsequently makes contact or is traced, any credits that have been written off will be reversed and the customer will be refunded in full.

The authorisation process below will be used for the writing off credits.

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CABINET**18 June 2024**

Title: Draft East London Joint Waste Plan Regulation 18 Consultation	
Report of the Cabinet Member for Regeneration and Economic Development	
Open Report	For Decision
Wards Affected: All wards	Key Decision: Yes
Report Author: Bronte Smith, Principal Policy Manager, Be First	Contact Details: E-mail: bronte.smith@befirst.london
Accountable Director: Caroline Harper, Deputy Managing Director, Be First	
Accountable Executive Team Director: Rebecca Ellsmore, Strategic Head of Place and Development	
Summary	
<p>This report seeks approval to publish the draft East London Joint Waste Plan (ELJWP) for public consultation under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012.</p> <p>This draft ELJWP has been prepared with the other East London Authorities of Havering, Newham and Redbridge. The new Joint Waste Plan will cover the period to 2041 and, once adopted, will supersede the current Joint Waste Plan and form part of LBBD's Development Plan alongside the draft Local Plan 2037 (once adopted).</p> <p>The ELJWP will provide the strategic vision and objectives for the sustainable management of waste in East London and help make sure that there continues to be sufficient capacity to manage waste in East London in the most sustainable way.</p> <p>The evidence base for the ELJWP demonstrates that there is a significant surplus capacity for waste management facilities in East London. As such, the ELJWP seeks to release five existing waste sites in the borough from safeguarding as a waste use, on the basis that they conflict with land use policy and Council's ambitions set out within the draft Local Plan 2037.</p> <p>This is the first formal opportunity for consultation on the ELJWP. Formal statutory consultation on the ELJWP is due to commence in late July and will run for 6 weeks. Consultation will be undertaken in line with the legislative requirements and LBBD's Statement of Community Involvement 2020.</p>	
Recommendation(s)	
The Cabinet is recommended to:	

- (i) Agree the publication of the Regulation 18 Draft ELJWP at Appendix 1 to the report, its related policies map and supporting information, for a six-week statutory public consultation anticipated to commence in late July 2024;
- (ii) Delegate authority to the Strategic Head of Place and Development, Inclusive Growth (or equivalent) to finalise the draft ELJWP and supporting information, including appendices, related evidence base and topic papers, prior to undertaking the Regulation 18 public consultation;
- (iii) Delegate authority to the Strategic Head of Place and Development, Inclusive Growth (or equivalent) to make the arrangements for statutory public consultation, in accordance with the Consultation Protocol attached at Appendix 2 to the report; and
- (iv) Note the related Draft Integrated Impact Assessment and the Draft Habitats Regulation Assessment attached at Appendices 3 and 4 respectively to the report.

Reason(s)

This Regulation 18 Draft ELJWP has been prepared to provide the planning framework for waste management in East London.

Cabinet’s approval of the Draft ELJWP will enable the commencement of public consultation required by Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012 and ensure that LBBDD meet their statutory requirements.

1. Introduction and Background

- 1.1. Waste Planning Authorities are required to prepare Waste Plans under the National Waste Management Plan for England and the National Planning Policy for Waste (NPPW). LBBDD has responsibilities as both a Waste Collection Authority and a Waste Planning Authority. Waste disposal functions are carried out by the East London Waste Authority.
 - 1.1.1. The East London Waste Authority Waste Planning Authorities of Barking and Dagenham, Havering, Newham and Redbridge adopted the current Joint Waste Development Plan Document in 2012.
 - 1.1.2. In September 2023, LBBDD entered into an agreement with Havering, Newham and Redbridge to work collaboratively to develop a new Joint Waste Plan that meets the duty to co-operate, establishes a framework of policies and ensures that there continues to be sufficient capacity to manage waste in East London.
- 1.2. The East London Joint Waste Plan (ELJWP) will provide the planning framework for waste and aims to integrate circular economy principles, manage waste in a sustainable way and appropriately locate waste management facilities. It will form part of LBBDD’s Development Plan alongside the Local Plan and will cover the period until 2041. The draft ELJWP (Regulation 18) is attached at Appendix 1.

- 1.3. The ELJWP will provide the strategic vision, objectives and development management policies for the sustainable management of waste in East London and seeks to ensure that there continues to be sufficient capacity to manage waste in East London in the most sustainable way.
- 1.4. The ELJWP must be prepared in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012 (the Regulations). This requires the ELJWP to be (amongst other things):
 - Subject to public consultation;
 - Submitted to the Secretary of State to undergo an independent examination; and
 - Subject to a Sustainability Assessment and Habitats Regulation Assessment to test the impacts of the plan throughout its preparation.
- 1.5. LBBD's Statement of Community Involvement (SCI) sets out how the Council will engage with local and statutory stakeholders on planning matters in the borough. The Consultation Protocol (Appendix 2) sets out the approach to public consultation, in line with the SCI.
- 1.6. The other East London Authorities (Havering, Newham and Redbridge) are simultaneously seeking approval through their respective governance structures to proceed with the public consultation of the draft ELJWP. It is critical that all East London authorities agree to proceed with the Regulation 18 public consultation to ensure that we are able to meet our statutory requirements.

2. Proposal and Issues

- 2.1. In addition to meeting our statutory requirements as a Waste Planning Authority, the ELJWP also sets a vision for the more sustainable management of waste, aims to encourage a reduction in waste production and achieve net zero in waste management by 2041.
- 2.2. The strategic vision and objectives of the ELJWP align with LBBD's ambitions to be a carbon neutral council by 2030 and carbon neutral borough by 2050.
- 2.3. The Draft ELJWP has been prepared in line with the relevant legislation, government policy and guidance.
- 2.4. The Integrated Impact Assessment (Appendix 3), which includes the Sustainability Appraisal, Equalities Impact Assessment and Health impact Assessment, and the Habitat Regulation Assessment (Appendix 4) have also been developed alongside the ELJWP.

Content of the ELJWP

- 2.5. A summary of the ELJWP chapter contents is set out below:
 - 2.5.1. **Chapter 1** provides the introduction and background to the ELJWP.
 - 2.5.2. **Chapter 2** sets out the existing geographical and policy context, and the current approach to waste management in East London.

- 2.5.3. **Chapter 3** provides the strategic vision and objectives for the sustainable management of waste in East London to ensure that there continues to be sufficient capacity to manage waste in East London in the most sustainable way.
- 2.5.4. **Chapter 4** considers the future waste management capacity required in East London to ensure that the London Plan requirements are met.
- 2.5.5. **Chapter 5** sets out the approach to safeguarding waste sites in East London.
- 2.5.6. **Chapter 6** sets out the development management policies of the draft ELJWP. These policies seek to:
- Reduce waste and promote the use of circular economy in all development, including waste development;
 - Safeguard existing waste uses to prevent loss of capacity and prevent encroachment;
 - Avoid new waste development in unsuitable areas, or where additional waste management capacity is not required;
 - Improve the design of new waste management facilities;
 - Provide requirements for energy from waste facilities; and
 - Minimise the landfill of inert waste and minimise the potential impact of landfills.
- 2.5.7. **The appendices** of the Joint Waste Plan set out the list and related maps of sites that would continue to be safeguarded, sites that have been identified as potentially suitable for the future release from safeguarding, and the policies from the 2012 Joint Waste Plan that have been replaced.

- 2.6. The updated ELJWP accounts for changes in the policy landscape, including a new London Plan and updates to national planning policy, that have occurred since the 2012 Plan was delivered. The ELJWP also considers:
- The evolution of waste management technologies and approaches and emergence of the 'Circular Economy' as a concept;
 - Current and emerging local conditions including a need to release existing safeguarded waste sites to alternative development, including housing; and
 - Changes in patterns of waste production.

Releasing sites from safeguarding

- 2.7. Policy S18 of the London Plan sets out that all existing waste sites should be safeguarded and retained in waste use. The London Plan requires boroughs to allocate sufficient land and identify waste management facilities to provide capacity to manage waste apportioned in the London Plan, as well as plan for those waste streams not apportioned by the London Plan. Existing waste sites can only be released without re-providing capacity where it can be demonstrated that there is sufficient capacity and the target of achieving net self-sufficiency is not compromised.
- 2.8. The 2022 Evidence Base for the ELJWP sets out that there is a significant surplus capacity for waste management facilities in East London. Updated waste management capacity assessments undertaken as part of the ELJWP further

demonstrate that, other than for landfill, there is a surplus of capacity for the management of current and forecast future waste arisings.

- 2.9. Therefore, there is no need for development of additional capacity to meet the London Plan apportionments within the Plan area and on this basis, the ELJWP does not propose additional sites be allocated for waste management capacity. The Plan proposes the safeguarding of most existing sites and will allow additional waste development in exceptional circumstances.
- 2.10. Noting the surplus capacity available, the ELJWP seeks to release five existing waste sites in the borough from safeguarding as a waste use. This is on the basis that they conflict with land use policy and Council's ambitions to utilise the sites for broader housing or commercial land uses, as set out within the draft Local Plan 2037.
- 2.11. Releasing the sites from safeguarding as a waste site removes future barriers to changing the use from a waste use to other land uses to enable development to come forward consistent with the policy set out in the draft Local Plan 2037. Releasing sites from safeguarding does not change the use of the site or affect the ongoing operations of existing waste uses occurring on site. These sites are set out in Appendix 5.

Next steps

- 2.12. The Regulations set out the stages required to prepare the ELJWP. Regulation 18 of the Regulations requires the Waste Planning Authority to notify and invite representations from key stakeholders and communities on the content of the Plan.
- 2.13. The Regulation 18 consultation period is the first formal opportunity for stakeholders to contribute to the new ELJWP. This consultation is proposed to take place for a period of six weeks between late July and early September 2024, subject to approval from all East London Authorities.
- 2.14. Following this consultation period, the Draft ELJWP will be reviewed and updated to reflect matters raised through consultation. It will then be published for representations under Regulation 19 of the Regulations, and subsequently submitted for independent examination. The East London Authorities are targeting an adoption date of 2026 for the ELJWP, subject to Cabinet's further approval.

3. Options Appraisal

- 3.1. The options considered were:
 - 3.1.1. **Option 1: Develop the updated ELJWP with East London Authorities** – Proceed with the development of the draft ELJWP to ensure that we are meeting our statutory requirements, and to promote the sustainable management of waste, and to ensure that there continues to be sufficient capacity for waste management in East London.
 - 3.1.2. **Option 2: Do not revise the Joint Waste Plan and rely instead on the adopted version** – Waste Planning Authorities are required to prepare Waste Plans under the National Waste Management Plan for England and

the National Planning Policy for Waste (NPPW). This option will not meet statutory requirements and was not considered viable.

- 3.2. Proceeding with Option 1 was considered to be the only viable option to ensure that we are meeting our requirements as a Waste Planning Authority under the NPPW.

4. Consultation

- 4.1. The ELJWP has been considered by the Head of Planning and the Strategic Head of Place and Development of LBBB's Inclusive Growth directorate. It has been considered and endorsed by the Executive Management Team at its meeting on 23 May 2024.
- 4.2. Consultation has occurred with Councillor Haroon, as the Cabinet Member for Public Realm & Climate Change.
- 4.3. This is the first formal opportunity for external consultation on the ELJWP. Formal statutory consultation on the ELJWP is due to commence in late July and will run for six weeks. The engagement approach meets the legislative requirements and LBBB's Statement of Community Involvement 2020. Further details are provided in the Joint Waste Plan Regulation 18 Consultation Protocol (Appendix 2).

5. Financial Implications

Implications completed by: Sandra Pillinger, Finance Manager

- 5.1. This report considers the draft East London Joint Waste Plan which sets out plans for waste management and the policies on how and where waste should be managed. There are no direct financial implications arising from this report.

6. Legal Implications

Implications completed by: Dr Paul Feild, Principal Governance and Standards Solicitor

- 6.1 By virtue of the Environmental Protection Act 1990 the Council has been established as a waste collection authority. The Council is a member of the East London Waste Authority (ELWA) along with the London Boroughs of Havering, Newham and Redbridge which is the statutory Waste disposal authority.
- 6.2 Section 32 of the Waste and Emissions Trading Act 2003 sets a requirement for waste authorities in two-tier areas to produce a joint strategy for the management of household waste and other similar wastes. Ministerial guidance indicates that these joint strategies should be reviewed and updated every five years at a minimum.
- 6.3 ELWA is tied into the Integrated Waste Management Services Contract until 22 December 2027 so planning has commenced in terms of establishing a waste strategy for collection and disposal that will take over waste management across the four waste collection Boroughs and ELWA the waste disposal authority.
- 6.4 As explained in the body of this report an integrated coherent with ELWA Constituent Council's ELJWP (i.e. Option 1) shall be developed in accordance with

the Town and Country Planning (Local Planning) (England) Regulations 2012 as amended. It prescribes the general form and content of Local Plans and adopted policies map, and states what additional matters local planning authorities must have regard to when drafting their plans.

- 6.5 It is essential that the Council can show with an evidenced audit trail in that developing the ELJWP it has observed the procedural steps and requirements set out in the relevant regulations. These include not only the said amended Regulations 2012, but also the Environmental Assessment of Plans and Programme Regulations 2004.
- 6.6 The Council must show with the ELJWP it has had due regard to the current NPPF and the NPPG, as well as creating and maintaining an up to date and proportionate evidence base to inform its policy decisions. The evidence base includes the documents that show objectively assessed need within the borough. Consultation on this draft plan is essential as is consideration of any representations.

7. Other Implications

- 7.1. **Corporate Policy and Equality Impact** – A full Equality Impact Assessment has been undertaken as part of the development of the ELJWP and is included at Appendix 3.

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

List of appendices:

- **Appendix 1:** Draft East London Joint Waste Plan
- **Appendix 2:** Consultation Protocol
- **Appendix 3:** Draft Integrated Impact Assessment
- **Appendix 4:** Draft Habitat Regulation Assessment
- **Appendix 5:** Sites to be released through ELJWP in LBBD

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East London Joint Waste Plan

Regulation 18 Consultation Draft Plan

Draft V3.2

Date: 22.05.24



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Abbreviations

AMR	Annual Monitoring Report
BAP	Biodiversity Action Plans
CCC	Climate Change Committee
CCS	Carbon Capture and Storage
CE	Circular Economy
C, D & E	Construction, Demolition and Excavation
C&I	Commercial and Industrial
ELJWP	East London Joint Waste Plan
HIC	Household, Industrial and Commercial waste
HRA	Habitats Regulation Assessment
LACW	Local Authority Collected Waste
LLDC	London Legacy Development Corporation
LNR	Local Nature Reserve
MBT	Mechanical Biological Treatment
NPPF	National Planning Policy Framework
OS	Ordnance Survey
PAN	Planning Advisory Note
RBMP	River Basin Management Plan
RDF	Refuse Derived Fuel
RWS	Resources and Waste Strategy
SIL	Strategic Industrial Location
SRF	Secondary Recovered Fuel
SA	Sustainability Appraisal
SEA	Strategic Environmental Assessment
SPA	Special Protection Area
tpa	Tonnes per annum
WDI	Waste Data Interrogator
WPA	Waste Planning Authority

Executive Summary

The efficient and effective management of waste is an important aspect of a well-functioning modern society. Whilst essential, waste management has the potential to cause impacts on the environment and communities, including those related to climate change, if it is not undertaken in the right place and in the right way. Without proper consideration, built development may result in the production of excessive quantities of waste.

The future management of waste therefore needs to be carefully planned for and it is a statutory requirement for each area to have a 'waste local plan' that sets out how and where waste will be managed. In East London, the current waste local plan, known as the 'East London Waste Plan', was adopted in 2012 and planned for the management of waste over the period until 2021 within the following East London boroughs: Barking and Dagenham; Havering; Newham; and, Redbridge. Once adopted, this Plan, the East London Joint Waste Plan (ELJWP), will update the East London Waste Plan.

The ELJWP will deal with all waste but will focus on Local Authority Collected Waste (LACW), Commercial and Industrial (C&I) waste, Construction, Demolition and Excavation (C, D&E) waste and Hazardous waste. The ELJWP takes account of the East London Waste Authority's strategy for managing Local Authority Collected Waste to 2057.

This document is a consultation draft and includes a draft Vision and eight draft Strategic Objectives. Six draft planning policies are included for use in determining the suitability of development proposals submitted to the Boroughs for planning permission. Implementation of the policies will ensure waste management facilities are well located and do not result in significant adverse impacts on local communities and the natural environment. They will also ensure that the right types of waste management capacity are developed to facilitate the achievement of targets such as those related to increasing recycling and diverting waste away from landfill.

The most recent waste management capacity assessment demonstrates that, other than for landfill, there is a surplus of capacity necessary for the management of current and forecast future waste arisings. Therefore, there is no need for development of additional capacity to meet the London Plan apportionments within the Plan area. The Plan proposes the safeguarding of most existing sites and will allow additional waste development in exceptional circumstances. On this basis no land is proposed to be allocated specifically for the development of additional waste management capacity. This is a significant change to the adopted East London Waste Plan that currently identifies land for new waste management facilities.

Policy JWP1 is intended to ensure that all types of development, and not just those relating to the management of waste, come forward in a manner that minimises the production of waste and ensures that any waste that is produced can be managed sustainably.

The overarching approach of the ELJWP can be summarised as follows:

1. Ensuring that waste produced from development and during its occupation is minimised and then reused or recycled;
2. existing waste management capacity is safeguarded;
3. allowing the development of new waste management capacity at existing sites if it will result in waste being managed more sustainably;
4. not allowing the development of new waste management sites except in exceptional circumstances including the site being in a sustainable location; and,
5. Any new capacity should be designed in a way that protects and enhances communities and the natural environment.

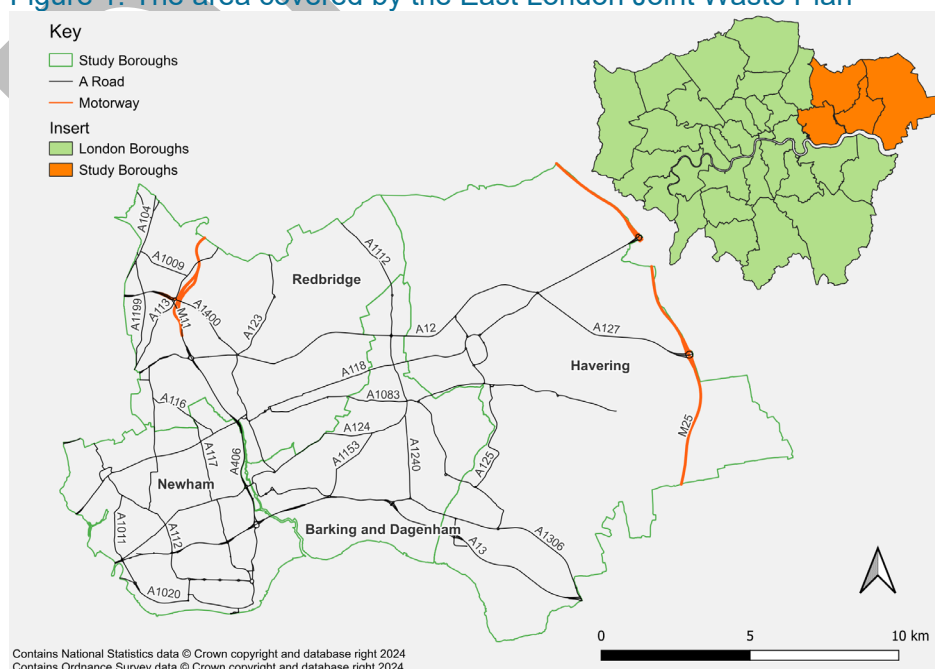
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1 Introduction and background

What is the East London Joint Waste Plan?

- 1.1 The efficient and effective management of waste is an important aspect of a well-functioning modern society. While essential, waste management has the potential to cause impacts on the environment and communities if it is not undertaken in the right place and in the right way. Without careful consideration, built development may result in the production of excessive quantities of waste.
- 1.2 It is a statutory requirement for each area to have a 'waste local plan' that sets out how and where waste will be managed. Policies in waste local plans are used to determine planning applications affecting the management of waste.
- 1.3 In East London, the current waste local plan, known as the 'East London Waste Plan', was adopted in 2012 and planned for the management of waste over the period until 2021 within the following East London boroughs ('the Boroughs'):
 - London Borough of Barking and Dagenham
 - London Borough of Havering
 - London Borough of Newham
 - London Borough of Redbridge
- 1.4 This Plan, the East London Joint Waste Plan (ELJWP), will update the adopted 2012 East London Waste Plan. A map of the area to be covered by the plan ('the Plan area') is provided in Figure 1.

Figure 1: The area covered by the East London Joint Waste Plan



- 1.5 The Plan area is bordered within London by the London Borough of Waltham Forest, London Borough of Hackney and the London Borough of Tower Hamlets to the west, and the London Borough of Greenwich and the London Borough Bexley to the south of the river Thames. To the north and east, outside of the Greater London area, are the Districts of Epping Forest and Brentwood (within the county of Essex) and the unitary area of Thurrock.
- 1.6 The ELJWP area is consistent with the geography for the East London Waste Authority¹. The ELJWP also includes the area covered by the London Legacy Development Corporation (LLDC) within the London Borough of Newham. The current planning powers of the LLDC will return to the Borough of Newham on 1 December 2024.
- 1.7 These planning applications concern proposals for new facilities, changes to existing facilities and proposals which might otherwise affect how waste is managed, for example proposals to redevelop existing waste management facilities for other non waste uses or to change how a facility operates. The Plan is also concerned with how proposals for new development consider how waste will be managed during demolition and construction and operational phases of the development.
- 1.8 The East London Joint Waste Plan will form part of the Development Plan for the East London Boroughs. Each Borough has a separate 'Local Plan' that is concerned with other forms of development such as housing and employment. It is important to note that all the policies of the Development Plan will be taken into account when decisions of development proposals are made. Furthermore, Supplementary Planning Documents may also exist which provide further guidance on the acceptability of certain aspects of development (e.g. design).

The need to replace the current waste plan

- 1.9 As the Boroughs have regard to the waste local plan when making decisions on development proposals, it is essential that the plan provides an up to date and robust policy framework to support the sustainable management of waste. Since the current plan was adopted in 2012, a number of changes have occurred which include the following:
 - Changes in the policy landscape, in particular a new London Plan was adopted in 2021, there have been several updates to national planning policy and the Boroughs have adopted new Local Plans.
 - Evolution of waste management technologies and approaches.
 - Current and emerging local conditions including pressure to release existing safeguarded waste sites to alternative development, in particular that relating to alleviating the pressures in London for more housing.
 - Changes in patterns of waste production.

¹ East London Waste Authority (2022) Joint Strategy [online]. Available at: <https://eastlondonwaste.gov.uk/east-london-waste-authority/jointstrategy>

- Emergence of the ‘Circular Economy’ as a concept

1.10 The East London Waste Plan is to be updated by a new plan, known as the ‘East London Joint Waste Local Plan’ (ELJWP) (‘the Plan’), that will take account of the changes listed above and will cover the period to 2041.

1.11 Preparation of the new ELJWP will ensure that new waste management capacity is provided on the basis of the most up to date evidence and forecasts of waste arisings. The new ELJWP will help make sure that there continues to be sufficient capacity to manage waste in East London in the most sustainable way.

The process of preparing the East London Joint Waste Plan

1.12 There are several stages in preparing a Local Plan which are prescribed in legislation² and policy³. The way in which these stages are being applied to the preparation of the ELJWP is outlined in Table 1. Many of the stages offer opportunities for residents, businesses and other key stakeholders to comment and be involved in determining the content of the Plan.

Table 1- Anticipated Timetable for Development of the East London Joint Waste Plan

Key Stage	When
Draft ELJWP – 6-week public consultation (‘Reg 18’)	July-August
‘Final’ ELJWP published for representations (‘Reg 19’)	Early 2025
ELJWP submitted for independent examination	Spring 2025
Examination hearings (if needed)	Autumn 2025
Main modifications (if needed) published for representations	Late 2025/Early 2026
Inspector’s Report	Spring 2026
Adoption	Summer 2026

Key elements of the East London Joint Waste Plan

1.13 The key elements of the East London Joint Waste Plan are:

- Vision
- Strategic Objectives
- Policies
- Policies Map

² Planning and Compulsory Purchase Act 2004 and the Town and Country (Local Planning) (England) Regulations 2012

³ National Planning Policy Framework, December 2023

- 1.14 Together these elements confirm how and where the Boroughs expect the waste management of waste to take place in East London.
- 1.15 The draft Vision and draft Strategic Objectives set out how it is proposed that waste will be managed to ensure it benefits, protects and enhances communities and the environment of East London. The Policies and Policies Map are intended to ensure the Vision is realised and the Strategic Objectives are achieved.
- 1.16 The NPPF and National Planning Policy for Waste (NPPW) expect local planning authorities to focus on determining if a proposed development is a suitable use of land, and the consequences of the use, rather than managing any related processes or emissions, which are regulated under separate pollution control regimes. Local Planning Authorities (LPAs) should assume that these regimes will be applied effectively by pollution control authorities e.g. the Environment Agency. Similarly, once a planning decision has been reached for a specific development, the planning concerns should not be re-evaluated through the permitting regimes managed by pollution control authorities.
- 1.17 It is important that developers contact the pollution control authorities at the earliest design stages to ensure that proposals put forward take account of pollution control requirements.

This stage of preparing the ELJWP

- 1.18 Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012 requires the Waste Planning Authority (WPA) to notify and invite representations from key stakeholders and communities on the content of the plan.
- 1.19 This draft ELJWP is the first formal opportunity for stakeholders to contribute to the new ELJWP. The Topic Papers published alongside this draft Plan explore the issues related to waste management in East London.
- 1.20 The first consultation, on this first draft of the Plan, will run for a period of six weeks during July and August 2024. A 'Consultation Protocol' has been prepared that sets out how the Boroughs will engage with communities and stakeholders during the preparation of the Plan. Following the consultation the Boroughs will publish a statement summarising the comments received and how they will be addressed in the content of the ELJWP.

Supporting documents

- 1.21 This draft ELJWP is supported by evidence base documents including:
 - Updated Waste Capacity Assessment and Arisings Estimates
 - Safeguarded Sites for Release – Assessment Report
 - 2022 Evidence Base for the East London Joint Waste Plan (Anthesis)

- Integrated Impact Assessment comprising:
 - Sustainability Appraisal
 - Habitats Regulation Assessment
- Climate Change Topic Paper
- Circular Economy Topic Paper
- Waste Management in East London Topic Paper

1.22 The draft ELJWP and all evidence base documents can be found on the following website: [ELJWP project website](#).

[How to comment on the Draft ELJWP](#)

1.23 You can respond to the questions associated with this consultation via the [ELJWP project website](#) during the consultation period during July and August 2024.

1.24 A separate questionnaire has been prepared to help all communities in East London respond to this consultation. The questionnaire is available online and at the Borough's main offices as listed below:

- London Borough of Barking & Dagenham: Barking Town Hall, 1 Town Square, Barking, IG11 7LU
- London Borough of Havering: Town Hall, Main Road, Romford RM1 3BB
- London Borough of Newham: Newham Dockside, 1000 Dockside Road, London E16 2QU
- London Borough of Redbridge: Lynton House 255 - 259 High Road, Ilford IG1 1NY

2 The Context

Geographical Context

Population

- 2.1 The population of the ELJWP Area has grown from 772,900 in the 2011 Census to 1,142,300 in the 2021 Census. The London Plan predicts that the population of London will increase by 70,000 every year, reaching 10.8 million in 2041, and East London will make a large contribution to this growth⁴.

Table 2 – Population in East London

Borough	2021 census population total	2030 expected total population	Population increase since 2011 census	Projected population increase By 2030
Barking and Dagenham	218,900	238,044	17.7%	9%
Havering	262,100	299,000	10.4%	14%
Newham	351,000	465,035	14.0%	32%
Redbridge	310,300	362,000	11.2%	17%

Housing

- 2.2 The London Plan 2021 sets out the ten-year housing targets for each London borough as net housing completions for 2019/20 - 2028/29. The table below sets out the targets for East London boroughs.

Table 3 – Housing in East London

Borough	Total housing stock in 2017	Ten-year target for net housing completions (2028/29)	Projected total	Percentage increase from 2017 housing stock total
Barking and Dagenham	71,079	19,440	90,519	27%
Havering	99,184	12,850	112,034	13%
Newham	100,062	47,600 ⁵	132,862	33%
Redbridge	101,348	14,090	115,438	14%
<i>Authority Average</i>	-	<i>16,340</i>	-	-

⁴ https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf

⁵ This reflects an element of the current London Legacy Development Corporation target that Newham will be responsible for planning for.

Economy⁶

2.3 The spatial make-up of London's economy shows that different sectors are important to different boroughs. In Newham, the largest employment sector is banking, finance and insurance, employing 29.8% of the workforce. In Havering, Barking and Dagenham and Redbridge, the largest percentage of residents aged 16 and over (27.8%, 23% and 26.7% respectively) are employed in the public administration, education and health sector. In Barking and Dagenham, the production industries account for 21.2% of total output.

Table 4 – Employment in East London

Borough	Employment rate for 16–64 year olds	Unemployment rate for 16-64 year olds
Barking and Dagenham	73.1%	5.5%
Havering	82.6%	3.5%
Newham	75.5%	4.7%
Redbridge	72.5%	5.1%
<i>Authority average</i>	<i>75.9%</i>	<i>4.7%</i>

⁶ Source: Greater London Authority (2016) Economic Evidence Base for London [online] Available at: https://www.london.gov.uk/sites/default/files/economic_evidence_base_2016.compressed.pdf

- 2.4 Across London in the year ending June 2023, 75.1% of people aged 16 to 64 years were employed. This means that Barking and Dagenham and Redbridge are below the London average. Across London in the year ending June 2023, 4.6% of people aged 16 to 64 years were unemployed. This means that Newham, Barking and Dagenham and Redbridge have a higher unemployment rate than the London average. Newham has the fifth highest unemployment rate out of all London boroughs.
- 2.5 Strategic Industrial Locations (SIL) are protected through Policy E5 of the London Plan which ensures that SILs are given strategic protection because they are critical to the effective functioning of London's economy. A map of SIL in East London is included in Figure 2 below.



Figure 2 Strategic Industrial Locations in East London

- 2.6 SIL can accommodate activities which - by virtue of their scale, noise, odours, dust, emissions, hours of operation and/or vehicular movements - can raise tensions with other land uses, particularly residential development. The London Plan notes the importance of these locations in East London, and the role the Thames Gateway will play in a *'strategically co-ordinated plan-led consolidation of SILs in order to manage down overall vacancy rates, particularly in the boroughs of Newham and Barking & Dagenham'*. The East London Boroughs have, and will, explore the release of SIL for other land uses (such as housing) through the preparation of their Local Plans.

Transport infrastructure

- 2.7 Several of the ELJWP road links are inadequate, with several roads (e.g. A12 and A13) and junctions noted as being at or near to capacity, and many experiencing congestion at peak times. Adverse traffic conditions on these routes often have knock-on effects on local roads, leading to localised gridlock on occasion and impacting negatively on economic productivity. In addition, with planned developments and increased housing and job provision, more pressure may be placed on the road networks.
- 2.8 The London Infrastructure Plan 2050: Transport Supporting Paper notes that across London, trip rates are expected to remain constant on a per person basis, but that expected growth in population will require significant additional capacity across London's transport networks by 2050

Wharves and railheads

- 2.9 The London Plan reflects the NPPF in seeking to maximise recycling and reuse of construction, demolition, and excavation (C, D& E) wastes and the Boroughs should support the development of aggregate recycling facilities in their local plans. Moreover, in recognition of the heavy dependence of London on imports of crushed rock and marine (dredged) aggregates, the London Plan requires the Boroughs' local plans to safeguard wharves and railheads for aggregate distribution. The location of safeguarded wharves in East London is shown in Figure 3 below.

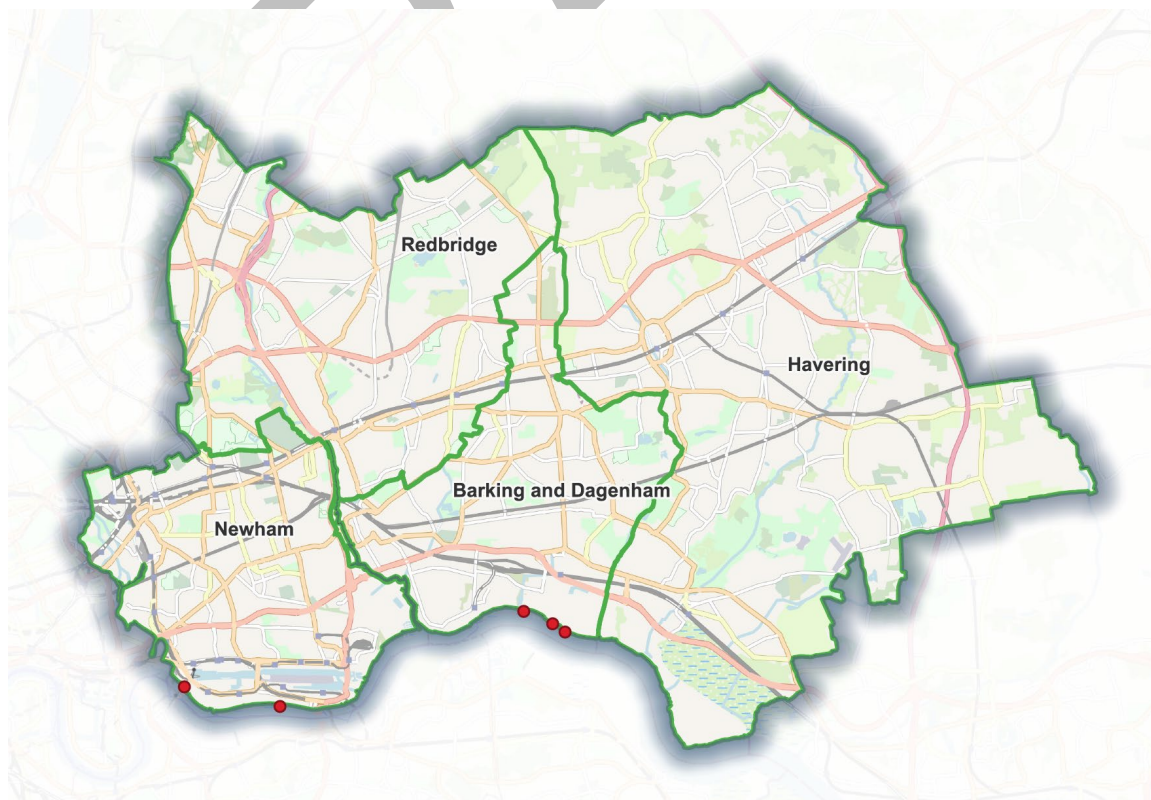


Figure 3 Location of Safeguarded Wharves in East London

Nature conservation and biodiversity

- 2.10 The Plan area contains many areas of high ecological value ranging from European designated sites such as the Epping Forest SAC in Redbridge, to nationally designated Sites of Special Scientific Interest, Sites of Metropolitan Nature Conservation Importance and Sites of Importance for Nature Conservation among local green spaces and networks that provide ecological connectivity and greater biodiversity, and there is proximity to sites of national importance. There is a need for continued preservation and long-term management of these areas within the Plan area, as well as consideration of potential effects on sites outside the Plan area boundary.
- 2.11 Local Wildlife Sites in each borough can be negatively impacted by actions such as inappropriate management, traffic pollution and recreational activities. If this continues, it could affect their wildlife value and contribution they make to biodiversity, landscapes and the natural environment.

Landscape

- 2.12 The National Character Map defines the Plan area as lying within National Character Areas (NCA) 111 - Northern Thames Basin and Area 112 – Inner London. The Northern Thames Basin area is more diverse mix of urban and rural landscapes. The rural and dispersed landscape adjacent to Essex becomes increasingly urban towards the centre of London. There is a mix of historic settlement patterns, with remnants of historical orchards and other communal green and farmed spaces. Urban areas have low levels of tranquillity with pockets of perceived tranquillity, as with the Inner London area. Moving eastwards in the ELJWP area, tranquillity increases as green space and Green Belt areas increase.
- 2.13 Within the Inner London area, there is a strong sense of place along the Thames and particularly in the wharfs and creeks of East London as well as the parks and gardens, green spaces, rivers and other natural habitats. There are strong settlement patterns, and industrial features, with good public access to heritage assets. The whole NCA scores negatively for tranquillity, but there are good pockets of perceived tranquillity in public parks and other small spaces.

Open spaces and Green Belt

- 2.14 Barking and Dagenham has ambitions to be the 'Green Capital of the Capital'. One third of the Borough is green open space (463 hectares) and the Borough is in close proximity to Epping Forest.

- 2.15 More than 50% of Havering is classed as Metropolitan Green Belt, and the Borough has some of the most green space in London. Romford town centre has a lack of green space although it is within walking distance of number of local parks. This mirrors other areas of the Borough where, if there is a lack of one type of open space it is often met by another type of open space. There is generally a good coverage of parks, gardens, natural and semi natural spaces and amenity greenspaces across the Borough.
- 2.16 Newham has an extensive network of natural and open areas, encompassing not only nature reserves, parks, and rivers but also playgrounds, playing fields, allotments, gardens, hedges, green walls, green/brown roofs, cycle and footpaths, street trees, docks, lakes, and ponds. Specifically, Newham has 25 parks and green spaces and total open space provision across all typologies of 922.78 Ha. This figure includes the Borough's 308.31 hectares of water spaces as well as its green infrastructure. However, the Borough has 16% tree cover which is the second lowest in London. There are deficiencies in local and district park access, the former in urban Newham, and the latter particularly in the east and west of the Borough.
- 2.17 Redbridge is one of London's greenest boroughs and comprises extensive Green Belt land (37% of total area) to the north-east. About 48% of the Borough comprises open spaces, including notable locations like Hainault Forest Country Park, Roding Valley Park, Fairlop Waters Country Park, Valentines Park, and around 120 hectares of countryside. These open spaces, including country parks and formal parks, contribute to the Borough's character, biodiversity, and climate change mitigation efforts.

Heritage and archaeology

- 2.18 The importance of protecting, conserving and enhancing both designated heritage assets and those more informally recognised, together with their setting, is generally recognised in the Borough Local Plans. The former includes those buildings, monuments, structures, parks, etc., that are subject to national listing/scheduling; the latter includes Locally Listed buildings and buildings that are yet not on the local register but the development management processes uncover their heritage value.
- 2.19 At local level, new developments, infrastructure and environmental pressures, such as extreme weather and flooding, present the greatest risk to cultural heritage assets.
- 2.20 Historic England has a Heritage at Risk Register which includes historic buildings, listed buildings, sites and Conservation Areas at risk of being lost through neglect, deterioration or decay. The register aims to highlight those places and buildings in greatest need of repair. As of 2023, there are eighty-one heritage assets registered as at risk within wider London. There are six heritage assets registered at risk within Barking and Dagenham, twelve within Havering, thirteen within Newham and ten within Redbridge.

Water environment

- 2.21 For each of the major catchments in the UK a river basin management plan (RBMP) has been prepared, which provides information about the current status of the different aspects of the water environment and sets targets for their improvement by 2027. The Boroughs contain waterbodies and catchments that lie within the areas covered by the Thames RBMP and the South East RBMP.
- 2.22 Several water bodies across the four Boroughs do not meet the required 'good' status, and a number of water bodies and watercourses are protected sites and sensitive to changes in water quality. In Newham, the Thames, Lea and Roding rivers have not improved in water quality over the past few years, whilst the River Beam (from Ravensbourne to the Thames) is classified as 'Bad' and the Lower Roding, Mayesbrook River and the Goresbrook in Barking and Dagenham all fail against Chemical quality targets.
- 2.23 Under predicted climate change scenarios, more frequent drought conditions are expected in London and the South East of England, along with increased demands on water resources. Future developments will create additional demand for water abstraction from surface and groundwater sources in London. At a high level, it is broadly assumed that the quality of water bodies will improve in line with national objectives. However, water quality is influenced by a wide range of internal and external factors, including climate change, geology and soils, human consumption and population change, and pollution from human activities such as industry, agriculture, contaminated runoff from roads and other built surfaces, combined sewer overflows, and nutrient enrichment from treated wastewater. Future development, particularly in areas close to water bodies, may therefore hamper efforts to improve water quality.

Climate change

- 2.24 Climate change presents a global risk, with a range of different social, economic and environmental impacts that are likely to be felt within the Plan area across numerous receptors. A key challenge in protecting the environment will be to tackle the causes and consequences of climate change: warmer, drier summers and wetter winters with more severe weather events all year, higher sea levels and increased river flooding.
- 2.25 There has been a general trend towards warmer average temperatures in recent years with the most recent decade (2012–2021) being on average 0.2°C warmer than the 1991–2020 average and 1.0°C warmer than 1961–1990. All the top ten warmest years for the UK in the series from 1884 have occurred this century.
- 2.26 Given the trends in carbon emissions and energy consumption at both national and local level, carbon emissions in London, and each of the four London Boroughs within the ELJWP area, are likely to continue declining.

Flood risk

- 2.27 Heavy rainfall and flooding events have been demonstrated to have increased potential to occur in the UK as the climate has generally become wetter. For example, for the most recent decade (2012–2021) UK summers have been on average 6% wetter than 1991–2020 and 15% wetter than 1961–1990.
- 2.28 The effects of climate change in the ELJWP area are likely to result in extreme weather events becoming more common and more intense. Flood risk is of particular significance in this regard, alongside heatwaves and drought. Fluvial and surface water flooding poses the most significant risk to the plan area, particularly in areas in close proximity to the River Thames.

DRAFT

Existing waste management

2.29 The legal definition of waste, set out in section 75(2) of the Environmental Protection Act 1990, is “any substance or object which the holder discards, or intends or is required to, discard”. The key concept relates to the producer or holder's intention regardless of whether the waste may have a value to the recipient.

2.30 The main types of waste produced are:

- Local Authority Collected Waste (mainly household waste) (LACW);
- Commercial and Industrial Waste (waste from businesses and industry) (C&I waste);
- Construction, Demolition and Excavation Waste (C, D & E waste);
- Hazardous Waste from various sources; and,
- Wastewater and Sewage Sludge

2.31 Planning Practice Guidance also expects Waste Planning Authorities to plan for the management of Agricultural Waste and Low Level Radioactive Waste.

2.32 There is a range of waste management facilities that handle waste both from within and beyond East London. Data for 2022 indicates that are around 100 permitted sites in East London currently managing waste. Figure 4 below shows the distribution of waste management facilities in East London.

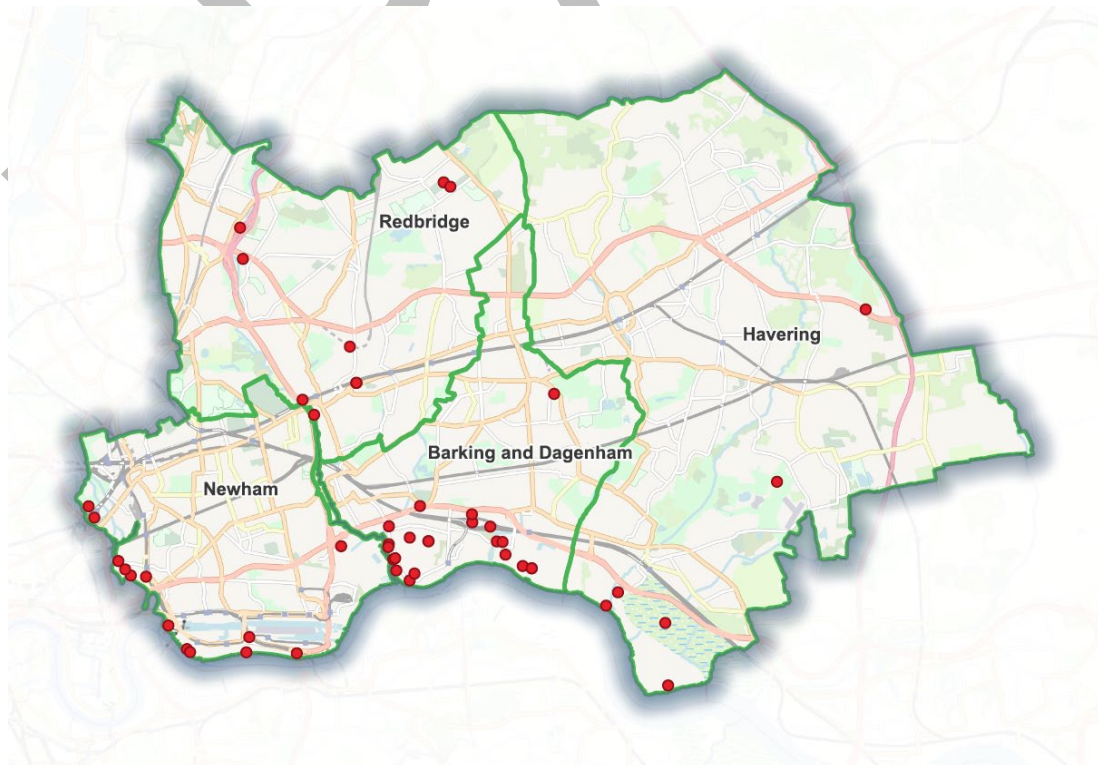


Figure 4: Map of Existing Waste Sites in East London

Local Authority Collected Waste

2.33 Local Authority Collected Waste (LACW) waste consists of waste which comes into the possession of, or under the control of, the local authority and includes waste collected from households (household waste). LACW collected by the Boroughs can include household waste (residual, dry mixed recycling and food waste), street sweepings, green waste from maintenance of open spaces, and a small quantity of clinical waste⁷. Depending upon the local arrangements, LACW can include commercial waste collected by trade waste operations.

Household Industrial & Commercial waste

- 2.34 In 2019 1.2 million tonnes of LACW and C&I waste was generated in East London. Of this 2% was incinerated, 31% was landfilled, 46% was recycled/reused/recovered/treated, 0% was disposed on/in land, and 21% was transferred to another site for further processing/disposal.
- 2.35 In 2022 481,500 million tonnes of LACW was produced. Of this 27% was recycled, 45% was recovered in some other way e.g. Energy from Waste, 0.3% was landfilled, and 28% was transferred to another site for further processing/disposal.

⁷ Household clinical waste is not deemed hazardous unless a particular risk has been identified (based on medical diagnosis).

Construction, Demolition and Excavation Waste

- 2.36 C, D & E waste comprises waste arising from the construction and demolition industries, including excavation during construction activities, and is made up of mainly inert materials such as soils, stone, concrete, brick and tile. However, there are also non-inert elements in this waste stream such as wood, metals, plastics, cardboard, and residual household-like wastes. Hazardous waste are also present particularly when development takes place on brownfield sites that have been affected by historical contamination. Due to their weight, the inert elements make up the majority of the total tonnage.
- 2.37 Different types of C, D & E waste require different forms of management. For example, hard inert⁸ materials (such as concrete, brick and road planings arising from demolition and road maintenance) can be recycled for use as an aggregate, while soft materials such as soils and sub-soils can be deposited on land for beneficial purposes such as the restoration of minerals workings and in other engineering projects. The non-inert component includes timber, plasterboard and plastics may be recycled if separated. Ultimately there is very little C, D & E waste that cannot be recycled or recovered in some other way.
- 2.38 Soft inert excavation material may be deposited on land for beneficial purposes which may be consented as non waste development and, either subject to an Environmental Permit as a recovery to land operation or managed under the CL:AIRE definition of waste protocol. If the latter case applies, the material managed through this route is not classed as waste.
- 2.39 The London Plan does not apportion quantities of C, D & E waste for management, but boroughs are still required to plan for this waste stream.
- 2.40 The production of C, D & E waste is influenced by large-scale infrastructure projects, as well as commercial and residential developments, which means that peaks and troughs in its production are often observed with arisings not following a regular pattern. This is illustrated in Table 5 below that shows estimated arisings of C, D & E waste over the period 2019 to 2022. Given it is a bulky and heavy waste type it does not tend to travel significant distances from source for management.

⁸ Inert waste is defined as “waste that does not undergo any significant physical, chemical or biological transformations”.

Table 5: Non-hazardous C, D & E Waste arisings from East London 2019-2022 (tonnes)

Category	Type	Tonnes	
C&D waste	Inert	653,333	805,033
	Non-inert	151,700	
Excavation waste	Inert	1,302,370	1,318,185
	Non-inert	15,816	
Total C, D & E waste:		2,123,218	

2.41 The management routes for Non-hazardous C, D & E waste arising in East London in 2022 is set out in Table 6 below.

Table 1: Non-hazardous C, D & E Waste in East London Waste Management Profile 2022

Category	Waste Type	Recycling	Recovery	Landfill	Transfer	Mobile Plant
C&D Waste	Inert	51%	<1%	1%	29%	2%
	Non-inert	14%	1%	<1% ⁹	2%	0%
	Subtotal C&D	65%	1%	<1%	32%	2%
Excavation Waste	Inert	27%	43% ¹⁰	0%	28%	1%
	Non-inert	<1%	0%	1%	0%	<1%
	Subtotal Excavation	27%	43%	1%	28%	1%

2.42 The management profile for Non-hazardous C&D waste is as set out below:

- 67% was managed at recycling facilities;
- 1% was recovered (either through incineration or recovery to land);
- <1% was managed at permitted landfills;

⁹ Does not include residues from processing of mixed skip waste classed under EWC code 19 12 12 that may be landfilled as inactive waste under the Landfill Tax regime but would not be classed as inert under environmental permitting.

¹⁰ Including 36% sent to landfill taken to be used for restoration or operational purposes.

- 32% was managed at intermediate sites and transferred on for recovery or disposal; and
- 2% was managed via mobile plant (normally for recycling or reuse).

2.43 The management profile for Non-hazardous excavation waste is as follows:

- 27% was managed at recycling facilities;
- 43% was recovered (through recovery to land including use in restoration or operational needs on permitted landfills);
- 1% was managed at permitted landfills (dredging spoil);
- 28% was managed at intermediate sites and transferred on for recovery or disposal; and
- 1% was managed via mobile plant (normally for recycling or reuse).

2.44 This compares with the following targets in the London Plan for C, D & E waste management in *Policy SI 7 Reducing waste and supporting the circular economy*:

- meet or exceed the targets for each of the following waste and material streams:
 - construction and demolition – 95 per cent reuse/recycling/recovery
 - excavation – 95 per cent beneficial use overall and 100% of inert excavation beneficial used.¹¹

¹¹ London Plan Footnote 164.

Hazardous Waste

- 2.45 Hazardous wastes are categorised as those that are harmful to human health, or the environment, either immediately or over an extended period of time. In East London, hazardous waste arises mainly from: construction and demolition activity, vehicle maintenance and/or dismantling activity and healthcare.
- 2.46 It is estimated that around 57,745 tonnes of hazardous waste was produced in East London in 2022. Hazardous waste covers a wide range of waste types which each may require management at a range of specialist facilities for treatment and disposal, and given they generally arise in relatively small amounts, such facilities are developed to manage quantities greater than that arising in a single Plan area. Therefore this waste may often travel further than non-hazardous wastes for management.

Wastewater and Sewage Sludge

- 2.47 Wastewater generally comprises surface water runoff and effluent discharged to the foul sewer system from homes and industrial and commercial premises from where it is channelled to wastewater treatment works for treatment¹². Output of this treatment is sewage sludge that may, if it meets certain parameters, be applied to land as a fertiliser in accordance with the Sludge (Use in Agriculture) Regulations 1989 and associated best practice guidance. Sludge applied in this manner falls outside the normal regulatory regime for waste. Alternatively, the sludge can be treated either through anaerobic digestion or incineration. The cleaner effluent may be discharged to a watercourse in accordance with a discharge consent granted by the Environment Agency.
- 2.48 In East London wastewater and sewage sludge are managed by Thames Water. Wastewater treatment capacity is delivered through 'Asset Management Plans'. Thames Water use information in the public domain to forecast when upgrades to wastewater treatment facilities will be required.
- 2.49 Beckton Sewage Treatment Works is the key facility serving East London, being Thames Water's and the UK's largest sewage treatment works. It is located in the London Borough of Newham. To address changing need, a major upgrade is underway so it can receive wastewater from the new Thames Tideway Tunnel and provide for growth, resilience and consent compliance to a design horizon of 2036.

Agricultural Waste

- 2.50 Given the relatively small amount of agricultural land in East London arisings of agricultural waste are small, with quantities requiring offsite management particularly low. Only 153 tonnes of agricultural waste were reported as being produced (for off site management) in 2019 (149 tonnes generated in Newham and 4 tonnes in Havering).

Low level radioactive waste

- 2.51 Radioactive waste is any material that is either radioactive itself or is contaminated by radioactivity and for which no further use is envisaged. Radioactive waste is not included in the definition of hazardous waste and therefore needs to be accounted for separately. Most radioactive waste is produced from nuclear power stations and the manufacture of fuel for these power stations. This is referred to as “nuclear waste.” Radioactive waste also arises from nuclear research and development sites and Ministry of Defence sites. No such sites exist within East London.
- 2.52 Radioactive waste also arises from nuclear research and development sites. Some also arises from Ministry of Defence sites and medical, industrial and educational establishments, such as hospitals and universities. This is sometimes referred to as “non-nuclear waste”. Being of a low level of radioactivity this may be referred to as low level radioactive waste, or even very low level radioactive waste.
- 2.53 Low level radioactive waste (LLW) does not normally require shielding during handling or transport. LLW consists largely of paper, plastics and scrap metal items that have been used in hospitals, research establishments and the nuclear industry.
- 2.54 According to the EA public register, there are two organisations holding four permits to keep and use radioactive materials in East London, mainly in Havering. LLW is not managed within East London and it is likely that very little LLW is produced in East London and that which is produced will likely continue to be managed via existing specialist arrangements beyond East London.

¹² These works can provide a valuable function in managing wastes, other than wastewater, that arise in liquid and sludge form such as septic tank emptyings.

The Policy Context

2.55 The main policy context within which the ELJWP is prepared is illustrated in Figure 5 below.

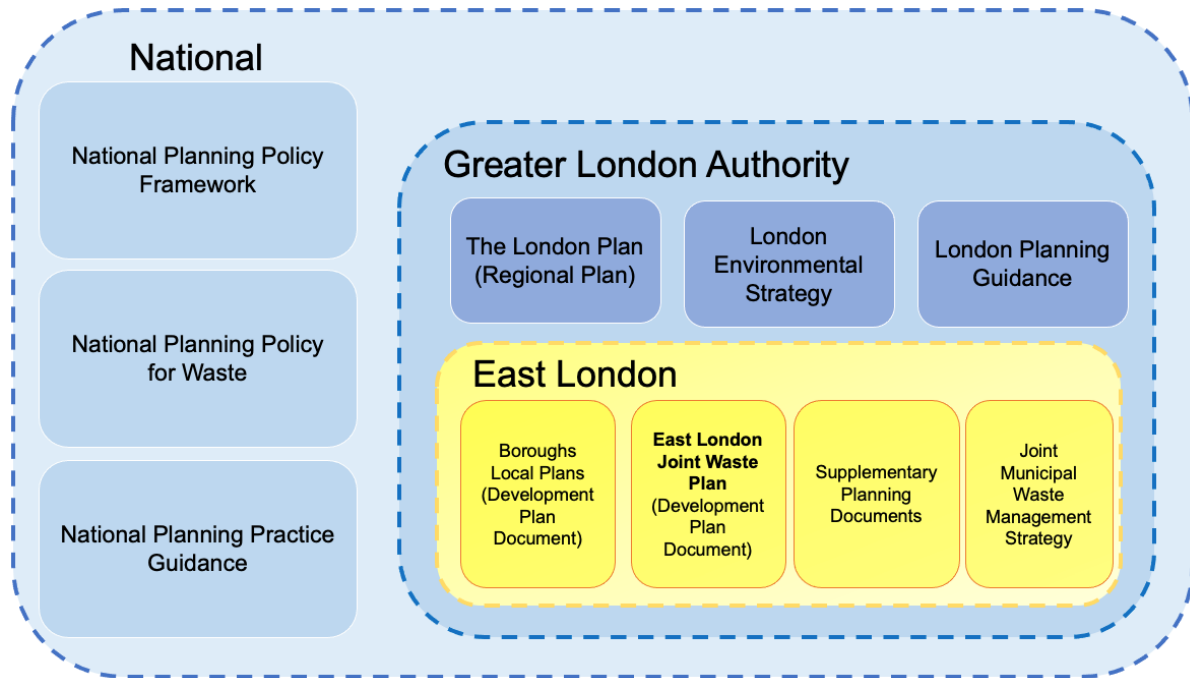


Figure 5 – The ELJWP Within the Wider Policy Context

2.56 To be found sound the ELJWP will need to be in general conformity with the London Plan and consistent with national policy.

2.57 The ELJWP will also need to be aligned with the policies of the adopted Local Plans in East London. This is intended to ensure there are no policy tensions (i.e. contradictions) within the Development Plan. Having said that, the ELJWP may update the Development Plan and where any conflict between policies exists the latest policy to have been adopted generally takes precedent in decision making. One adopted the policies in the ELJWP will supersede the policies in the ELWP and Appendix 4 shows how the ELWP policies will be replaced by the ELJWP.

National Policy

2.58 The key objective of national policy for managing waste¹³ is to protect the environment and human health by:

- Preventing or reducing the generation of waste;
- where its production is unavoidable, reducing the adverse impacts of its generation and management; and

¹³ See [The Waste \(England and Wales\) Regulations 2011](#) and the Waste (Circular Economy) (Amendment) Regulations 2020

- reducing the overall impacts of the use of resources from which waste may arise and improving the efficiency of such use.

2.59 The National Planning Policy for Waste 2014 (NPPW)¹⁴, associated Planning Practice Guidance and the Resources and Waste Strategy for England 2018 (RWS)¹⁵ currently set the planning policy context for waste management in England. Whilst the NPPF does not contain policies specific to waste, its principles remain relevant. The Waste Management Plan for England¹⁶ was updated in 2021 and signposts policies concerning waste management in England in particular those included in the RWS.

2.60 Both NPPW and RWS require application of the Waste Hierarchy in priority order as one of the key principles of sustainable waste management. The 'Waste Hierarchy' identifies different ways of dealing with waste as set out in Figure 6 below. This shows that 'Prevention' is the most preferred option with 'Disposal' at the bottom being the option of last resort.

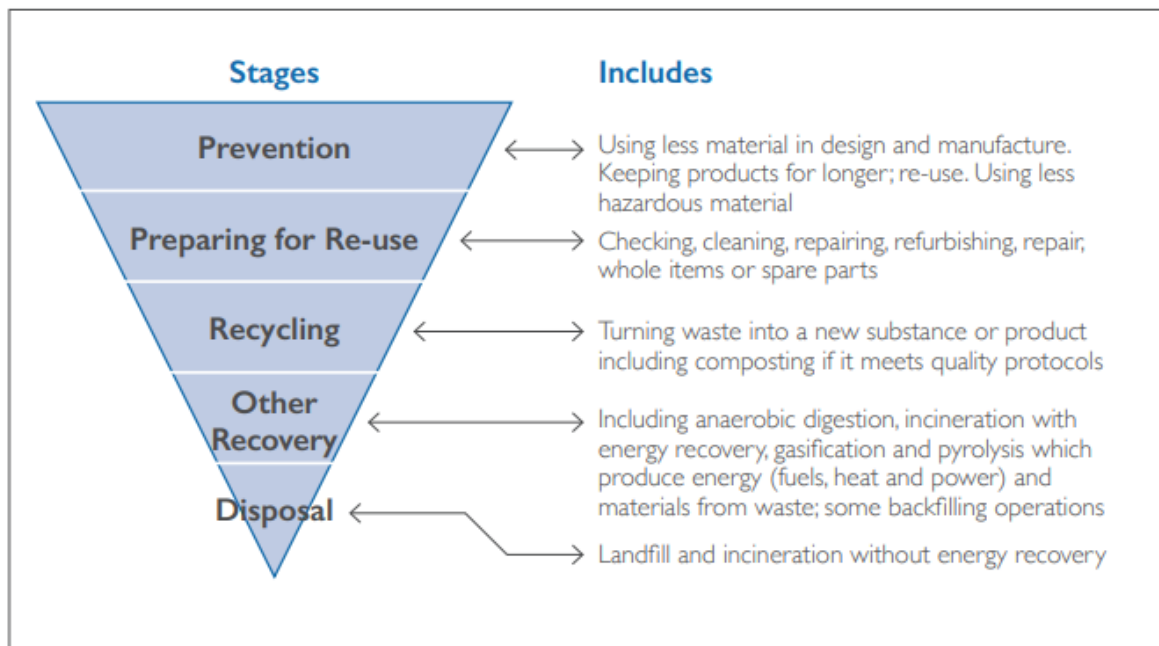


Figure 6 The Waste Hierarchy

14

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/364759/141015_National_Planning_Policy_for_Waste.pdf

15 <https://www.gov.uk/government/publications/resources-and-waste-strategy-for-england>

16 <https://www.gov.uk/government/publications/waste-management-plan-for-england-2021>

2.61 The RWS sets out current Government thinking on waste management in England, including how the country is to minimise waste and manage it more effectively through maximising opportunities to generate value from material that is both prevented from entering, and extracted from, the waste stream.

2.62 The RWS identifies five strategic ambitions:

- To work towards all plastic packaging placed on the market being recyclable, reusable or compostable by 2025;
- To work towards eliminating food waste to landfill by 2030;
- To eliminate avoidable plastic waste over the lifetime of the 25 Year Environment Plan;
- To double resource productivity by 2050; and
- To eliminate avoidable waste of all kinds by 2050.

2.63 The RWS is also concerned with ensuring that society's approach to waste aligns with the following circular economy principles:

- Design out waste and pollution;
- keep products and materials in use; and
- regenerate natural systems.

2.64 The role waste management plays in the material cycle that is central to creating a more circular economy is illustrated in Figure 7 below.

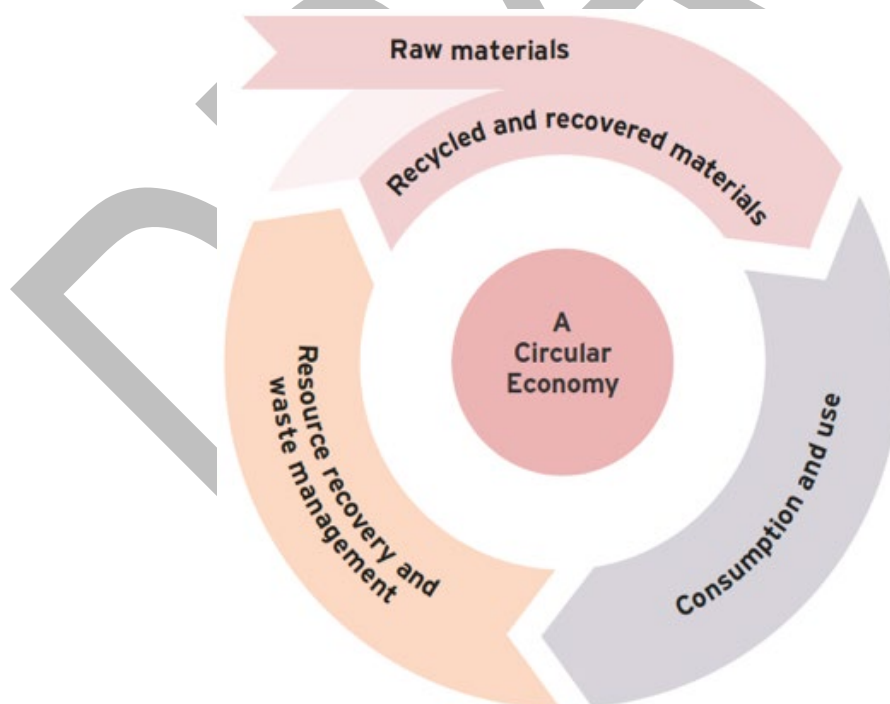


Figure 7 Circular Economy¹⁷

¹⁷ Source: Resources and Waste Strategy, DEFRA, 2018

- 2.65 The Circular Economy is another key tool for tackling the climate emergency. When applied to the built environment, circular economy principles significantly reduce greenhouse gas emissions by avoiding extraction of raw materials, reducing production of construction materials, retaining embodied carbon and eliminating waste.
- 2.66 The Environment Act 2021 requires Government to set long-term, legally-binding environmental targets¹⁸, including those for resource efficiency and waste reduction. In response to this requirement the Government has set the following targets in its Environmental Improvement Plan 2023, which build on existing recycling and landfill diversion targets:
- Eliminate avoidable waste by 2050 and double resource productivity by 2050;
 - explore options for the near elimination of biodegradable municipal waste to landfill from 2028;
 - eliminate avoidable plastic waste by 2042;
 - seek to eliminate waste crime by 2042; and,
 - halve 'residual' waste (excluding major mineral waste) produced per person by 2042. For the purposes of this target, 'residual' waste is defined as waste that is sent to landfill, put through incineration or used in energy recovery in the UK, or that is sent overseas to be used in energy recovery.
- 2.67 The EIP states that the targets will be achieved by the following actions:
- Implementation of packaging extended producer responsibility from 2024;
 - introduction of a deposit return scheme for plastic and metal drinks containers from October 2025;
 - implementation of consistent recycling collections between different councils;
 - mandate recycling labelling for packaged products by 31 March 2026 except for plastic films which will be mandated by 31 March 2027;
 - banning the supply of single-use plastics (e.g. plastic plates and cutlery) from October 2023;
 - introduction of a mandatory digital waste tracking service to modernise existing waste record keeping;
 - implementation of reforms to the waste carriers, brokers and dealers regime and bringing forward legislation to tackle abuse of certain types of waste exemptions; and,
 - launching a call for evidence to support development of a plan to achieve the near elimination of biodegradable municipal waste going to landfill from 2028.

¹⁸ <https://www.gov.uk/government/publications/environment-bill-2020/august-2020-environment-bill-environmental-targets>

2.68 The target for the reduction in residual waste is enshrined in The Environmental Targets (Residual Waste) (England) Regulations 2023 which came into force on 30 January 2023. The waste target is for the reduction of residual waste (excluding major mineral wastes) on a kg per capita¹⁹ basis by 50% by 2042 from 2019 levels (574 kg per capita). Accordingly, the residual waste long-term target is that by the end of 31 December 2042 the total mass of residual waste for the calendar year 2042 does not exceed 287 kg per capita. Waste routes which will count as residual are:

- Sent to landfill in the United Kingdom;
- put through incineration in the United Kingdom;
- used in energy recovery in the United Kingdom; or
- sent outside the United Kingdom for energy recovery.

2.69 In July 2023 the Government published its waste prevention plan titled 'Waste prevention programme for England: Maximising Resources, Minimising Waste'. In this document the Government sets out how it '*will achieve strategic principle 2 of the Resources and Waste Strategy – to prevent waste from occurring in the first place and manage it better when it does.*'

2.70 The Plan also notes that:

- the Government intends to prepare a 'Waste Sector Decarbonisation Plan' that will set out how the waste sector will; contribute to the targets in the 6th Carbon Budget (see below);
- the National Model Design Code published in 2021²⁰ provides tools and guidance for planning authorities to embed circular economy principles in new development;
- NPPW expects planning authorities to ensure that new development includes proposals for handling waste arising from the construction and operation of development maximise reuse and recovery opportunities, and minimises off-site disposal; and,
- Chapter 2 of the NPPF recognises the need for the planning system to consider the prudent use of natural resources and waste minimisation in the pursuit of sustainable development.

¹⁹ Per head of population in England

²⁰ <https://www.gov.uk/government/publications/national-modeldesign-code>

Climate change

- 2.71 To achieve 'net zero' in carbon emissions by 2050 the Government has acknowledged that, overall, CO₂ emissions need to fall by around two thirds by 2035²¹.
- 2.72 The RWS includes plans to:
- Reduce the generation of greenhouse gas (GHG) emissions associated with breakdown of biodegradable waste by diverting it from landfill (with a focus on food waste); and
 - to increase recycling, which typically results in lower carbon emissions in comparison to manufacturing products from virgin materials.
- 2.73 In December 2020, the Climate Change Committee (CCC) published its Sixth Carbon Budget²² that considered measures required to achieve the UK Government target net zero carbon emissions by 2050. The UK Government accepted the report's key recommendation of a 78% reduction in UK territorial emissions between 1990 and 2035 which essentially brought the UK's previous target of 80% reduction by 2050 forward by 15 years²³.
- 2.74 The Committee's Sixth Carbon Budget noted that emissions associated with waste management accounted for 6% of UK GHG emissions in 2018. While they have fallen to 63% of 1990 levels, due to a reduction in biodegradable waste being landfilled, in recent years emissions have stopped falling due to a plateau in recycling and significant growth in carbon emissions from the fossil sourced component (i.e. oil based plastics) of Energy from Waste plant feedstock.
- 2.75 Broadly, the Committee's Budget concludes that the management of waste in accordance with the waste hierarchy is consistent with the achievement of reductions in carbon emissions and includes the following specific recommendations:
- A ban on landfilling biodegradable waste by 2025;
 - recycling increasing to 70% by 2030;
 - additional focus through the chain from manufacturing to the consumer to reduce the amount of waste; and,
 - All energy from waste facilities plants to be fitted with Carbon Capture and Storage (CCS) by 2040.

²¹ UK Industrial Decarbonisation Strategy, April 2021

²² The Sixth Carbon Budget The UK's path to Net Zero Committee on Climate Change December 2020 Presented to the Secretary of State pursuant to section 34 of the Climate Change Act 2008

²³ [UK enshrines new target in law to slash emissions by 78% by 2035](#), Government Press Release, April 2021

- 2.76 In 2021 the Environmental Services Association²⁴ published a Net Zero Strategy²⁵ that includes the following targets:
- Start fitting Carbon Capture, Utilisation and Storage (CCUS) technologies to EfW facilities from 2025, with all plants fitted with CCUS where feasible by 2040.
 - Ensure that all new plants are built with CCUS fitted or are CCUS-ready from 2025 onwards.

2.77 In March 2023, the Government consulted on updates to its '2009 Carbon Capture Readiness' requirements. The consultation considered the need for carbon capture relating to Energy from Waste facilities and noted that:

'Whilst the EfW sector is relatively small, we expect that it will represent a significant proportion of residual emissions from the power sector in the 2030s, as other forms of generation are rapidly decarbonised. It is therefore important that it is targeted with emissions reduction policies'

2.78 As part of this consultation, the Government proposed that Energy from Waste plants, which are of a size which require a Development Consent Order, should be included in 'decarbonisation ready' requirements and that this would be administered by the Environment Agency as part of the Environmental Permitting, rather than the planning consent, process.

2.79 In its June 2023 report, 'Progress in reducing emissions 2023 Report to Parliament', the CCC summarised its findings in regard to the progress made within the waste management sector to reducing emissions as follows:

'Greater strategic coordination of plans to decarbonise the waste sector is needed including: much greater emphasis on waste prevention, clarity on future residual waste capacity needs, and the suitability of incentives and interactions with other sectors such as waste as a feedstock for Sustainable Aviation Fuels. Energy from Waste (EfW) emissions are already higher than the Government's CBDP²⁶ anticipates and EfW capacity is set to increase in the coming years. A comprehensive systems-approach to control and reduce EfW emissions is urgently needed, including clarity on carbon pricing. We recommend a moratorium on additional EfW capacity until a review of capacity requirements has been completed and an updated assessment of residual waste treatment capacity requirements published.'

²⁴ The Environmental Services Association (ESA) is the trade association for the waste management industry in the UK.

²⁵ <http://www.esauk.org/application/files/7316/2496/7294/ESA-Net-Zero-Exec-Summary.pdf>

²⁶ CBDP = Carbon Budget Delivery Plan

Waste movement and net self sufficiency

- 2.80 The 'proximity principle' is set out in paragraph 4 of Part 1 of Schedule 1 to the Waste (England and Wales) Regulations 2011. This is within the context of the requirement for mixed municipal waste collected from private households to be disposed of, or recovered, in one of the nearest appropriate installations, by means of the most appropriate methods and technologies, in order to ensure a high level of protection for the environment and public health.
- 2.81 This is to be achieved by establishing an integrated and adequate network of installations for disposal and recovery of mixed municipal waste collected from private households. The requirement also extends to where the collection includes similar types of waste collected from non-household sources (e.g. waste from offices and retail).
- 2.82 The network is to be designed in such a way as to enable movement towards the aim of self-sufficiency in the disposal and recovery of waste at a national²⁷ level. While giving consideration to geographical circumstances and/or the need for specialised installations for certain types of waste.
- 2.83 This principle is to be applied when decisions are taken on the location of facilities for the management of mixed municipal waste collected from private households and similar waste (see above) by disposal or recovery. This is recognised in NPPW that expects waste planning authorities to:
- 'plan for the disposal of waste and the recovery of mixed municipal waste in line with the proximity principle, recognising that new facilities will need to serve catchment areas large enough to secure the economic viability of the plant;'*
- 2.84 The NPPW requires local planning authorities, with responsibility as Waste Planning Authority for their area, to include policies in their development plans which set out an overall strategy for the pattern and scale of waste development, ensuring sufficient provision is made for infrastructure for waste management, and energy that may be produced (including heat).

²⁷ England and Wales

2.85 Data shows that varying quantities of waste are routinely transported between East London and other Waste Planning Authority (WPA) areas²⁸. This cross-boundary movement is typical of the way in which waste is managed in general, as it has little regard for administrative boundaries. Certain, strategic, flows of waste from East London have been identified which may be important to the management of waste arising in East London over the Plan period and the WPAs hosting facilities to which their flows relate have been contacted to confirm that such flows may continue over the plan period.

2.86 Figure 8²⁹ displays the balance between imports and exports by waste management method and waste type to and from East London.

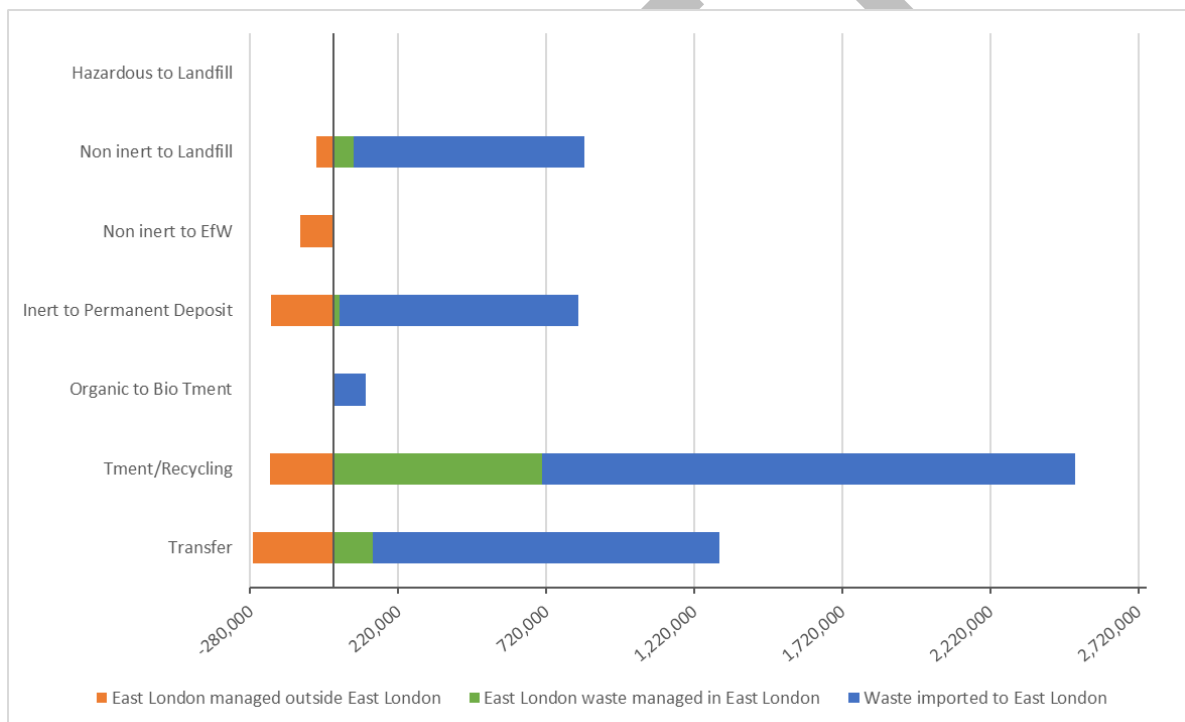


Figure 8: Waste import and export balance in East London 2022 by management method and waste type where known (tonnes)

²⁸ See 'Identification of Strategically Significant Cross Boundary Waste Movements', BPP Consulting, April 2024

²⁹ Note that Figure 8 only includes waste managed at permitted sites in England and does not include any waste exported to Wales, Scotland or further afield as this is not reported in the WDI.

2.87 When planning for waste the NPPW expects WPA areas to assess whether the unmet needs of other areas could be met within their own areas.

Regional Policy – The London Plan

2.88 The administrative geography of London is overseen at a regional level by the Greater London Authority (GLA). There are thirty-three administrative areas within London: twelve inner boroughs, twenty outer boroughs, and the City of London. Newham is the only inner borough within the ELJWP area.

2.89 The London Plan provides strategic planning policy for the whole of London and sets out how certain matters, including waste, should be addressed in borough Local Plans including waste local plans.

2.90 The London Plan states that London should manage as much of its waste within its boundaries as practicable, aiming to achieve waste net self-sufficiency by 2026 in all waste streams except for excavation waste. To meet this aim, the London Plan 2021 forecasts arisings of Local Authority Collected Waste (referred to as household waste) plus Commercial and Industrial waste (C&I waste) for London by borough to 2041 (collectively referred to as household, industrial and commercial waste (HIC)). These forecasts are used as a basis to apportion quantities of this waste for management to each borough so that the overall goal of managing the equivalent of 100 per cent of London's waste should be managed within London (i.e. net self-sufficiency) by 2026 (Policy SI 8) is achieved. Excavation waste is excluded from the London Plan net self-sufficiency target as it is difficult to recycle and it is more difficult for London to provide sites for management or beneficial use.

2.91 The borough apportionments were derived through an assessment process that included assessment of existing capacity in each borough along with a number of other factors that are considered to determine the ability of a particular borough to provide additional management capacity. The quantities arrived at are referred to as the London Plan apportionments (LP apportionments for short). The types of capacity considered to count towards the management of apportioned waste (hereinafter referred to as 'qualifying capacity') is defined in Paragraph 9.8.4 of the London Plan as follows:

- Energy recovery in London;
- production of solid recovered fuel (SRF) and refuse derived fuel (RDF) in London;
- sorting or bulking for re-use or recycling including anaerobic digestion. The reuse or recycling may take place within or outside London providing the sorting and bulking capacity is located within London; and
- reuse or recycling including anaerobic digestion within London.

2.92 London Plan arisings and forecasts for the East London Boroughs are set out below in Table 7 below. The London Legacy Development Corporation does not have a separate waste apportionment within the London Plan 2021, and therefore waste management in its area is accounted for by the London Borough of Newham.

Table 7 London Plan Forecast Waste Arisings and Apportionments for the East London Boroughs

	Waste Arising		Waste Management Apportionments	
	2021	2014	2021	2014
Barking and Dagenham	214,000	230,000	505,000	537,000
Havering	229,000	249,000	370,000	393,000
Newham	244,000	260,000	383,000	407,000
Redbridge	196,000	216,000	151,000	160,000
Total	883,000	955,000	1,409,000	1,497,000

2.93 The apportionment targets for East London are significantly higher than the area's projected arisings which demonstrates how East London is expected make a major contribution to the London Plan 2026 net self-sufficiency target.

2.94 The London Plan also sets out management targets for waste generated in London in Policy SI 7 Reducing waste and supporting the circular economy. These targets reflect those in the London Environment Strategy (LES) as follows:

- ensure that there is zero biodegradable or recyclable waste to landfill by 2026
- meet or exceed the municipal waste recycling target of 65 per cent by 2030
- meet or exceed the targets for each of the following waste and material streams:
 - construction and demolition – 95 per cent reuse/recycling/recovery
 - excavation – 95 per cent beneficial use (with 100% inert put to use)

- 2.95 In addition, in connection with hazardous waste management capacity, paragraph 9.8.18 of the London Plan identifies ‘..a need to continue to identify hazardous waste capacity for London.’
- 2.96 The London Plan requires boroughs to allocate sufficient land and identify waste management facilities to provide capacity to manage the tonnages of waste apportioned in the plan and to plan for those waste streams not apportioned by the London Plan.
- 2.97 The London Plan includes a requirement for ‘referable applications’³⁰ to be submitted with a “Circular Economy Statement” that demonstrates how the development will come forward in a manner which is consistent with achieving a circular economy. This includes how much waste the proposed development is expected to generate and where it will be managed. The GLA has published further guidance on the content of Circular Economy Statements³¹.
- 2.98 The London Plan requires boroughs to “allocate sufficient sites, identify suitable areas, and identify waste management facilities to provide the capacity to manage the apportioned tonnages of waste”. This is in line with the NPPW which requires waste planning authorities to “identify sites and/or areas for new or enhanced waste management facilities”. The London Plan identifies existing facilities, Strategic Industrial Locations, Locally Significant Industrial Sites and safeguarded wharves as suitable for new waste facilities.
- 2.99 The London Plan makes clear that all existing waste sites should be safeguarded and retained in waste use. The London Plan defines existing waste sites as those with planning permission for waste use or those with an Environment Agency permit.
- 2.100 The London Plan requires compensatory capacity elsewhere in London if a waste site is redeveloped for another use. Compensatory capacity must be at or above the same level of the waste hierarchy of that which is lost, and that any loss of hazardous waste capacity must be replaced with hazardous waste capacity. Existing waste sites can only be released without re-providing capacity if it can be demonstrated that there is sufficient capacity elsewhere in London and the target of achieving net self-sufficiency is not compromised.
- 2.101 The London Plan supporting text indicates that boroughs with surplus capacity share this with boroughs facing a shortfall before considering release of sites from safeguarding protection. The London Plan also acknowledges that it may not always be possible for boroughs to meet their apportionment within their boundaries and in these circumstances boroughs will need to agree the ‘*transfer of apportioned waste*’.
- 2.102 Furthermore, the London Plan includes policy (Part G of Policy D4 Housing quality and standards) that requires housing to be designed with adequate and easily accessible storage space that supports the separate collection of dry recyclables (for at least card, paper, mixed plastics, metals, glass) food waste as well as residual waste.

2.103 In December 2018, the London Assembly declared a climate emergency, and called on the Mayor of London to do likewise and put in place specific emergency plans for London to achieve carbon neutrality by 2030. The Mayor declared a climate emergency shortly after the Assembly and set a target for London to be net zero-carbon by 2030.

Local Policy

Borough Local Plans and Related Plans and Guidance

2.104 Each Borough has prepared its own Local Plan that includes a Vision, Objectives and planning policies relating to all forms of development in its area. Policies in this Plan will supersede any policy relating to the management of waste included in the Local Plans.

Barking and Dagenham

2.105 Barking and Dagenham's Core Strategy was adopted in 2010. Policy CR3 contains strategic-level sustainable waste management principles and defers waste planning to the ELWP, or national and London policies in the absence of a joint waste plan. A new Local Plan is being prepared and is currently being examined.

2.106 Other Plans and guidance relating to the management of waste in Barking and Dagenham are as follows:

- Barking and Dagenham Planning Advice Note (PAN3) – Waste and Recycling Provisions
- Barking and Dagenham Reduction and Recycling Plan April 2023 to March 2025

³⁰ Referable applications include those for developments providing 150 residential units, other types of development of 20,000sq.m in central London or 15,000sq.m outside Central London, developments 25m high adjacent to the Thames or 30m high elsewhere in London.

³¹ <https://www.london.gov.uk/programmes-strategies/planning/implementing-london-plan/london-plan-guidance/circular-economy-statement-guidance>

Havering

2.107 Havering's Local Plan was adopted in 2021. The Local Plan relies on the ELWP for the determination of applications for waste management and includes Policy 35: On-site waste management which concerns the provision of suitable arrangements for the separate storage and collection of waste in new development.

2.108 The Havering Reduction and Recycling Plan April 2023 to March 2025 sets out initiatives in Havering intended to reduce waste production and increase recycling.

Newham

2.109 Newham's Local Plan was adopted in 2018. Policy INF3: Waste and Recycling includes sustainable waste management principles, repeats key strategy points from the ELWP pertinent to the Borough, and includes design criteria. The Local Plan is currently being reviewed and a draft updated Plan was published for consultation in December 2022. The draft similarly contains policy relating to waste management which reflects the requirements of the 2021 London Plan policies.

2.110 Other Plans and guidance relating to the management of waste in Newham are as follows:

- Newham Recycling and Waste Collection Policy
- The Newham Recycling, Waste and Street Cleansing Strategy
- Newham Waste Management Guidelines for Architects and Property Developers
- Newham Reduction and Recycling Plan April 2023 to March 2025

Redbridge

2.111 Redbridge's Local Plan 2015-2030 was adopted in 2018. Policy LP17: Delivering Community Infrastructure includes safeguarding of existing waste sites and delivering the "ELWA Joint Waste Development Plan".

2.112 Other Plans and guidance relating to the management of waste in Redbridge are as follows:

- Redbridge Housing Design Supplementary Planning Document
- Redbridge Waste Reduction Strategy 2019
- Redbridge Reduction and Recycling Plan 2023-2025

London Legacy Development Corporation

2.113 The London Legacy Development Corporation (LLDC) is a Mayoral Development Corporation which covers parts of four London Boroughs including Newham (see Figure 5 below). The LLDC is both a local planning authority and a waste planning authority, however it has not been given a separate apportionment target in the London Plan. The LLDC Local Plan was adopted in 2020. It contains Policy S.7 which commits the LLDC to working with its constituent boroughs on matters of strategic waste management and planning, and taking account of their adopted local waste plans.

East London Waste Authority

2.114 The East London Waste Authority (ELWA) is a statutory 'Waste Disposal Authority' (WDA) that was established on 1 January 1986 with responsibility for the management of household waste collected by the East London Boroughs.

2.115 In 1996, ELWA developed its Integrated Waste Management Strategy (IWMS), aimed at dramatically increasing recycling and composting and reducing the amount of waste sent to landfill. In 2002, ELWA signed a 25-year contract with Shanks PLC (now Renewi), to deliver the IWMS. This involved investment of over £100 million in new and improved facilities, new ways to treat and transport waste.

2.116 In 2023, ELWA published its 'Joint Strategy for East London's Resources and Waste (2027-57)' which will supersede the IWMS. The Joint Strategy sets out the aims, objectives, priorities and actions for the Partner Authorities on preventing and reducing waste, increasing reuse and recycling, supporting improvements with infrastructure, and monitoring performance. The Joint Strategy covers a 30-year period from 2027 to 2057 to reflect the timing of the end of ELWA's long-term Integrated Waste Management Services contract, but work is already underway to meet the targets and ambitions set out in the document.

2.117 Reprourement of the new contract does not guarantee that existing facilities which manufacture Secondary Recovered Fuel (SRF) from residual household waste at the Mechanical Biological Treatment (MBT) facilities at Jenkins Lane and Frog Island, will continue to be utilised.

2.118 The ELWA Joint Strategy proposes a recycling target of 35% by 2030 which is less than the 50% target included in the LES. A reduced recycling target was accepted by the GLA in recognition of the issues associated with achieving high recycling rates in flatted development and the fact that 90% of new housing in East London in future will be in the form of flats. A review of this target is required in 2028.

2.119 The ELWA Joint Strategy anticipates *'separate food waste collections for street level properties and blocks of flats, in line with anticipated regulations and Government guidance'*.

2.120 ELWA also maintains a Waste Prevention Action Plan. The latest Waste Prevention Action Plan is for 2023/24 and includes various objectives relating to the reduction of the following waste streams:

- Bulky waste
- Textiles and nappies
- Food waste
- Electronics
- Mixed Organic Waste
- Other waste

Local Climate Change Strategies

2.121 London Borough Barking and Dagenham declared a climate emergency in 2019. London Borough of Havering declared a climate and ecological emergency in 2023. London Borough of Newham declared a climate emergency in 2019. London Borough of Redbridge have an action plan to be carbon neutral by 2030 and carbon zero by 2050.

3 Draft Vision and Objectives

The Draft Vision

- 3.1 The draft Vision below describes how the Boroughs propose waste will be managed in East London by 2041. The proposed 'Strategic Objectives' explain what will need to be achieved if the vision is to be realised.
- 3.2 The proposed Vision and Strategic Objectives have drawn on Local Plans and strategies in East London as well as the London Plan and national policies and strategies.
- 3.3 Planning policies are linked to the Vision and Strategic Objectives to ensure that development, that affects the way waste is managed and produced, will occur in a manner that helps achieve the Vision and Strategic Objectives.

East London Joint Waste Plan Draft Vision

By 2041, the principles of the circular economy will be fully integrated into all forms of development within East London, resulting in reduced waste production and increased emphasis on repair, refurbishment and reuse including that associated with built structures.

A network of accessible service providers for reuse, repair, and recycling will be in place. Remaining waste will be viewed and managed as a resource, with hazardous properties virtually eliminated in construction and demolition waste. Priority will be given to using recycled materials in construction, and development projects will prioritise waste minimisation.

Sustainable waste management in East London will contribute to the area's regeneration, positioning it as a key part of London's industrial engine and a thriving economic centre. Waste management facilities will be located to protect and enhance communities and the natural environment, and be resilient to climate change. Waste will be managed efficiently by maximising existing capacity of facilities, releasing underutilised or poorly located sites, minimising transportation and using infrastructure established for alternative means of waste movement, in particular via the River Thames.

Net zero in waste management will have been achieved in East London through an understanding, and reduction, of lifecycle carbon impacts and incorporating renewable energy in waste management and transportation.

Sending waste to landfill will be a last resort, occurring only in exceptional circumstances, and any landfill in East London will be considered a strategic resource with carefully managed capacity.

Strategic Objectives

East London Joint Waste Plan Strategic Objectives

Strategic Objective 1: Significantly Reduce Waste Production Overall

- Encourage the integration of circular economy principles and the adoption of best practice design and construction approaches, to achieve a significant reduction in waste production by 2041.

Strategic Objective 2: All Built Development Will Contribute to the Achievement of a Fully Functioning Circular Economy by 2041

- Promote the use of circular economy principles in design, construction and development in the built environment, emphasising reduced waste production and increased reuse and repair practices.
- Encourage development to consider and minimise waste during construction and operation, following the waste hierarchy in priority order.
- Enable delivery of development which will help establish a viable and easily accessible network of re-use, repair, and recycling services.
- Foster a shift in perception such that waste materials are viewed as a valuable resource, ensuring sustainable waste management is integral to the development and use of all new development.
- Encourage development that prioritises the use of reused, reusable, recycled and recyclable materials and minimises the use hazardous materials which could result in the production of hazardous waste in construction projects in East London

Strategic Objective 3: Appropriately Locate Waste Management Capacity

- Locate, construct, and operate waste management facilities while protecting and enhancing communities, health, employment, and the natural environment, and ensuring resilience to climate change.

Strategic Objective 4: Contribute to East London's Regeneration and Economic Growth

- Leverage sustainable waste management in a manner that contributes to East London's regeneration and economic growth.
- Ensure high quality restoration and aftercare of landfill sites which maximises benefits to the community and the environment.
- Ensure waste is managed using methods and in locations that contribute to measurable improvements in the natural environment, including biodiversity, of East London.

East London Joint Waste Plan Strategic Objectives (continued)

Strategic Objective 5: Achieve Net Zero Waste Management

- Attain net zero in waste management by 2041 by ensuring that whole lifecycle carbon impacts are taken into account in proposals for the management of waste.
- Provide waste management capacity that minimises greenhouse gas production and supports the development of a low carbon economy and decentralised energy.
- Promote development which allows for the exclusive use of renewable energy sources in waste management operations and transportation.

Strategic Objective 6: Optimise Existing Waste Management Capacity

- Realise the full potential of existing waste management capacity in East London, using only the minimum land necessary while ensuring the capability to manage at least the apportionment in the London Plan is maintained.
- Review and release land occupied by poorly located or under-utilised waste management facilities for other uses.

Strategic Objective 7: Minimise Transportation and Establish Alternative Infrastructure

- Minimise the transportation of waste by locating facilities as close as possible to its source
- Safeguard and establish alternative transport infrastructure, including River Thames wharves, to allow movement without reliance on fossil fuel-powered vehicles.

Strategic Objective 8: Restrict Landfilling to Exceptional Circumstances

- Ensure the disposal of waste occurs only as a last resort and in exceptional circumstances.
- Ensure any landfill capacity is reserved solely for the disposal of waste which cannot be managed by any other means.

4 Future requirements for waste management capacity

4.1 In order to establish how much waste management capacity will be needed over the Plan period a study³² was completed that considered the requirements of the London Plan and how well the existing waste management capacity might meet those requirements. It is important to note that this study did not include existing capacity with temporary planning permission or very small sites and on this basis it may be considered to have underestimated existing capacity. The results of the study are set out below:

Management Capacity for Apportioned HIC³³ Waste

4.2 It is estimated that there is currently 2,561,000tpa pf waste management capacity in East London which is more than sufficient to manage the London Plan apportioned forecast arisings to 2041. This is shown in Table 8 below.

Table 8: Combined apportionment for East London boroughs compared to Estimated Apportionment Capacity in East London (after release of sites)

	2021	2041
Apportionment Forecast	1,409,000	1,497,000
Capacity	2,561,000	2,561,000
Difference	+1,152,000	+1,064,000

³² East London Joint Waste Plan, Assessment of Existing Waste Management Capacity, BPP Consulting, February 2024

³³ Local Authority Collected Waste plus Commercial and Industrial waste

- 4.3 A sensitivity analysis was undertaken to account for the possible loss of MBT capacity after 2027 and this showed that this loss would not result in a capacity shortfall.
- 4.4 The surplus capacity for the management of apportioned waste at 2041 is estimated to range between c.0.68 Mtpa (without MBT) and c.1.0Mtpa.

Management Capacity for C, D & E Waste

- 4.5 Based on an extrapolation of the forecast for C, D & E waste arisings included in an earlier report completed in 2022 (the Anthesis 2022 Report³⁴), a revised estimate of 2,123,218 tpa was derived for C, D & E waste arising in 2041. Comparing this to an estimate of existing C, D & E waste management capacity of 3,789,800tpa reveals a capacity surplus estimated to be approximately 1.67 Mtpa in 2041.

Management Capacity for Hazardous Waste

- 4.6 An updated forecast for hazardous waste arisings to 2041 suggests that 54,704tpa will be produced by 2041. This compares to existing hazardous waste management capacity of 39,000tpa which indicates there is a capacity deficit of approximately c.15,700tpa.
- 4.7 However, it should be noted that given the diverse nature of hazardous wastes, there is no policy expectation that individual Plan areas should be net self sufficient for the management of hazardous produced in the area. Instead, existing capacity should be safeguarded and additional capacity be sought in co-operation with other Plan areas. This is set out in the London Plan as follows:

"The main requirement is for sites for regional facilities to be identified. Boroughs will need to work with neighbouring authorities to consider the necessary facilities when planning for their hazardous waste." (paragraph 9.8.18)

- 4.8 Therefore, the estimated shortfall is not considered to be a barrier to release of other sites, or impose a requirement to provide for additional capacity through allocation in the ELJWP.

Providing for Waste from Beyond the Plan Area

- 4.9 In light of the identified surplus in C, D & E Waste and HIC management capacity, as part of the consultation on this Plan, the Boroughs are inviting other boroughs, who have demonstrated that they are unable to meet their apportionments within their own areas to consider whether the surplus in east London might offer an opportunity for their apportionments to be met.

5 Sites for Waste Management

5.1 As noted in section 4.0 above, there is sufficient waste management capacity in East London to meet requirements for C, D & E Waste and HIC over the plan period. In light of this it is proposed that the Plan:

1. Does not allocate specific areas of land for the development of additional waste management facilities (this means the status of the sites allocated for the development of waste management capacity in the current adopted East London Waste Plan (Schedule 2 Sites) would fall away);
2. does not expressly safeguard several existing waste management sites where such safeguarding protection would hinder the wider development aims of the Boroughs. For example, where existing waste facilities are situated on land that has been earmarked by the Boroughs for other forms of development in their Local Plans; and,
3. safeguard all other existing waste sites with planning permission.

5.2 The sites proposed for safeguarding are listed in Appendix 1 with maps and further details included in Appendix 2. The safeguarding policy is included in section 6.0 below as Policy JWP2. JWP2 also sets out the circumstances when proposals for additional waste management capacity might be acceptable.

5.3 A separate study³⁵ has been prepared that assesses the sites proposed for release from safeguarding. In addition, the assessment of existing waste management capacity, outlined in Section 4.0 above, factored in the loss of these sites. These sites are listed in table 9 below.

Table 9: Existing Waste Sites Proposed for Release from Safeguarding

Borough	Site	Permitted Use	Waste Capacity (tpa)
Barking & Dagenham	Barking Eurohub, Box Lane, Barking	Transfer Station taking Non-Biodegradable Wastes	c270,000
Barking & Dagenham	Gallions Close, Barking, IG11 0JD	Recycling	c50,000
Barking & Dagenham	17-19 Thames Road, Barking IG11 0HS	Waste processing and recycling facility	Not operational
Barking & Dagenham	The Annex of Shed A, Box Lane, Barking IG11 0SQ	Non Haz Waste Transfer / Treatment	c36,000

³⁵ Safeguarded Sites for Release – Assessment Report, BPP Consulting, May 2024

Barking & Dagenham	Renwick Road Rail Hub, Barking	Non Haz Waste Transfer	c200,000
Newham	12 Barbers Road, Stratford, E15 2PH	Waste separation & recycling centre	c107,000
Newham	Connolleys Yard, Unit 5c Thames Road, London, E16 2EZ	Metal Recycling Site	c35,000

5.4 The Boroughs have also identified additional existing waste management sites which might make good candidates for redevelopment. However, such sites are safeguarded and could only be redeveloped if the provisions of Policy JWP2, which sets out the limited circumstances in which safeguarded waste sites can be redeveloped, are satisfied. These sites are listed in Appendix 3.

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6 Policies

- 6.1 The policies set out below will be applied when making decisions on the suitability of proposals for development in East London. All the policies apply to proposals relating to waste management and Policies JWP 1 and JWP 3 will apply to all forms of development. Parts of Policy JWP 2 will apply to proposals which involve the redevelopment of existing waste management facilities.
- 6.2 Relevant policies included in the adopted Local Plan of the Borough in which the proposal is located will also be applied. Such policies may relate to wider issues concerning the protection and enhancement of communities and the natural environment. In some cases, there may be overlap between the policies of the Borough's Local Plans and the policies in this Plan, where this occurs the latest policy to have been adopted will take precedence.
- 6.3 Table 10 below shows how the proposed Strategic Objectives of this plan would be implemented by the policies.

Table 10: Relationship Between Strategic Objectives and Policies

Strategic Objective	Related Policies
Strategic Objective 1: Establish a Fully Functioning Circular Economy by 2040	Policy JWP1: Circular Economy Policy JWP5: Energy from Waste
Strategic Objective 2: All Built Development Will Contribute to the Achievement of a Fully Functioning Circular Economy by 2041	Policy JWP1: Circular Economy Policy JWP4: Design of Waste Management Facilities
Strategic Objective 3: Appropriately Locate Waste Management Capacity	Policy JWP2: Safeguarding and Provision of Waste Capacity Policy JWP 3 Prevention of Encroachment
Strategic Objective 4: Contribute to East London's Regeneration and Economic Growth	Policy JWP2: Safeguarding and Provision of Waste Capacity Policy JWP4: Design of Waste Management Facilities
Strategic Objective 5: Achieve Net Zero Waste Management	Policy JWP1: Circular Economy Policy JWP4: Design of Waste Management Facilities Policy JWP6: Deposit of Waste on Land
Strategic Objective 6: Optimise Existing Waste Management Capacity	Policy JWP5: Energy from Waste
Strategic Objective 7: Minimise Transportation and Establish Alternative Infrastructure	Policy JWP4: Design of Waste Management Facilities
Strategic Objective 8: Restrict Landfilling to Exceptional Circumstances	Policy JWP1: Circular Economy

Policy JWP1: Circular Economy

Purpose of Policy

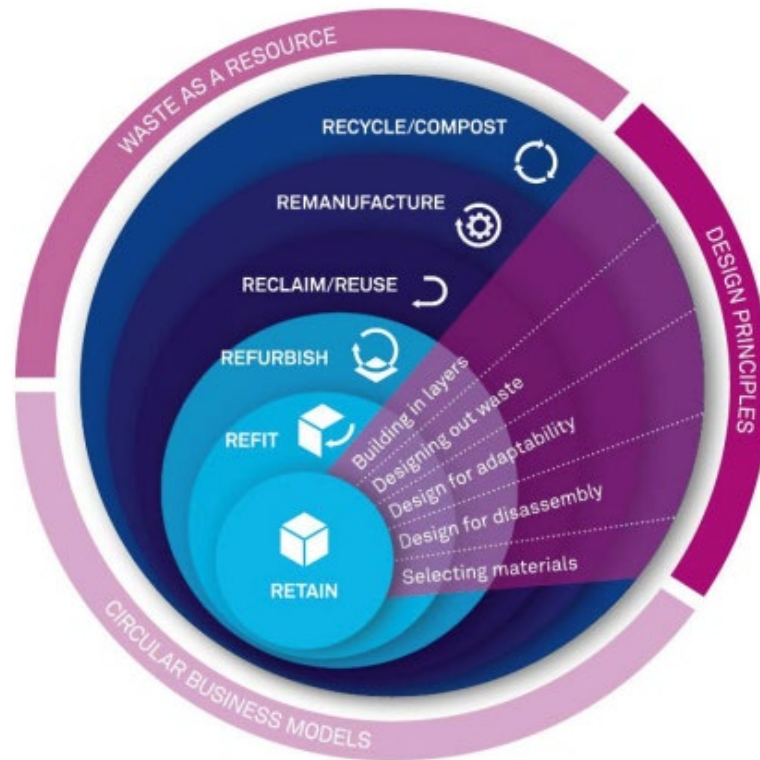
To encourage and support development that is consistent with the achievement of a circular economy by, amongst other things, requiring all forms of development (not just those concerned primarily with the management of waste) to demonstrate that it will not result in the production of waste that practically could have been prevented over its lifespan.

- 6.4 Many forms of development are key to facilitating a Circular Economy in the ways they provide for goods and materials to be re-used, repaired and refurbished. Examples include the following:
- Repair/refurbishment workshops;
 - other uses associated with repair of products e.g. tailors;
 - shops selling second hand goods;
 - lending libraries (e.g. 'Library of things');
 - hire shops; and
 - 'reuse hubs'.
- 6.5 While these types of development are considered 'everyday', they have a key role to play in a circular economy and it is important that their contribution is recognised. In many cases such development is covered by general land use classes, however where specific decisions are needed on proposals, support will be provided for development which incorporates such uses in suitable locations. Newham is currently exploring the concept of dedicated 'Circular Economy Construction Hubs' which may be developed to offer space for the storage, sorting, testing and redistribution of reclaimed construction materials; a centre for the repair, remanufacture and retail of reclaimed building components, and potentially consumer items (i.e. paint, timber etc); as well as related training and skills development (e.g. training in specific trades related to construction with emphasis on repair and use of reused, recycled and low carbon materials).

- 6.6 Goods and materials that have become waste will have been produced and transported usually using energy that was derived from fossil fuels and resulting in carbon emissions. The carbon associated with this energy is known as 'embodied carbon' and when waste materials are disposed of, it is not only the materials that are wasted but also the energy with an associated embodied carbon cost). Vast amounts of energy have been used in the production of materials e.g. steel, glass, concrete, used in the buildings (and in their construction). Waste relating to development activity is therefore intrinsically linked to carbon emissions and associated climate change.
- 6.7 It is increasingly acknowledged that even though older structures might not be as energy efficient during their use phase, the carbon footprint of constructing a new, energy efficient building may often exceed any savings achieved during its operational phase.
- 6.8 The quantity and the nature of waste resulting from built development relates directly to how a building is designed. It is expected that proposals will be accompanied by an assessment that shows why the service, e.g. housing, provided by the development is genuinely needed and cannot be met in a way that does not involve demolition of existing buildings and/or the construction of new ones. Consideration of whether existing development can be refurbished and/or put to the required use should occur at the earliest design concept stage. To a certain extent, this principle of re-purposing existing development is enshrined in the national approach to permitted development that, in certain circumstances, allows offices to be redeveloped for use as housing.
- 6.9 Where it is demonstrated that new development is necessary, issues needing consideration to ensure that the development is compatible with the circular economy, include:
- the efficient use of land – how well development is designed to ensure the use of the land where it is located is optimised;
 - the resilience of development i.e. will it last. This not only concerns sound construction but also relates to how easily a building can be adapted to meet different requirements over time;
 - how a building will be dismantled at the end of its life and whether components and materials can be easily reused and recycled;
 - consumption of materials, not just in construction but also in its use, and how renewable those materials are;
 - reduction of waste, through modular construction, project and materials management and procurement;
 - the management of waste arising from demolition and construction as high on the waste hierarchy as possible. This also relates to the materials used in construction, for example how easily surplus material can be re-used;
 - the design of the development to provide for waste which arises during its use and occupation to be managed in accordance with the waste hierarchy.

6.10 Figure 9 below illustrates approaches related to the circular economy and the built environment.

Figure 9 Circular Economy hierarchy for building approaches (from London Plan Policy D3 Figure 3.2)³⁶



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³⁶ Source: Building Revolutions (2016), David Cheshire, RIBA publishing©
Project: East London Joint Waste Plan
Document: Regulation 18 Consultation Draft Plan
Version: 3.2 Final Draft 22.05.24

- 6.11 The optimal use of land is particularly important in the more built-up areas of East London and policies in the Boroughs' Local Plans seek to address this as appropriate.
- 6.12 Efficient modular off-site construction methods are now commonly used as a means of minimising the wastage of materials used in construction.
- 6.13 In 2023, the UK Government announced it's 'Simpler Recycling' initiative which is a plan to standardise recycling across England which includes the following:
1. Consistent Collection of Materials: Both local authorities and businesses in England are required to collect a consistent set of materials for recycling. These include dry recyclables such as glass, metal, plastic (including plastic film), paper and card, and organics like food waste and garden waste.
 2. Flexibility in Collection Methods: Local authorities have the flexibility in the method of collection for dry recyclables in terms of level of separation and number/type of container. An exemption would allow authorities to collect dry recyclables co-mingled.
 3. Weekly Food Waste Collection: Collection authorities will be required to collect food waste weekly. The preference is for food waste to be treated by anaerobic digestion.
 4. Fortnightly Residual Waste Collection: The government is proposing the requirement for residual waste to be collected at least fortnightly.
 5. Designing Business Premises for Waste Storage: Business premises must be designed with sufficient space for the storage of materials to be separately collected.
- 6.14 Where these requirements are not already in place, they will be brought in by March 2026 and this confirms the need for all buildings to be designed with sufficient space to allow for the separate collection and storage of these materials. All Boroughs provide separate collection of recyclable materials and the ELWA strategy anticipates *'separate food waste collections for street level properties and blocks of flats, in line with anticipated regulations and Government guidance'*.
- 6.15 Different storage and collection systems are needed for different types of development, for example, the Barking Riverside mixed use development incorporates a vacuum system for collecting waste from apartments. The system processes three fractions: residual, cardboard and dry recyclables and reduces the need for storage facilities (460 collection inlets replace 19,000 traditional bins) and vehicle movements.
- 6.16 Separate guidance has been prepared by the Boroughs to assist developers understand how waste will be collected and how buildings will need to be designed to allow for efficient and effective collection.

- 6.17 The London Plan recognises that ‘London should move to a more circular economy’. Policy SI 7 expects proposals for development which are of such as size and nature that they are referable to the Mayor, to be ‘net zero waste’. To demonstrate consistency with Policy SI 7, ‘Circular Economy Statements’ are required to be submitted with referable applications. The London Plan supports boroughs who adopt lower thresholds for requiring Circular Economy Statements in their Local Plans. The Boroughs propose to lower the thresholds in this Plan such that all proposals for major development should be accompanied by a Circular Economy Statement.
- 6.18 A shift in mindset is needed to ensure that circular economy principles are integral to thinking around the provision of built development that is needed to meet society’s needs. To that end, major waste proposals will be expected to provide opportunities to educate their employees and the local communities that they serve about the importance of moving towards a circular economy and how this can be achieved.
- 6.19 More detail on waste management and the Circular Economy is included in a separate Circular Economy Topic Paper. This includes information on other related policies and guidance prepared by the East London Boroughs.

Implementation

6.20 The documentation provided with planning applications should demonstrate how the development is designed to achieve:

1. The following rates of recycling:

Type of development	Dry Mixed Recyclables	Food Waste	Other wastes
Houses	50% ³⁷	50%	-
Flats	50%	50%	-
Shops	-	-	65%
Offices	-	-	65%
Light industrial	-	-	65%
Heavy industrial	-	-	65%

³⁷ ELWA Strategy Borough / LES Household Recycling Aspiration

2. Zero biodegradable or recyclable waste to landfill by 2026: and,
3. 95% recycling of Construction, Demolition and Excavation waste

- 6.21 In order to maximise the opportunities for residents to reuse and recycle their household waste, except for: Householder applications; reserved matters applications; minor extensions; and non-material amendments to current planning permissions. planning applications involving additional residential development should include the following details:
- Measures to be taken to show compliance with this policy and potential future collection arrangements e.g. food waste; and
 - the details of the nature and quantity of any construction, demolition and excavation waste which will arise from the development and its subsequent management.
- 6.22 Major development proposals (including waste management) should include a Circular Economy Statement showing how the matters set out in Policy JWP1 have been taken into account. This statement should be prepared in accordance with the related GLA guidance³⁸ and, amongst other things, include a waste management audit outlining plans for waste handling throughout construction, including any demolition and refurbishment, as well as during the development's occupation and use. Where required, it is recommended that Circular Economy Statements be prepared alongside Whole Lifecycle Carbon Assessments.
- 6.23 Non major development proposals should be submitted with a Site Waste Management Plan which details how waste arising from construction, demolition and excavation will be minimised and then how any waste which does arise will be managed in accordance with the waste hierarchy. Site Waste Management Plans must include targets for retaining, reusing, or recycling materials arising for the development. Ideally these should link to online databases of reclaimed materials (e.g. the Excess Material Exchange³⁹) where developers list materials on web-based platforms and network locally to salvage and reuse materials.

³⁸ [Circular Economy Statement Guidance, GLA, 2022](#)

³⁹ [Excess Materials Exchange](#), London Borough of Enfield

- 6.24 Development proposals involving demolition will be required to be supported by a 'Pre-demolition Audit'. The 'Pre-demolition Audit' is a survey conducted on existing buildings, structures, and hard-standing surfaces before demolition or major redevelopment that identifies the type and volume of materials that will arise as a result of deconstruction. The audit will support preparation of Circular Economy Statements, Site Waste Management Plans and Whole Lifecycle Carbon Assessments.
- 6.25 Waste Management Strategies will be required to be submitted with non major development that considers the types of waste that will be produced during the occupation and use of the development and how this will be managed. A template of a Waste Management Strategy is included with the Tower Hamlets Reuse and Recycling Supplementary Planning Document. While this document was prepared by a different London Borough, it was prepared with the support of the London-wide waste advisory organisation 'ReLondon' and is currently considered to represent best practice. This document also includes information on best practice approaches to maximising recycling (e.g. provision of signage) and specifies the space that should be provided for storage of waste in development pending its collection for off site management. Similar related guidance prepared by the East London Boroughs should be referred to such as the Newham Waste Management Guidelines for Architects and Property Developers (2024). Thresholds for sizes of development requiring certain arrangements for waste management included in Local Plans should be followed.
- 6.26 Proposals for 'Circular Economy Construction Hubs' which provide dedicated space and facilities for the storage and repair of waste materials, as well as opportunities for the development of skills needed to achieve a circular economy e.g. repair workshops, will be encouraged.
- 6.27 Financial contributions from applicants for development which will rely on the use of the Council's waste management service for the collection and management of waste (mainly that from households) will be sought to assist with the provision of related infrastructure.

Policy JWP1: Circular Economy

- A. Development that constitutes or incorporates activities compatible with the circular economy will be encouraged.**
- B. All development should follow the principles of a circular economy during construction and operation phases, which includes:**
 - 1. Preserving and repurposing existing structures where practical and appropriate; or**
 - 2. demonstrating that repurposing existing built development is not practicable or the best environmental option; and**
 - 3. reducing the generation of construction, demolition, and excavation waste and managing any such waste that arises from the development in accordance with the waste hierarchy and on the site of production where practicable; and**
 - 4. designing for flexibility and longevity, recyclability, repurposing and refurbishment; and,**
 - 5. sustainable construction methods, including maximising the use of reused, recycled and recyclable materials and techniques that reduce waste and facilitate the deconstruction and reuse of building components.**

For major developments, this should be demonstrated through the submission of a Circular Economy Statement. All proposals should set out how waste arising from demolition (if applicable) and construction will be managed in a Site Waste Management Plan which, as appropriate, should incorporate a Pre-demolition Audit.

- C. New development (not including minor householder applications) should include detailed consideration of waste arising from its occupation and/or use including how waste will be stored, collected and managed through a Recycling and Waste Management Strategy that demonstrates:**
 - 1. Sufficient storage space will be provided to accommodate source separation and separate storage of recyclable materials;**
 - 2. in flatted development and houses in multiple occupation, sufficient temporary on site storage, including for separated recyclables (including food waste) and items for reuse, until it is collected;**
 - 3. storage and collection systems (such as dedicated spaces, storage areas, chutes, or underground waste collection systems) will ensure adequate and convenient access for all users and waste collection operatives, ease of maintenance and separation collection of recyclable materials and reusable items; and,**
 - 4. systems and infrastructure will be monitored and maintained including contingency arrangements for system/infrastructure failures.**
- D. Major waste sites should incorporate facilities for visitors to allow educational opportunities relating to the circular economy.**

Monitoring indicators:

- Circular Economy Statements; Waste Management Strategies; Site Waste Management Plans; Pre-demolition audits, submitted with applications/applications permitted
- Waste recycled; other recovery; diverted from landfill
- Quantum of development associated with CE e.g. repair workshops (see other examples of development included in the supporting text)

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Policy JWP2: Safeguarding and Provision of Waste Capacity

Purpose of Policy

To ensure that:

- Existing consented waste management sites are generally safeguarded from loss to non waste uses;
- additional waste management capacity is consented on a limited basis, to meet specific needs in certain circumstances such that unnecessary capacity is not developed;
- existing waste management sites fulfil their potential to maximise the management of waste in accordance with the waste hierarchy and other relevant objectives; and,
- waste management facilities are only developed in locations where the environment and communities will be protected and enhanced.

Safeguarding of existing waste management capacity

- 6.28 The 2021 London Plan (Policy SI9) mandates that existing waste management sites can only be redeveloped for non-waste uses if an equivalent processing capacity is established elsewhere in London. This capacity should be based on the highest throughput achieved by the site in question over the past five years, or, if such data is unavailable, an appropriate assessment of potential capacity. The Environment Agency's Waste Data Interrogator tool is recommended for this assessment.
- 6.29 An assessment of the capacity for each site proposed for safeguarding in East London has been undertaken and is included in the separate Waste Management Capacity Assessment⁴⁰.
- 6.30 The London Plan also makes it clear that loss of safeguarded waste sites should be plan-led and determined through plan-making, rather than ad-hoc (through applications).

⁴⁰ See Updated East London Capacity Assessment, May 2024, BPP Consulting

- 6.31 Applicants seeking permission to redevelop an existing safeguarded waste site for a non-waste use in East London will need to prove that other existing waste sites already provide sufficient capacity to meet both the apportionment targets for the borough in which the proposal is located and the net self-sufficiency target for the city as a whole or that they have secured appropriate compensatory, replacement capacity before the change in use will be permitted. Replacement capacity can be achieved either by enhancing an existing safeguarded waste site or through securing a compensatory site to handle at least the maximum annual throughput, as per Policy JWP3 requirements.
- 6.32 Replacement capacity must be at least equivalent in terms of: Type of waste managed (LACW, C&I, C, D & E, Hazardous); throughput (lower throughput for management further up the hierarchy than that being lost may be acceptable); and position on the waste hierarchy.
- 6.33 There must also be no existing, or proposed developments that could constrain the operation of the replacement site such that the required capacity might not be realistically achievable.
- 6.34 Boroughs will enforce this through conditions or legal agreements to ensure that compensatory capacity is confirmed and delivered before releasing a safeguarded waste site for a different use. As per Policy SI 9 of the 2021 London Plan, this additional capacity should be located in London and ideally within the Plan area.
- 6.35 The provision of compensatory capacity in East London for the loss of waste capacity outside of the Plan area will not typically be permitted unless there is clear justification. Such justification should include the following:
- the compensatory provision is necessary for London to manage its waste sustainably and achieve net self-sufficiency;
 - existing safeguarded sites within that plan area are either unavailable or unsuitable, and the capacity lost cannot be replaced through adapting or intensifying existing facilities within the plan area;
 - no suitable sites are available for the development of waste capacity within the plan area in which the waste site is proposed for redevelopment; and,
 - the proposed compensatory provision would manage waste as high up the waste hierarchy as practically feasible.
- 6.36 Development of new waste management capacity that reduces overall throughput of an existing site may be acceptable where this enables management further up the waste hierarchy. This should be demonstrated through supporting evidence including:
- A list of the types of waste that would be managed at the facility;
 - The type of management that will be undertaken and its place on the hierarchy;
 - How the waste being managed will be managed as high up the hierarchy as practicable;
 - Management arrangements to ensure that the waste hierarchy is applied;

Need for additional capacity and waste hierarchy

- 6.37 'Waste management capacity' is the amount of waste that can be managed at a site or facility (generally measured in tonnes per annum throughput, or, for permanent disposal in landfill, may be overall volume in cubic metres).
- 6.38 The most recent waste management capacity assessments⁴¹ demonstrate that there is a surplus of capacity necessary for the management of current and forecast future waste arisings in East London. Therefore, there is no need for development of additional capacity to meet the London Plan apportionments within the Plan area. The capacity of sites that are safeguarded for waste use⁴² exceeds that required over the Plan period. This will provide a degree of flexibility should waste management requirements change.
- 6.39 However, there may be scope for development of additional capacity, including through intensification of existing sites, to provide for management further up the waste hierarchy, for example waste managed through MBT to RDF, might otherwise be managed through a MRF and recycled. The potential loss of MBT capacity (as contracts end) may also require provision of replacement or new capacity.

Location

- 6.40 The London Plan (Policy S18 B4) identifies suitable locations for waste management as existing waste sites, especially transfer facilities, where capacity can be maximized, Strategic Industrial Locations (SILs) and Locally Significant Industrial Sites (LSISs), and safeguarded wharves with existing or potential for waste management.
- 6.41 While existing capacity is adequate to meet management needs over the Plan period, development of new capacity, for example to move waste management up the waste hierarchy or to provide compensatory capacity, might be acceptable where it is located on existing waste sites, or on industrial land identified as suitable in Borough Local plans, where these are consistent with other policies of the development plan including those protecting the environment, health and amenity.

Implementation and Monitoring

Safeguarding of existing capacity

- 6.42 At the time of the Plan's adoption, safeguarded existing waste sites will be those listed in Appendix 1 and detailed in Appendix 2. The current sites proposed to be safeguarded are shown in Appendices 1 and 2 and are sites with planning permission. During the plan period changes may occur, such as new sites being permitted, which will result in a change to the details of safeguarded capacity in East London. These changes will be recognised in a change to the list and details of sites which will be reported on an annual basis in the Boroughs' Authority Monitoring Reports.

- 6.43 The Boroughs will require applicants for development that would result in loss or reduction in capacity of existing waste management sites and facilities (with planning permission) to demonstrate that either there is sufficient capacity remaining to meet forecast needs or that compensatory capacity has been secured, preferably within the Borough, the Plan area, or in London. This will be applied through condition for retention, and provision, of on-site capacity and/or legal obligations securing off-site provision. Through the plan-making process a number of existing waste sites have been identified as being surplus to requirements whose re-development will achieve wider planning objectives and so are no longer safeguarded for waste use and so are not included in Appendices 1 and 2.
- 6.44 In exceptional cases it may be possible to demonstrate that the capacity proposed to be is not actually required to meet the objectives of this Plan and the London Plan, for example if up to date monitoring of the London indicates that net self-sufficiency in London has been achieved.
- 6.45 Due to pressures for development on land in East London, some of the safeguarded existing waste management sites have been identified which may be more suitable for release if the provisions of Policy JWP2 can be demonstrated at the time of any proposal for re-development. The status of these sites in terms of planning policy is no different to other safeguarded sites but these have been identified in Appendix 3 for information.

Application of the Waste Hierarchy and Lifecycle Assessment

- 6.46 In most cases, management of waste in accordance with the waste hierarchy results in the least impact, on environment and communities. However, there may be circumstances where it is appropriate to deviate from the waste hierarchy. An example of this is the management of food waste by Anaerobic Digestion. Anaerobic Digestion is within the 'other recovery' tier of the waste hierarchy. LCA studies⁴³ have shown that management of food waste in this way is the best option and so is more acceptable than recycling (which is not practicable for food waste). Policy JWP2 allows for other such instances where LCA demonstrates that waste is better managed at a lower level of the waste hierarchy.

⁴¹ See Updated East London Capacity Assessment, May 2024, BPP Consulting

⁴² See Appendices 1 and 2.

⁴³ LCA is widely used to compare different waste management options, such as recycling, landfilling, composting, and incineration. LCA evaluates all aspects of the management option and compares the impacts on the environment of each aspect.

Policy JWP2: Safeguarding and Provision of Waste Capacity

Safeguarding existing capacity

A. Existing waste sites safeguarded from non-waste development are detailed in Appendix 2 (hereinafter referred to as "safeguarded waste sites").

B. Development that would lead to the loss and/or constrain current and future operation and development of safeguarded waste sites will not be permitted unless:

- 1. it can be demonstrated that equivalent, suitable, and appropriate compensatory capacity is provided within the borough where the site is located, or if this is demonstrated not to be possible, elsewhere in East London, or finally, elsewhere in London; or**
- 2. it has been demonstrated that the capacity of the facility to be lost is not required for the wider London Plan objective for net self sufficiency to be met.**

Overarching need for new capacity

C. Proposals for management of LACW and C&I waste which would result in waste management capacity exceeding the London Plan apportionment for East London and any proposals for the management of other waste streams, will not be permitted unless they would:

- 1. Result in waste being dealt with further up the hierarchy unless a life cycle assessment demonstrates that the method of management proposed is appropriate; and,**
- 2. subject to clause a. above, increase the throughput of an existing waste management facility; or**
- 3. consolidate waste management activities taking place at more than one site in East London at a single location (subject to cumulative impacts being acceptable and compliance with other policies in the Development Plan); and**
- 4. provide appropriate compensation for the loss of existing capacity elsewhere which is needed for London to be net self-sufficient in waste management overall.**

Waste hierarchy and location

D. Subject to Clause C above, proposals for waste management uses, including changes to the operation and layout of safeguarded waste sites, will be permitted where it is demonstrated that:

- 1. The waste to be managed could not practically be avoided or managed by a means further up the waste hierarchy unless a life cycle assessment demonstrates that the method of management proposed is appropriate; and,**
- 2. by-products and residues are minimised;**
- 3. any proposed decrease in the throughput of safeguarded waste sites would result in waste being managed further up the waste hierarchy.**
- 4. The proposal will:**
 - i. Minimise transportation of waste by being well located in relation to the sources of waste to be managed; and,**
 - ii. have good access to railheads and wharves and utilise non road modes of transportation or demonstrate why this would not be practicable; and,**
 - iii. Subject to criteria i., have good access to the road network and will not cause unacceptable adverse impacts on road safety or unacceptable adverse effects on the road network; and,**
 - iv. avoid creating an undue amenity impact on existing permitted non-waste uses, or land allocated, or land with permission for non-waste uses that could conflict with the proposed waste management use; and,**
 - v. for energy from waste facilities, be close to current or future heat users or networks and locations where resultant carbon may be captured for use; and,**
 - vi. for operations which generate bioaerosols (like composting), be situated at least 250m from sensitive receptors.**
- 5. In the following priority order, the proposal is situated:**
 - i. On a safeguarded existing waste site; or**
 - ii. where it is demonstrated that the use could not be located on a safeguarded existing waste site, in a Strategic Industrial Location (SIL); or**
 - iii. where it is demonstrated that the use could not be located in a SIL, in a Local Industrial Location (LIL) as appropriate.**

6. Were it is demonstrated that SIL and LIL is not available, and that the proposal is consistent with all other policies in the Development Plan, proposals may be permitted in the following locations:

- i. In or near safeguarded waste sites especially where this enables synergistic relationships between facilities; or,**
- ii. Local Plan allocations identified as suitable for industrial uses; or,**
- iii. previously developed, contaminated, or brownfield land not allocated for other non-industrial uses; or,**
- iv. redundant agricultural and forestry structures and their surroundings; and,**
- v. where composting or anaerobic digestion is proposed, farm properties where the resulting compost/digestate will be utilised on adjacent land.**

E. Proposals on greenfield land will not be permitted unless it can be demonstrated that the proposed waste management development is particularly needed in that location.

Monitoring indicators:

- Loss of existing capacity (tonnes/annum) and reasons for the loss (consistent or not consistent with Policy JWP2)
- Size/extent of existing waste sites (ha)
- Site details (based on Appendices 1 and 2)
- Waste management capacity total (tonnes/annum)
- Waste management capacity by type/position on hierarchy (disposal, recovery, recycling, preparation for re-use)

Policy JWP 3 Prevention of Encroachment

Purpose of Policy

To ensure that existing safeguarded waste management facilities are safeguarded from nearby development that may limit or hinder their operation.

- 6.47 Existing waste management facilities can be adversely affected by non-waste development in proximity to them, even where this does not involve direct loss of an existing site. Some non-waste uses, such as residential, can be sensitive to the impacts of waste management, including noise, odour and transport and are unlikely to be compatible with a nearby existing waste use. This can lead to unacceptable living conditions and resultant complaints, which may lead to constraints being imposed, such as restriction of operating hours or vehicle movements, which can reduce their current and future operations, with associated effects on available capacity.
- 6.48 The 'agent of change' principle in national policy (NPPF para 193) and the London Plan (Policy D13) reflects this and requires new development that may be sensitive to the impacts of existing businesses (particularly noise but also other nuisances) to mitigate this through design.
- 6.49 The distance from an existing waste site at which such issues may arise will depend on site specific circumstances, including existing mitigation measures employed by the operation. Waste use is subject to Environmental Permitting which includes measures to reduce and mitigate the potential effects of operations on amenity and the environment. In general, a 250m radius around safeguarded sites is an appropriate distance for consideration of potential effects of new development on safeguarding, and the sensitivity and compatibility of non-waste development.
- 6.50 Planning applications for development within 250m of safeguarded sites will need to demonstrate that impacts, e.g. noise, dust, light and air emissions, that may reasonably arise from the activities taking place at a safeguarded site would not be experienced at a level which was unacceptable to the occupants of the proposed development and that vehicle access to and from the facility would not be constrained by the development proposed. Measures to mitigate potential adverse effects should be incorporated into design and layout.

Implementation

- 6.51 The Boroughs will automatically scrutinise applications within 250m of existing waste sites to assess their potential effect on safeguarding of those sites and their capacity. Applicants for non-waste development within 250m of an existing waste site will be required to demonstrate that sensitivity to existing waste uses has been assessed and measures have been incorporated to ensure any unacceptable adverse effects are mitigated. Non waste development that is beyond 250m of an existing waste site but is of a nature that may make it especially sensitive to the operations of the waste site e.g. schools, hospitals, may also be required to demonstrate that they would be designed to avoid any unacceptable adverse impacts from the waste site.
- 6.52 In addition, it may be that development within 250m will be unlikely to be affected by an existing operation, depending on the type of activity, the type of waste, and the characteristics of the facility e.g. if it is enclosed within a building.

Policy JWP 3 Prevention of Encroachment

Proposals for non-waste development in proximity to safeguarded waste sites must demonstrate that they would not prejudice the current or future operation of the site, including through incorporation of measures to mitigate and reduce their sensitivity to operation of the safeguarded waste site through applying the 'Agent of Change' principle.

Monitoring indicators:

- Number of applications refused due to inadequate consideration of effects on safeguarded waste sites
- Complaints received relating to the operations of existing waste sites

Policy JWP4: Design of Waste Management Facilities

Purpose of Policy

To ensure waste management facilities are designed in a manner that protects and enhances host communities and the local environment which includes having regard to the need for climate change mitigation and adaptation.

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- 6.53 It is not anticipated that there will be a need for new waste management capacity to be developed over the Plan period. However, there will continue to be investment in existing waste sites and facilities, and inevitable change in requirements over time, including some re-configuration and re-development.
- 6.54 Where new waste capacity is developed, it should be of high quality and contribute to the achievement of other national and development plan policies and objectives including reducing greenhouse emissions, efficient resource use, and protection of the environment, amenity and health. Such requirements are set out in the London Plan (Policy SI8). This applies not only to their operational impacts but also to the 'whole life-cycle' carbon emissions associated with construction materials.
- 6.55 The policies of the Plan focus any new development on existing waste sites, industrial and previously-developed land, and so adverse effects on soils and biodiversity are likely to be limited. Biodiversity gain (of at least 10%) is now a mandatory requirement and so applications will be required to be supported by a biodiversity assessment quantifying the existing pre-development value (previously-developed sites may host habitat of value), and consideration of how a minimum of 10% gain may be achieved (to be included within a Biodiversity Gain Plan).
- 6.56 Development design is crucial in managing and reducing adverse impacts on the environment and amenity. Enclosure of waste operations within a building, where operationally feasible, will be required as the best means of reducing noise, dust and odour. In exceptional cases, if it is shown that this is not a practicable option, other mitigation such as acoustic screening and operational management measures will be required. Re-configuration and intensification of existing waste sites may present opportunities to improve the design and performance of the facility. Environmental permitting provides the appropriate mechanism for control of operational impacts and should be assumed to operate efficiently though it is good practice for applicants to consider these matters in tandem with the planning application⁴⁴.

Implementation

⁴⁴ NPPF para 194

- 6.57 Applicants will be required to demonstrate that the design of development contributes to the achievement of policy objectives through preparation and submission of supporting evidence.
- 6.58 Planning applications should be supported by appropriate evidence e.g. a Climate Change Assessment, setting out measures considered, and incorporated, to improve energy efficiency and incorporate renewable and low carbon energy into the development and operation (including vehicles and transport) and achieve net zero⁴⁵, to reduce water consumption, and to adapt to the likely effects of climate change including extreme rainfall, drought and heatwave events.
- 6.59 As a minimum requirement, all major waste proposals must achieve net-zero carbon standards in alignment with London Plan Policy SI2. This can be accomplished by following the Mayor's energy hierarchy:
- Be Lean: Optimize energy use and manage demand during operation.
 - Be Clean: Utilize local energy resources efficiently and cleanly (including secondary heat).
 - Be Green: Maximize opportunities for on-site renewable energy production, storage, and usage.
 - Be Seen: Monitor, verify, and report on energy performance.
- 6.60 Additionally, major and minor proposals must achieve a minimum 35% reduction beyond Part L 2013 standards on-site.
- 6.61 Where requirements for net zero and other enhancements cannot be delivered on-site, applicants may be required to contribute to wider Borough schemes including for carbon and air quality offsetting.
- 6.62 While Biodiversity Gain Plans are required to be submitted and approved prior to commencement, it will often be sensible to prepare drafts of such plans beforehand for submission with the planning application.

Policy JWP4: Design of Waste Management Facilities

- A. Proposals for waste management development will only be permitted which have been designed to address the following during their construction and operation (including associated vehicle movements):**
- 1. The emission of greenhouse gases is minimised by working towards net zero where practicable or, where this isn't practical, an appropriate contribution will be made to the relevant Borough's carbon offset fund;**
 - 2. measures to avoid unacceptable adverse impacts arising from noise, dust, litter, vermin, vibration, odour, bioaerosols, external lighting, visual intrusion, traffic or associated risks to the environment and health and wellbeing of local communities;**
 - 3. storage and management of waste (other than by landfill) within a building or an appropriate level of protection is provided with respect to impacts on the local environment and amenity;**
 - 4. efficient use of energy and water;**
 - 5. climate adaptation measures such as sustainable drainage systems, flood resistance and resilience, water storage and recycling, open space design, green roofs and drought-resistant landscaping;**
 - 6. contributions to green and blue infrastructure, community benefits (including Public Rights of Way), and biodiversity enhancement and net gain where required.**
 - 7. protecting the best and most versatile agricultural land and soil quality more generally;**
 - 8. achievement of a BREEAM 'Excellent' rating or its equivalent unless it is demonstrated that this isn't practical;**
 - 9. preference being given to non-road transport where practicable; and,**
 - 10. measures to control and reduce vehicle emissions, through the use of low emission vehicles, installation of vehicle charging points and scheduling and management of vehicle routing.**
- B. Proposals for development must demonstrate that opportunities will be provided for residents of the Borough in which the proposal is located, to access employment in both the construction and operational stages in accordance with relevant Local Plan policy and related guidance.**
- C. Proposals that have an adverse effect on the integrity of sites designated as Special Areas of Conservation (SAC), Special Protection Areas (SPAs) or Ramsar sites will not be permitted, in line with The Conservation of Habitats and Species Regulations 2017 (as amended). Any mitigation required to avoid adverse effects on their integrity, for example due to pollution risk or disturbance, must be detailed in, and secured as part of the grant of planning permission.**

⁴⁵ Consistent with London Plan Policy SI2B requirement for energy strategy

Monitoring indicators:

- Climate change assessments submitted with applications/applications permitted
- Reduction in carbon emissions from existing/re-configured waste sites committed to in climate change assessments
- Developments with operations enclosed within buildings

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Policy JWP5: Energy from Waste

Purpose of Policy

To ensure energy from waste facilities are developed appropriately including utilisation of the maximum amount of energy produced.

- 6.63 Energy from Waste (EfW) generally takes the form of plants that incinerate waste and capture the heat to generate electricity. 'Surplus' heat may also be captured and utilised in heating, or cooling, of other development sometimes via the use of district heating schemes. Other forms of energy from waste such as a pyrolysis and gasification are sometimes classed as 'Advanced Thermal Treatment'.
- 6.64 In terms of the waste hierarchy, EfW is classed as 'Other Recovery' and so, as a means of managing waste is generally less preferred than recycling but more preferred than disposal. To qualify as 'recovery', energy from waste plants must achieve a minimum level of energy efficiency as defined by 'R1' status⁴⁶. Without R1 status such plants are technically classed as disposal.
- 6.65 At present there are facilities in East London which manufacture refuse derived fuel from residual waste arising in East London for incineration elsewhere. Indeed, the assessment of future waste management capacity requirements indicates that there is no clear need for EfW capacity to be developed in East London, and the Boroughs are currently unaware of any specific proposals for such capacity. However, this form of waste management has certain characteristics which need particular consideration and so Policy JWP 5 is included to address these matters in the event that an application for planning permission for such a facility was received.

⁴⁶ The 'R1' value relates to the energy efficiency factor of an incinerator which determines the extent to which an incinerator uses waste as a fuel to generate energy. The minimum R1 value is 0.65 for municipal waste incinerators permitted and in operation after 31 December 2008. For further information see <https://www.gov.uk/guidance/waste-incinerator-plant-apply-for-ri-status>

- 6.66 The burning of waste leads to the release of carbon dioxide, therefore, the more energy that can be recovered, the less carbon dioxide is emitted per energy unit. Policy SI 10 (E) 3) of The London Plan expects EfW facilities to meet a minimum performance of 400g of CO₂ equivalent per kilowatt hour of electricity produced (this is known as the 'Carbon Intensity Floor'). To maximise their efficiency, it's important for Energy from Waste facilities to be designed and located in such a way that excess heat can be fully exploited. This could be through district heating or by a nearby industry that can utilise the process heat. This kind of EfW is known as Combined Heat and Power (CHP). The Borough Local Plan include separate policies related to developments that deliver heat and cooling to buildings near a CHP facility.
- 6.67 The combustion of the biogenic elements of residual waste can generate low-carbon renewable energy, whereas burning non-biogenic waste, which includes materials like oil-based plastics, does not. The split of biogenic and non-biogenic materials in residual waste is currently thought to be roughly equal, but this is likely to shift during the Plan period as measures like separate food waste collection from households and businesses are put into place. However, non-biogenic waste generally has high calorific value and so may be required to ensure EfW plants are viable.
- 6.68 The Sixth Carbon Budget of the Government's Climate Change Committee suggests that all EfW facilities should implement carbon capture and storage by 2040 to meet the national goal of net-zero carbon emissions by 2050. Considering that EfW plants have a minimum lifespan of 30 years, any EfW development proposal must account for this, as retrofitting Carbon Capture, Utilization, and Storage (CCUS) may not be feasible once the plant is operational. The Committee's budget also indicates that the required carbon reduction in waste management is anticipated to result from increased recycling, which should not be undermined by the creation of extra EfW capacity.
- 6.69 EfW results in the production of solid ash residues. In the case of mass burn incineration two types of ash are produced: 'bottom ash' (heavy material that falls through the grate) and 'air pollution control (APC) residues' (ash collected by emission control systems). Bottom ash can easily be recycled into an aggregate and technologies are now being developed which utilise the APC residue in the manufacture of construction materials avoiding the need for landfill.

Implementation

- 6.70 To ensure that waste managed at EfW facilities is genuinely residual, proposals will need to be submitted with a Waste Hierarchy Statement. Such a statement should include:
- A list of the types of waste that would be managed at the facility and the reason why they cannot be managed further up the hierarchy;

- Details of the information that will be collected and retained that includes the sources of the waste after waste, that would be managed at higher levels of the hierarchy, has been removed;
- the arrangements to be put in place to ensure that as much waste, that could be managed at higher levels of the hierarchy, as is reasonably possible is removed from the waste to be managed at the facility, including any contractual measures put in place to secure the removal of such waste and that such waste is actually subject to management further up the hierarchy;
- the arrangements to be put in place to ensure that suppliers of waste work to a written environmental management system which includes establishing a baseline for the removal of waste that could be managed at higher levels of the hierarchy and working to specific targets for continuously improving and reporting on the percentage of such waste removed;
- the arrangements to be put in place for suspending and/or discontinuing supply arrangements from suppliers who fail to work to and report on compliance with any environmental management systems relating to waste reporting;
- the provision of an annual waste composition analysis of the waste received at the facility, with the findings submitted within one month of sampling being undertaken; and,
- the form of records to be kept for the purpose of demonstrating compliance with the matters above and the arrangements in place for provision of data and inspection of such records by the authorities.

Policy JWP5: Energy from Waste

Proposals for waste sites that use waste as a fuel source to produce energy will only be permitted where it is demonstrated that:

- 1. They qualify as recovery, rather than disposal, operations;**
- 2. the waste used as fuel will be waste that cannot be reused, recycled, or composted (as detailed in a Waste Hierarchy Statement);**
- 3. solid by-products (e.g. bottom ash) from the process will be recycled or used as raw materials; and,**
- 4. the use will be consistent with the proximity principle and not result in long distance vehicle movements;**
- 5. the facility will operate as a combined heat and energy plant such that the facility is as energy efficient as possible; and,**
- 6. the release of non-biogenic gaseous carbon emissions will be minimised, with mechanisms to capture for use and/or storage if use is not viable.**

Monitoring indicators:

- EfW capacity total (tonnes/annum)
- EfW capacity with heat utilisation
- Mass (g) of CO2 equivalent per kilowatt hour of electricity produced
- EfW capacity with CCUS
- Production and management of ash

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Policy JWP6: Deposit of Waste on Land

Purpose of Policy

To ensure that the landfill of non-inert waste is minimised (in accordance with the waste hierarchy) and that potential impacts of landfill, including any reworking and restoration and aftercare are properly managed.

Non-inert Waste Landfill

- 6.71 The deposit of non-inert waste on land for disposal may occur as backfilling of old mineral workings (landfill), or by deposit on land where the ground levels have not been artificially changed (landraise).
- 6.72 The disposal of waste is at the bottom of the waste hierarchy as the least preferred form of waste management, and non-inert waste should be sent to landfill only if it cannot be handled using methods higher up the Waste Hierarchy. In exceptional circumstances it may be demonstrated that there are certain types of waste (e.g. some hazardous wastes) which cannot practically be managed by any other means and so landfill⁴⁷ is the only option. These wastes are generated in comparatively limited amounts and are handled at specific landfill sites designated for hazardous waste or within specially constructed cells at non-inert landfill sites.
- 6.73 Non-inert landfill has been undertaken in East London at Rainham for some time, although it is anticipated that the current site will close during the Plan period. No specific provision for additional non-inert landfill is proposed in this Plan. In East London, there are currently no additional suitable voids created by mineral working which would be appropriate for non-inert waste landfilling. Therefore, any provision would involve the creation of new void space either by extracting material for other purposes like engineering, or by altering the land's natural contours, or a combination of these two methods. Policy JWP6 has been included in this Plan to help determine any proposals that might be received for new non-inert waste landfill capacity.

⁴⁷ Landfill should also be taken to mean land raise.

- 6.74 Landfilled non-inert waste usually results in the production of landfill gas (including methane) and leachate, both of which need proper containment and management to ensure they do not cause pollution of the environment or harm to human health. In light of this, the provision of new capacity is largely reliant on the presence of certain geological and hydrogeological conditions needed to minimise the risk of groundwater pollution. While being a potential pollutant, landfill gas can be beneficial when captured and put to use as a fuel to produce energy.
- 6.75 In addition to generating more void space, the reworking (or 'mining') of current or historical and restored landfill sites could potentially free up land for development and/or result in the extraction of recyclable or recoverable materials that were previously discarded. Older landfills might also require reworking to remove waste causing pollution and/or to prevent the uncontrolled release of pollutants. However, there are significant risks associated with the reworking of landfill sites as materials may have been disposed of without being recorded. After the closure of landfills, other developments, such as housing, may have taken place nearby, which could be sensitive to any modification activity, and the need to avoid negative impacts must be considered. Generally, the modification of landfills containing hazardous waste is not recommended due to the potential impacts on communities and the natural environment.
- 6.76 The restoration of landfill sites will offer opportunities to enhance the environment for example by providing wildlife habitats and/or recreational opportunities e.g. country parks.

Deposit of Inert Waste on Land for Beneficial Purposes

- 6.77 Some inert waste (mainly excavation waste e.g. soils and subsoils) is of a nature that lends itself for use in engineering operations such as landscaping and site restoration. To mitigate their impacts on landscape and visual amenity, voids created by mineral working frequently require restoration by backfilling.
- 6.78 In waste hierarchy terms, the beneficial use of inert waste on land is classed as 'other recovery'. Policy SI 7 of The London Plan expects that 100% of inert excavation waste will put to a beneficial use.

Implementation

Non-inert waste

- 6.79 Proposals for non-inert landfill will need to demonstrate that the waste to be disposed is genuinely residual (following removal of all material that cannot be recycled or recovered) and cannot be managed by a means further up the waste hierarchy. This will require the submission of a Waste Hierarchy Statement as detailed under Policy JWP5 above.
- 6.80 The need for non-inert landfill capacity must be justified by showing that there will be enough residual waste for disposal to ensure the site's timely completion. Non-inert landfill sites should be filled in sections and progressively restored for beneficial uses such as agriculture, recreation, or biodiversity.
- 6.81 Proposals for non-inert landfill development must demonstrate how landfill gas would be managed, and its potential for energy generation maximised, during the operational and aftercare phases.
- 6.82 Any proposals for the reworking of old landfill sites will require a site investigation to identify and evaluate the presence of hazardous materials. Proposals would need to address the potential for negative impacts related to the release of leachate and landfill gas, the handling of hazardous materials, and potential impacts on existing restoration and aftercare arrangements.
- 6.83 Proposal for restoration should consider whether habitats can be protected and enhanced, and where possible contribute to delivery of Local Nature Recovery Strategies.
- 6.84 The provisions of this policy will equally apply to proposals to extend existing non-inert landfill sites.

Inert Waste

- 6.85 Proposals involving the deposit of inert waste on land solely for disposal are not acceptable. Proposals will need to demonstrate how the inert waste will be used in a manner that results in a beneficial outcome. To qualify as recovery (rather than disposal), proposals need to demonstrate how the project will incorporate the least possible amount of inert waste material required to accomplish the intended result.
- 6.86 Proposals will need to demonstrate that the inert waste to be deposited consists of material that could not be recycled, for example it does not contain materials such as brick and concrete that could be used as a recycled aggregate. The deposit of hard inert construction waste e.g. brick and concrete for use in hardstandings and site roads is acceptable as material used in this way is considered to have been recycled for use as an aggregate.

6.87 In some cases, the need for the deposit of inert material may have been identified as part of a construction project and suitable material excavated as part of a different project may be used to fulfil that need. In such cases the “The Definition of Waste: Development Industry Code of Practice” (DoWCoP) may apply which would mean that the excavated material is not defined as waste and its deposit would therefore not be subject to Policy JWP6.

Policy JWP6: Deposit of Waste on Land

- A. Proposals for the use of land for the disposal of non-inert waste to land will only be permitted where the following is demonstrated:**
- 1. The waste cannot be practically managed by other means further up the waste hierarchy; and**
 - 2. there is a management plan and end date for the operation, ensuring the timely completion and restoration of the site; and**
 - 3. fugitive emissions of landfill gas are minimised and energy recovery is maximised; and**
 - 4. a management system demonstrating how any leachate will be managed is provided; and,**
 - 5. restoration and aftercare of the site will be of a high quality that ensures demonstrable benefits to the environment and local communities.**
- B. Proposals for the permanent deposit of inert waste on land will be permitted where it is demonstrated that:**
- 1. the waste will be deposited for a beneficial purpose, such as restoring landfill sites/mineral workings, rather than as part of a disposal operation; and**
 - 2. if the waste is intended for use in an engineering operation (other than landfill site restoration), it must be demonstrated that there is no local demand for its use in mineral working restoration; and,**
 - 3. the minimum amount of waste necessary will be used to achieve the intended benefit.**
- C. Proposals for the reworking of old landfill sites will be permitted provided they meet the criteria in Part A above, and that:**
- 1. Hazardous waste was not disposed at the site; and,**
 - 2. any materials extracted will be managed as far up the waste hierarchy as practicable.**

Monitoring Indicators

- Non-inert landfill capacity
- Type and quantity of non-inert waste landfilled
- Landfill gas production and related energy production
- Quantity of inert excavation waste deposited for beneficial use

6. Policies Map

The Policies Map for the Plan comprises the maps shown in Appendix 2 of existing waste sites which are proposed for safeguarding.

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7. Glossary

A	
Advanced Thermal Treatment (ATT)	Technologies that employ pyrolysis or gasification to process residual wastes. ATT facilities produce a gas (usually for energy recovery) and a solid residue which can often be recycled for secondary use.
Agent of change	A developer proposing new development within an area that is of such a nature that it might be impacted by existing development or impact on that development (e.g. housing proposed within an industrial area). The 'agent of change principle' sets out a position that an applicant for planning permission (i.e. the 'agent of change') is responsible for managing the impact of that change.
Aggregates and soils recycling	Rubble, hardcore and soil from construction and demolition projects can often be used on-site in place of primary aggregate. Alternatively, it can be taken to purpose-built facilities for crushing, screening and re-sale.
Agricultural waste	This mostly covers animal slurry/by products and organic waste, but also scrap metals, plastics, batteries, oils, tyres, etc. The regulations for this waste stream mean farmers cannot manage all of their own waste within the farm (historically the case). The agricultural waste regulations affect whether or not waste can be burnt, buried, stored, used on the farm or sent elsewhere.
Amenity	Amenity is a broad concept and is not specifically defined in Planning legislation. It is a matter of interpretation by the local planning authority and is usually understood to be the pleasant or normally satisfactory aspects of a location which contribute to its overall character and the enjoyment of residents, business users and visitors. Amenity can be adversely affected by development impacts such as noise, dust, odour and visual change.
Anaerobic Digestion (AD)	A process comprising the breakdown of organic material in the absence of air. It is carried out in an enclosed vessel and produces methane that powers an engine used to produce electricity. The useful outcomes of AD are electricity, heat, and the solid material left over called the digestate. Both the heat and the electricity can be used or sold if there is a market and the digestate can either be sold or used for agricultural purposes (land spread). AD can only be used for some biodegradable parts of the waste stream e.g. sewage sludge, agricultural waste and some organic municipal and industrial waste.
Annual Monitoring Report (AMR)	The AMR reports progress in meeting the milestones of the adopted Local Development Scheme and monitors the impact of policies when the plans are adopted. The AMR is formally known in legislation as the 'Authority Monitoring Report'.

B	
Best and most versatile agricultural land	Land categorised as being of grades 1, 2 or 3a under the Agricultural Land Classification system.
Bioaerosols	Airborne material containing biological material from animals, plants, insects or microorganisms. They are produced wherever biological material is being processed, milled, or chopped and are commonly associated with organic waste composting facilities
Biodegradable waste	Any waste that is capable of undergoing natural decomposition, such as food and garden waste, paper and cardboard.
Biodiversity	The variety of all life on earth (mammals, birds, fish, invertebrates, plants, etc). In planning, it is often used to refer to nature conservation.
C	
Catchment	The geographical area served by a particular waste management activity. This will vary according to the adequacy of transport links and the economics of transporting different types of waste
Circular Economy	A circular economy is an alternative to a traditional linear economy (make, use, dispose) in which we keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each service life
Climate change adaptation	Adjustments to natural or human systems in response to actual or expected climatic factors or their effects, including from changes in rainfall and rising temperatures, which mitigate harm or exploit beneficial opportunities
Combined heat and power facilities (CHP)	CHP plants generate electricity as well as providing local heat, and sometimes even cooling, to various types of users.
Commercial and Industrial (C & I) Waste	Waste generated by business and industry, for example: wholesalers; catering establishments; shops and offices; factories and industrial plants. Generally, businesses are expected to make their own arrangements for the collection, treatment and disposal of waste generated by their actions. Waste from smaller businesses where local authority collection arrangements have been set up is considered as LACW.
Composting	The breaking down of organic matter aerobically into a stable material that can be used as a fertiliser or soil conditioner. This can be undertaken commercially in open air (in 'windrows') or inside containment ('in-vessel'), and at a smaller scale by households at home or collectively by communities.
Conservation Area	An area designated by the LPA because of its special architectural or historic interest, the character and appearance of which it is desirable to preserve or enhance.
Contaminated Land	Contaminated land is land that has been polluted or harmed in some way making it unfit for safe development and usage unless cleaned.

Construction, Demolition and Excavation (C, D & E) Waste	The combined waste produced from earth moving, demolition of buildings/structures and construction of new buildings/structures. It mostly comprises brick, concrete, hardcore, subsoil and topsoil, but can also include timber, metals and plastics.
D	
Decentralised Energy	Local renewable energy and local low-carbon energy usually but not always on a relatively small scale that may encompass a range of technologies.
Development Plan	The development plan has statutory status as the starting point for decision making. Section 38(6) of the Planning & Compulsory Purchase Act 2004 and Section 70(2) of the TCPA 1990 require that planning applications should be determined in accordance with the development plan unless material considerations indicate otherwise. For waste proposals within London the development plan comprises the London Plan, Borough Local Plans and DPDs, joint Waste Plans as well as neighbourhood plans.
Disposal	Disposal means any waste management operation which is not 'recovery' even where the operation has a secondary consequence, the reclamation of substances or energy
Dry Mixed Recyclables (DMR)	Typically composed of: Paper - e.g. dry paper waste, newspapers, office paper and magazines Cardboard – e.g. corrugated cardboard, cereal boxes and card Metal cans – e.g. clean, empty drinks cans and food tins Plastic – e.g. packaging films, rinsed out milk bottles, empty drinks bottles & clean salad trays, rinsed out margarine tubs & microwaveable meal trays
E	
Energy from Waste (EfW)	The process of managing waste to generate energy - usually in the form of electricity or heat usually by means of thermal treatment. Many wastes are combustible, with relatively high calorific values – this energy can be recovered through processes such as incineration with electricity generation, gasification or pyrolysis. EfW generally falls within the 'other recovery' category in the waste hierarchy.
Energy Recovery	Covers a number of technologies, though most energy recovery is through incineration. Many wastes are combustible, with relatively high calorific values – this energy can be recovered through processes such as incineration with electricity generation (and where possible heat recovery), gasification or pyrolysis.
European Site	Sites designated for their nature conservation importance (under the EC Birds Directive and EC Habitats and Species Directive) and protected by the Habitats Regulations. This includes Special Protection Areas (SPAs) for birds, and Special Areas of Conservation (SACs) under the Habitats Directive.
G	

Gasification	A technology that converts carbon-containing material (including waste) into gas (mostly methane) at high temperature. The gas can either be used as a substitute for natural gas or used to power electricity generation.
Green Belt	A national planning designation, which aims to prevent urban sprawl by keeping land around certain cities and large built-up areas permanently open or largely undeveloped, defined more fully in the NPPF.
Greenfield land	Land that has not been developed. Not to be confused with Green Belt.
Greenhouse gas (GHG)	GHGs trap heat in the atmosphere. Many gases exhibit greenhouse properties, including carbon dioxide, methane, water vapour, and nitrous oxide.
Green and blue infrastructure	A network of multi-functional green space or wetlands and waterways, urban and rural, which is capable of delivering a wide range of environmental and quality of life benefits for local communities.
H	
Habitats Regulation Assessment (HRA)	An assessment under the Habitats Regulations to test if a plan or project could significantly harm the designated features of a 'Habitat site'. Proposals affecting proposed SACs, potential SPAs, Ramsar Sites (wetlands of international importance) also require HRA.
Hazardous waste	Controlled waste that is dangerous or difficult to treat, keep, store or dispose of, so that special provision is required for dealing with it. Hazardous wastes are the more dangerous wastes and include toxic wastes, acids, alkaline solutions, asbestos, fluorescent tubes, batteries, oil, fly ash (flue ash), industrial solvents, oily sludges, pesticides, pharmaceutical compounds, photographic chemicals, waste oils, wood preservatives. If improperly handled, treated or disposed of, a waste that, by virtue of its composition, carries the risk of death, injury or impairment of health, to humans or animals, the pollution of waters, or could have an unacceptable environmental impact. It should be used only to describe wastes that contain sufficient of these materials to render the waste as a whole hazardous within the definition given above. Defined in the Hazardous Waste (England and Wales) Regulations 2005 (as amended).
Heritage assets	A building, monument, site, place, area or landscape identified as having a degree of significance meriting consideration in planning decisions, because of its heritage interest. Designated Heritage assets are the most protected and include listed buildings, scheduled ancient monuments, registered parks and gardens, registered battlefields, and World Heritage Sites.
Household waste	This is waste from a domestic property, caravan, and residential home or from premises forming part of a university or school or other educational establishment and premises forming part of a hospital or nursing home.

I	
Incineration	This is the controlled burning of waste usually in purpose-built plant and is subject to stringent standards for emissions. Ash residues are often landfilled but bottom ash may also be used in building materials. Incineration that involves the capture of energy falls within the category 'Energy from Waste'.
Inert waste	Inert waste means waste that does not undergo any significant physical, chemical or biological transformations when untreated. Inert waste will not dissolve, burn or otherwise physically or chemically react, biodegrade or adversely affect other matter with which it comes into contact in a way likely to give rise to environmental pollution or harm human health. The total leachability and pollutant content of the waste and the ecotoxicity of the leachate must be insignificant, and in particular not endanger the quality of surface water and/or groundwater. Non-inert (including non-hazardous) waste is all other waste other than as identified above.
L	
Landfill and landraise	The term landfill relates to waste disposal mainly below ground level (by filling a void) whereas landraise refers to waste disposal mainly above pre-existing ground levels. They are generally the least preferred method of waste management in the waste hierarchy.
Listed buildings	A building of special architectural or historic interest in a list compiled by the Secretary of State under the Planning (Listed Buildings & Conservation Areas) Act 1990, thereby having statutory protection. Listing of buildings includes the interior as well as the exterior of the building, and any nearby buildings or permanent structures within the curtilage (e.g. wells, outbuildings). Historic England is responsible for designating buildings for listing in England.
Local Authority Collected Waste (LACW)	All waste collected by a local authority. It includes household waste and business waste and construction and demolition waste where collected by the local authority. LACW is the definition that is used in statistical publications produced by Defra, which previously referred to 'municipal' waste.
Local Development Scheme	The timetable for the preparation of Local Plans.
Local Nature Reserves (LNRs)	An area designated by local authorities, in consultation with Natural England under the National Parks & Access to the Countryside Act 1949, to provide opportunities for educational use and public enjoyment, in addition to protecting wildlife or geological and physiological features of special interest.

Local Planning Authorities (LPAs)	The public authority whose duty it is to carry out specific planning functions for a particular area.
Local Plan	A plan for the future development of a local area, drawn up by the LPA in consultation with the community. In law this is described as the development plan documents adopted under the Planning & Compulsory Purchase Act 2004. Current core strategies or other planning policies, which under law would be considered to be DPDs, form part of the Local Plan. The term includes old policies which have been saved under the 2004 Act.
Local roads	These are taken to include: A roads (not including trunk roads and primary routes). B roads – which are roads intended to connect different areas, and to feed traffic between A roads and smaller roads on the network. Classified unnumbered roads which are smaller roads intended to connect together unclassified roads with A and B roads, and often linking a housing estate or a village to the rest of the network. Similar to ‘minor roads’ on an Ordnance Survey map and sometimes known unofficially as C roads. Unclassified roads which are local roads intended for local traffic. The vast majority (60%) of roads in the UK fall within this category.
M	
Mass burn incinerator	Large, complex facilities which are used to burn waste at very high temperatures.
N	
National Planning Policy Framework (NPPF)	The NPPF sets out the Government’s planning policies for England and how these are expected to be applied.
National Planning Policy for Waste (NPPW)	Adopted in October 2014, this document sets out the Government’s waste planning policies for England.
Net self-sufficiency	To provide enough waste management facilities to manage the equivalent amount of waste arising within the Plan area.
Non-inert waste	A waste that will biodegrade or decompose, releasing environmental pollutants. Examples include: wood and wood products, paper and cardboard, vegetation and vegetable matter, leather, rubber and food processing wastes.
O	

Open space	All open space of public value, including not just land, but also areas of water (such as rivers, canals, lakes and reservoirs) which offer important opportunities for sport and recreation and can act as a visual amenity.
Other Recovery	Other recovery is not specifically defined in the revised Waste Framework Directive, although 'energy recovery' is referenced as an example. It can be assumed by their exclusion in the definition of recycling, that processing of wastes into materials to be used as fuels or for backfilling can be considered 'other recovery'.
P	
Plan area	The geographical area covered by the East London Joint Waste Plan i.e. the area covered by the London Boroughs of Barking and Dagenham, Havering, Newham, and Redbridge
Pollution	Anything that affects the quality of land, air, water or soils, which might lead to an adverse impact on human health, the natural environment or general amenity. Pollution can arise from a range of emissions, including smoke, fumes, gases, dust, steam, odour, noise and light.
Planning Practice Guidance (PPG)	Government guidance intended to assist practitioners in interpreting national planning policy.
Public Rights of Way (PRoW)	PRoW are paths that all members of the public can legally use: footpaths – for walking, running, in mobility scooters or powered wheelchairs; bridleways – for walking, horse riding, bicycles, mobility scooters or powered wheelchairs; restricted byways – for any transport without a motor and mobility scooters or powered wheelchairs; byways open to all traffic – for any kind of transport, including cars (but mainly used by walkers, cyclists and horse riders).
Pyrolysis	The combustion of waste in the absence of oxygen, resulting in the production of liquid, gas, char, whose after-use depends on the type of waste incinerated.
R	
Receptor	Existing land uses that could be affected by the proposed development at the site allocations. Some examples of receptors include: Residential dwellings; hospitals; commercial premises; and, footpaths.
Recovery	Recovery means any waste management operation the principal result of which is waste serving a useful purpose by replacing other materials which would otherwise have been used to fulfil a particular function, or waste being prepared to fulfil that function, in the plant or in the wider economy.
Recovery facilities	A facility that recovers value, such as resources and energy, from waste prior to disposal, includes energy from waste, biological treatment and physical treatment facilities.

Recovery to Land	This is considered to be the use of inert material for a genuine beneficial use such as landscape and/or amenity improvements.
Recycling	Recycling means any recovery operation by which waste materials are reprocessed into products, materials or substances whether for the original or other purposes. Includes the reprocessing of organic material but not energy recovery or the reprocessing into materials that are to be used as fuels or for backfilling operations.
Renewable and low carbon energy	Includes energy for heating and cooling as well as generating electricity. Renewable energy covers those energy flows that occur naturally and repeatedly in the environment – from the wind, the fall of water, the movement of the oceans, from the sun and also from biomass, ground and air, and geothermal heat. Low carbon technologies are those that can help reduce emissions (compared to conventional use of fossil fuels).
Residual waste	The elements of the waste streams that remain following recovery operations. Residual waste usually needs to be managed by disposal e.g. landfill.
Restoration	Process of returning a site or area to a desirable condition following waste management use or mineral extraction.
Reuse	Re-using products and materials as part of the circular economy, avoiding generation of waste and the need for re-processing or disposal. The top priority on the waste hierarchy. The commercial sector can reuse products designed to be used a number of times, such as reusable packaging. Householders can buy refillable containers or reuse plastic bags. Reuse contributes to sustainable development and can save raw materials, energy and transport costs.
S	
Safeguarding	The process of protecting sites and areas that are used or have potential for waste development from other forms of development that may prevent or constrain such uses in the future
Sites of Special Scientific Interest (SSSI)	A site which is of special interest by reason of any of its flora, fauna, or geological or physiographical features and has been designated by Natural England under the Wildlife and Countryside Act 1981.
Special Areas of Conservation (SAC)	SACs are designated under the retained EU Habitats Directive. SACs are areas which have been identified as best representing the range and variety within the European Union of habitats and (non-bird) species listed on Annexes I and II to the Directive.
Special Protection Areas (SPAs)	A site designated under the retained EU Directive on the Conservation of Wild Birds (2009/147/EC) to protect wild birds, their eggs, nests and habitats.

Strategic Industrial Locations	Sites identified (including in the London Plan, Policy E5) as critical to the economy and which can accommodate concentrations of industrial, logistics and related activities and land uses.
Sustainability Appraisal (SA)	A process of analysing and evaluating the environmental, social and economic impacts of the plan or programme, often in conjunction with an SEA.
Sustainable Waste Management	Waste management in line with the waste hierarchy in which waste generation is avoided as far as possible, materials and products are re-used, recycled or have as much value recovered from them as possible, before disposal is considered. This is delivered through product design, behaviour and choices, and through provision of sufficient waste management capacity of the required type, where possible proximate to where waste arises.
Supplementary planning documents	Planning documents which expand upon policy or provide further detail to policies in development plan documents, but do not have development plan status
T	
Thermal treatment	A waste management operation that involves the use of heat to process waste and generally involves the production of energy. Incineration is a thermal treatment but 'Energy from waste' is the term more generally used to describe waste management involving incineration.
Tonne	Metric Ton. 1000 kilos, equal to 2004 lbs.
tpa	Tonnes per annum
mtpa	Million tonnes per annum.
W	
Waste	Any substance or object that the holder or the possessor either discards or intends or is required to discard.
Waste arisings	This is the amount of waste produced in a given area during a given period of time, usually reported as tpa.
Waste Disposal Authority (WDA)	A local authority responsible for managing the waste collected by the collection authorities and the provision of household waste recovery centres.
Waste Hierarchy	A conceptual framework for management of waste, which ranks waste management options according to what is best for the environment. The most preferable option is preventing waste generation as far as possible, followed by preparing materials for re-use, recycling and composting, recovering as much value from them

	as possible including energy. Disposal to landfill or incineration without energy recovery is the least-preferred option.
Waste Planning Authority (WPA)	The local authority responsible for waste development planning and control. These are unitary authorities, including National Park Authorities, and county councils in non-unitary areas.
Waste streams	Waste produced by different sectors and with different composition such as 'commercial and industrial' or 'hazardous'.
Waste transfer	Process where waste is taken from waste producers, and taken for treatment, recycling and/or disposal.
Wastewater	Water discharged to sewers and includes waste in liquid form as well as surface water runoff. This raw wastewater is collected in sewers and transferred to wastewater treatment works where it is treated in such a way that produces largely reusable sewage sludge and effluent that is discharged to watercourses.

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8. Appendices

Appendix 1 – List of Safeguarded Sites

London Borough of Barking and Dagenham

Location	Operator	Facility Type
2 Choats Road	S U C Exc Uk Ltd	Physical Treatment
12-14 River Road	E L G Haniel Metals Ltd	Metal Recycling
60 River Road	Cory Barking Operations Ltd	Non-Haz Waste Transfer
72-76 River Road, Docklands Wharf Transfer Station	Multi Services Kent Limited	Haz Waste Transfer
75 - 77 Chequers Lane	R White Waste Management Ltd	Haz Waste Transfer
Alfred's Way, Barking	Creek Metals Limited	Metal Recycling
Barking Transfer Station	Shukco/Suez	Non-Haz Waste Transfer
Barking Waste Transfer and Recycling Facility	Biffa Waste Services Ltd	Non-Haz Waste Transfer
Frizlands Lane Reuse & Recycling Centre	ELWA/Renewi	Non-Haz Waste Transfer
Hitch Street AD Plant	ReFood UK Limited	Anaerobic Digestion
Media Park	SH & WS Company Limited	Non Haz Waste Transfer / Treatment
Old Bus Depot, Perry Road	Manns Waste Management Ltd	Non Haz Waste Transfer / Treatment
Organic Waste Treatment Facility, Choats Road	East London Biogas Opco limited	Anaerobic Digestion
Pinns Wharf	Corbyn Construction Ltd	Storage - Metal Reprocessing
Unit A 13 River Road	Abbott Car Care	Vehicle depollution facility
Units 4-10 Atcost Road	Wastecare Limited	Temporary storage installation

London Borough of Havering

Location/Site Name	Operator	Facility Type
All Seasons Nursery Albright Industrial Estate	M R Services (Essex) Ltd	Physical Treatment
Frog Island Waste Management Facility	Shanks/Renewi	Biological Treatment
Gerpins Lane Reuse & Recycling Centre	ELWA/Renewi	CA Site

Grove Farm, Brook Street, Brentwood CM14 5NG	R J Skip Hire Ltd	Non-Haz Waste Transfer
Rainham MRF Coldharbour Lane	Veolia	Material Recycling Facility
Salamons Way, Rainham	Craven, Peter	Non-Haz Waste Transfer
Silt Lagoons, Rainham and Wennington Marshes	Land & Water Remediation Limited	Non-Hazardous LF

London Borough of Newham

Location/Site Name	Operator	Facility Type
32 Stephenson Street	Powerday Plc	Transfer
Bywaters Recycling & Recovery Centre, Unit J Prologis Park	Bywaters (Leyton) Ltd	Transfer
Canning Town Depot	G B N Services Limited (formerly Orion)	Treatment
Cody Road, Canning Town,	The Remet Company Limited	Metal Recycling
EMR Silvertown, Unit 6, Standard Industrial Estate	EMR	Metal Recycling
Jenkins Lane Reuse and Recycling Centre	ELWA/Shanks/Renewi	Household Waste Amenity Site
Jenkins Lane Waste Management Facility	Renewi UK Services Limited	Treatment
Knights Road, E16 2AT	JRL Environmental Limited	Physical Treatment
London Teleport Site Pier Road, Newham	The Metal Recycling Company	Metal Recycling
Marshgate Sidings	D B Schenker/D B Cargo	Treatment
Marshgate Sidings	S Walsh & Son Limited	Transfer
Plaistow Wharf	Keltbray Environmental Ltd	Non-Haz Waste Transfer
Silvertown Recycling Centre	Harrow Green Ltd	Physical Treatment

London Borough of Redbridge

Location/Site Name	Operator	Facility Type
1a Wanstead Park Road	Kwik Body Works Ltd	Vehicle depollution facility
7 Juniper Road	Dial - A - Spare Ltd	Car Breaker
Chigwell Road Reuse and Recycling Centre	ELWA/Renewi	CA Site
GB Macks 45-47, Roebuck Road, Hainault Business Park	G & B Compressor Hire Ltd	Non-Haz Waste Transfer
Iford Recycling Centre	ELWA/Renewi	CA Site

Ley Street Depot	Redbridge London Borough Council	Non-Haz Waste Transfer
Unit U, Pegasus Works	N R M Metal Recycling Limited	Metal Recycling
Woodford Service Centre	Rentokil Initial U K Ltd	Clinical Waste Transfer

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Appendix 2 – Maps of Sites Proposed for Safeguarding (Indicative Locations)

All map data from OpenStreetMap contains Ordnance Survey data © Crown copyright and database right 2010 to 2023. Contains national statistics data © Crown copyright and database right 2024

London Borough of Barking and Dagenham

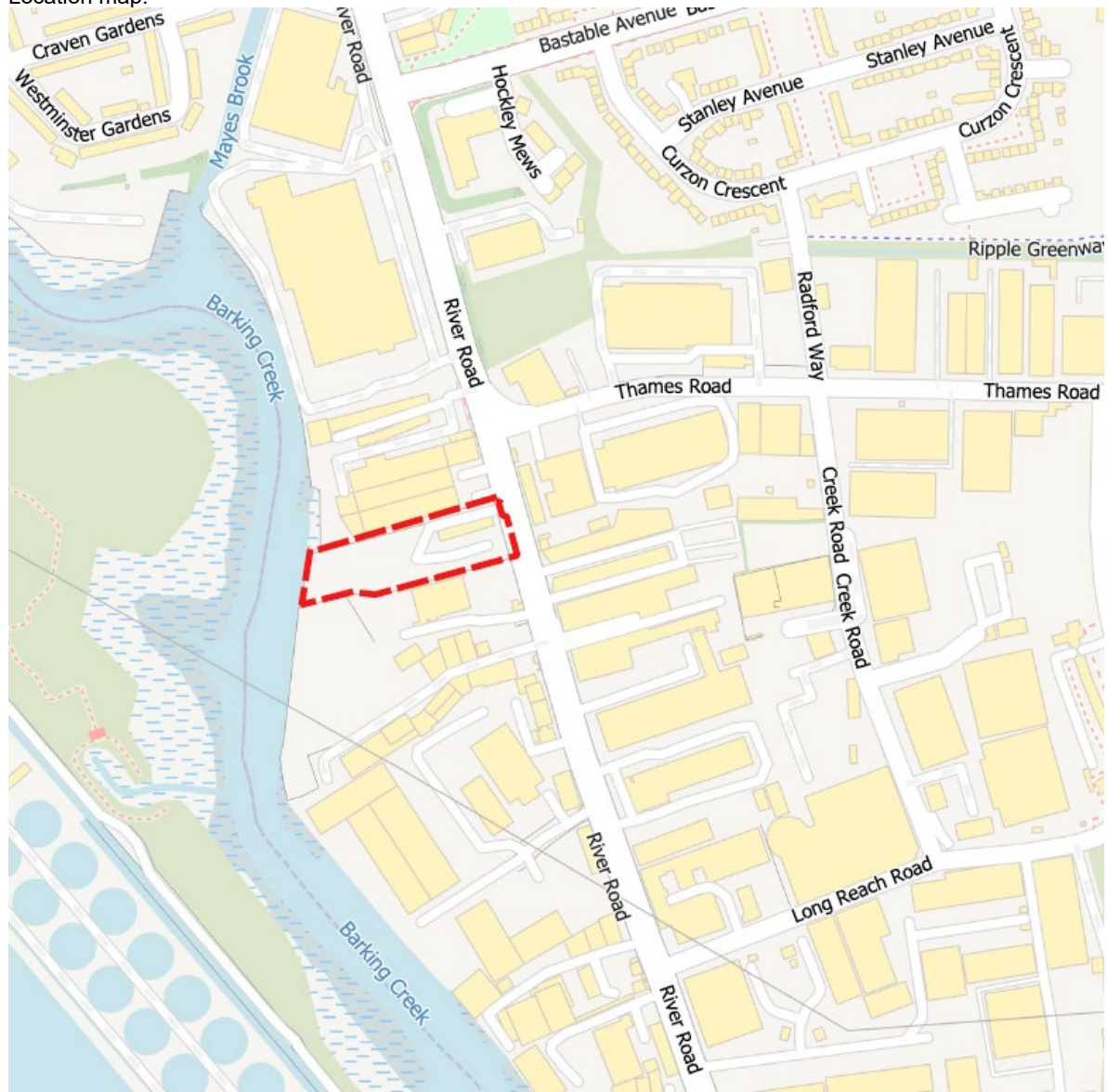
Site name:	2 Choats Road
Borough:	Barking and Dagenham
Site address:	Unit 2, Choats Road, Dagenham, London, RM9 6RJ
OS grid reference:	TQ 48153 82738
Site size (ha):	1.34

Location map:



Site name:	12-14 River Road
Borough:	Barking and Dagenham
Site address:	12-14 River Road, Barking, Essex, IG11 0DG
OS grid reference:	TQ 45377 82670
Site size (ha):	0.67

Location map:



Site name:	60 River Road
Borough:	Barking and Dagenham
Site address:	54 - 60 River Road, Barking, Essex, IG11 0DS
OS grid reference:	TQ 45584 82008
Site size (ha):	4.08

Location map:



Site name:	72-76 River Road, Docklands Wharf Transfer Station
Borough:	Barking and Dagenham
Site address:	72-76 River Road, Barking, Essex, IG11 0DS
OS grid reference:	TQ 45872 81662 and TQ 45859 81694
Site size (ha):	0.62

Location map:



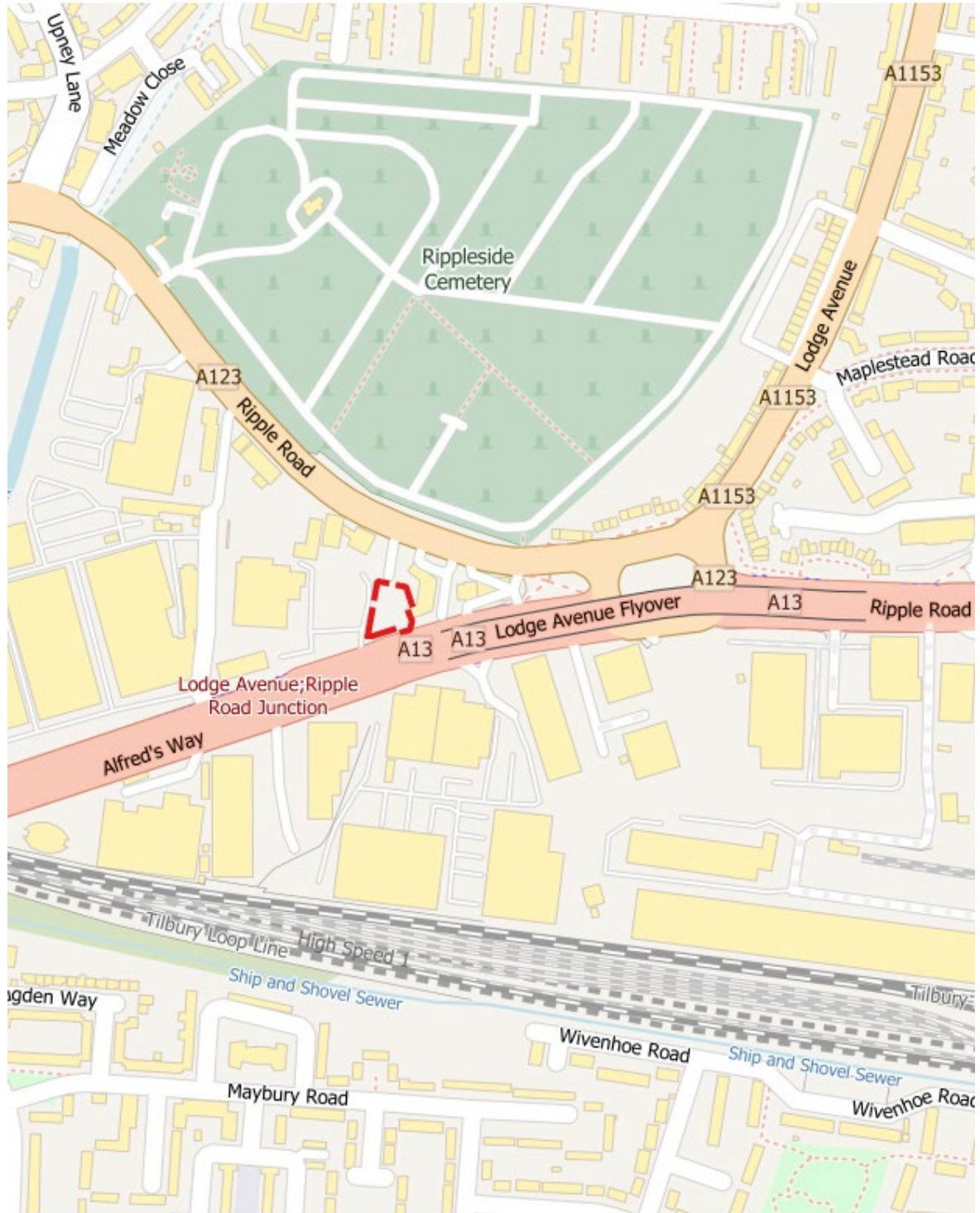
Site name:	75-77 Chequers Lane
Borough:	Barking and Dagenham
Site address:	75 - 77 Chequers Lane, Dagenham RM9 6QJ
OS grid reference:	TQ 48825 82106
Site size (ha):	1.74

Location map:



Site name:	Alfred's Way, Barking
Borough:	Barking and Dagenham
Site address:	Eastern Works, Alfred's Way, Barking IG11 0AT
OS grid reference:	TQ 46177 83656
Site size (ha):	0.10

Location map:



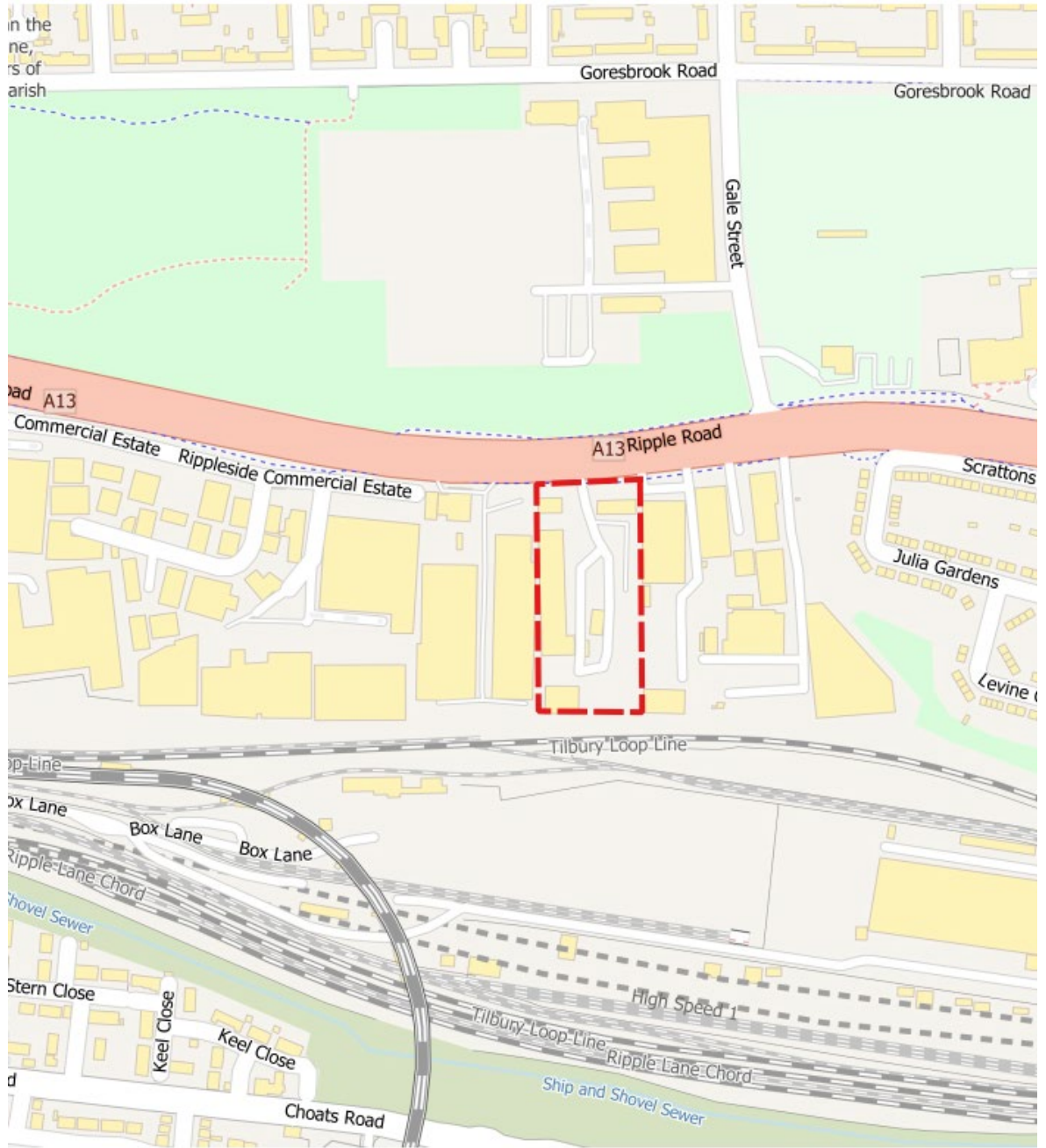
Site name:	Barking Transfer Station
Borough:	Barking and Dagenham
Site address:	New Free Trade Wharf, 40 River Road, Barking IG11 0DW
OS grid reference:	TQ 45499 82289
Site size (ha):	0.26

Location map:



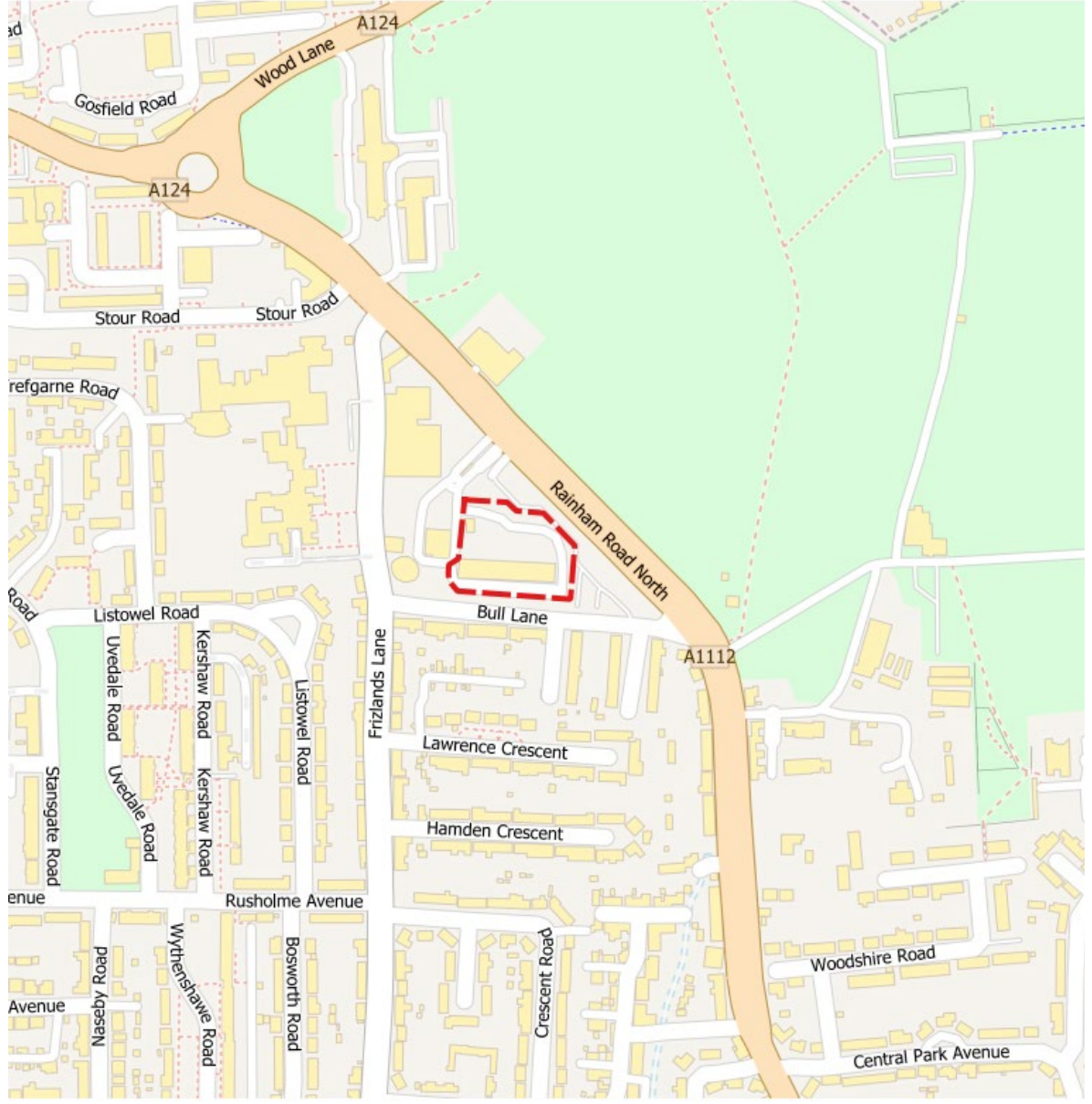
Site name:	Barking Waste Transfer and Recycling Facility
Borough:	Barking and Dagenham
Site address:	Barking Waste Transfer And Recycling Facility, Maybells Farm, Ripple Road, Barking IG11 0TT
OS grid reference:	TQ 47499 83446
Site size (ha):	1.60

Location map:



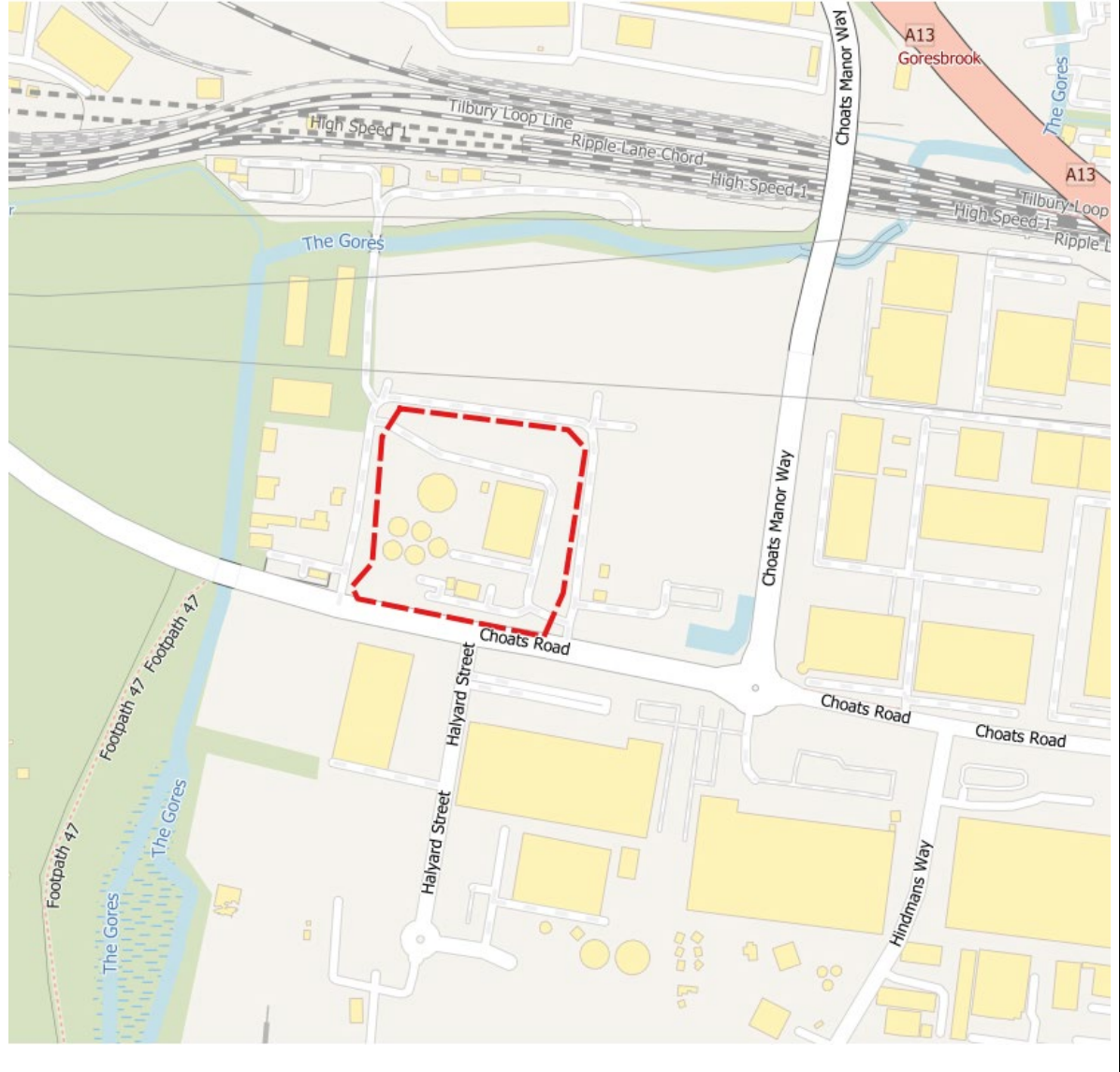
Site name:	Frizlands Lane Reuse & Recycling Centre
Borough:	Barking and Dagenham
Site address:	Frizlands Depot, Rainham Road North, Dagenham, Essex, RM10 7HX
OS grid reference:	TQ 49631 86540
Site size (ha):	0.68

Location map:



Site name:	Hitch Street AD Plant
Borough:	Barking and Dagenham
Site address:	ReFood UK, 1 Hitch Street, Dagenham, Essex, RM9 6FA
OS grid reference:	TQ 48300 82750
Site size (ha):	3.69

Location map:



Site name:	Media Park
Borough:	Barking and Dagenham
Site address:	Media Park, 40 A & B River Road, Barking, Essex, IG11 0DW
OS grid reference:	TQ 45547 82301
Site size (ha):	0.26

Location map:



Site name:	Old Bus Depot
Borough:	Barking and Dagenham
Site address:	Perry Road, Chequers Lane, Dagenham
OS grid reference:	TQ 54905 18205
Site size (ha):	0.83

Location map:



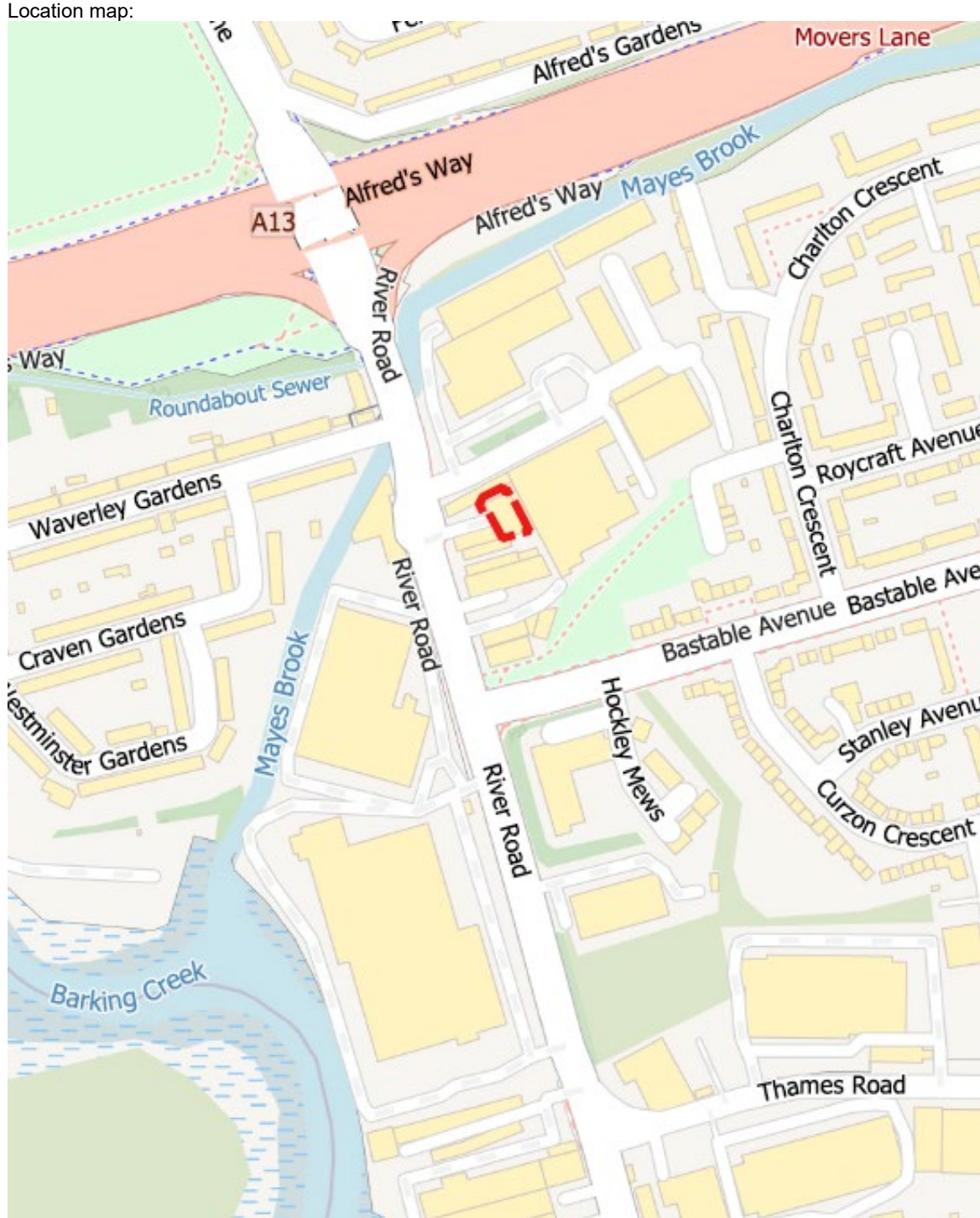
Site name:	Organic Waste Treatment Facility, Choats Road
Borough:	Barking and Dagenham
Site address:	Organic Waste Treatment Facility, London Sustainable Industries Park, Halyard Street, Dagenham Dock, Dagenham, RM9 6LF
OS grid reference:	TQ 48380 82410
Site size (ha):	1.88

Location map:



Site name:	Pinns Wharf
Borough:	Barking and Dagenham
Site address:	Pinns Wharf, 18 River Road, Barking, Essex, IG11 0DH
OS grid reference:	TQ 45329 82578
Site size (ha):	1.59
Location map:	<p>The location map shows the site boundary outlined in red, situated along the banks of Barking Creek. The site is bounded by River Road to the north and east, and a small access road to the south. To the west, the site is adjacent to Mayes Brook and a large green area. Surrounding streets include Stanley Avenue, Curzon Crescent, Radford Way, Thames Road, Creek Road, and Long Reach Road. The map also shows various buildings and green spaces in the area.</p>

Site name:	Unit A 13 River Road
Borough:	Barking and Dagenham
Site address:	Unit A 13 River Road, Barking, Essex, IG11 0EU
OS grid reference:	TQ 54538 18313
Site size (ha):	0.05



Site name:	Units 4-10 Atcost Road
Borough:	Barking and Dagenham
Site address:	11 Atcost Road, Barking, Essex, IG11 0EQ
OS grid reference:	TQ 46157 81832
Site size (ha):	0.55
Location map:	<p>The location map shows a residential area in Barking, Essex. A red dashed rectangle highlights the site at 11 Atcost Road. The map includes several roads: Minter Road, Handley Page Road, Sackett Road, Manwell Lane, Atcost Road, and River Road. A pond labeled 'Gabion Pond' is visible in the upper left. The area is labeled 'Barking Riverside'. Other features include 'Stone Walk' and 'Horse End' near the bottom left. The map uses yellow for buildings, green for grass, and blue for water.</p>

London Borough of Havering

Site name:	All Seasons Nursery
Borough:	London Borough of Havering
Site address:	Unit 6, Albright Industrial Estate, Ferry Lane, Rainham, RM4 1TH
OS grid reference:	TQ 55765 18871
Site size (ha):	0.69

Location map:



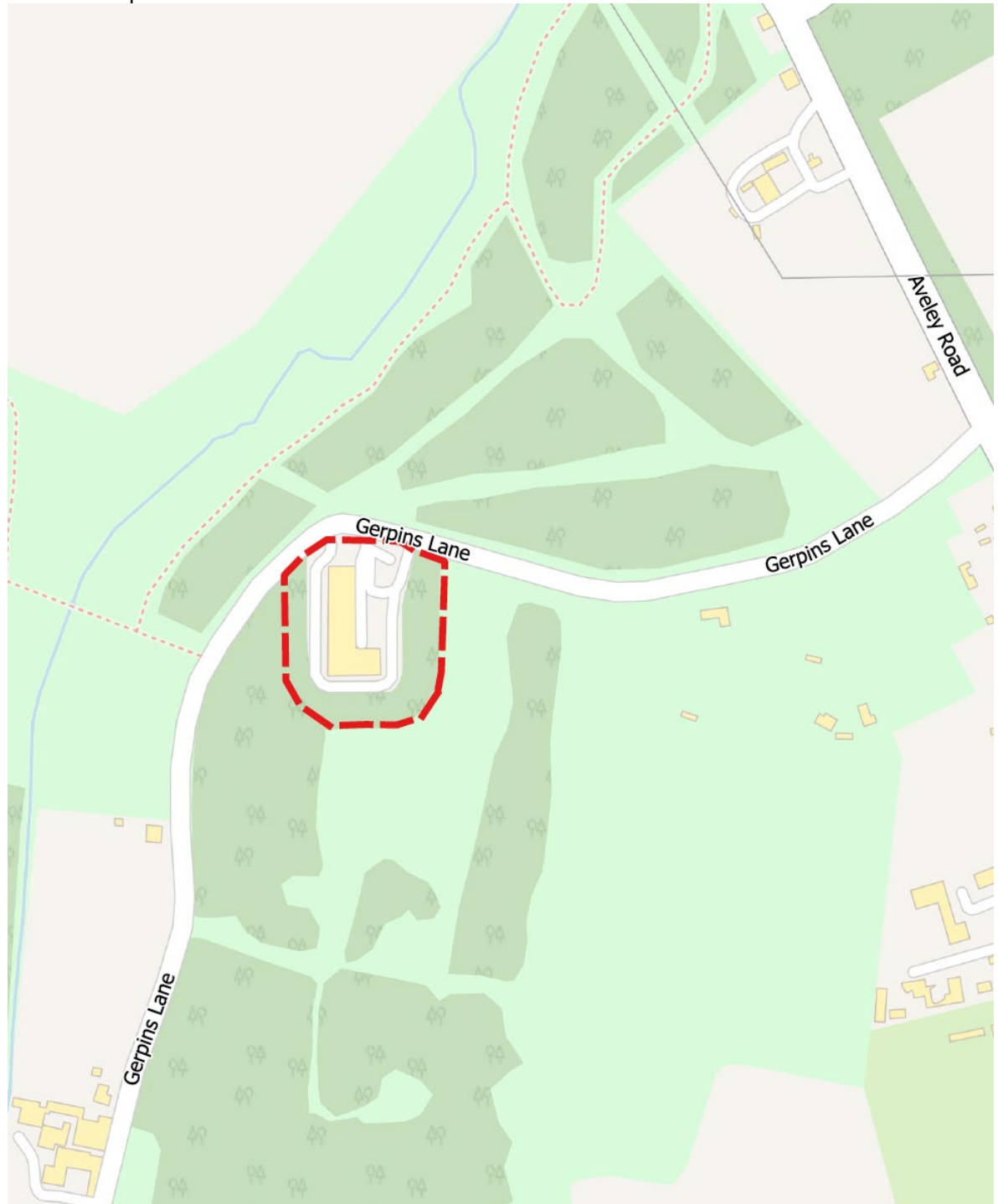
Site name:	Frog Island Waste Management Facility
Borough:	London Borough of Havering
Site address:	Frog Island Waste Management Facility, Creek Way, Rainham, Essex, RM13 8EN
OS grid reference:	TQ 50967 81092
Site size (ha):	0.39

Location map:



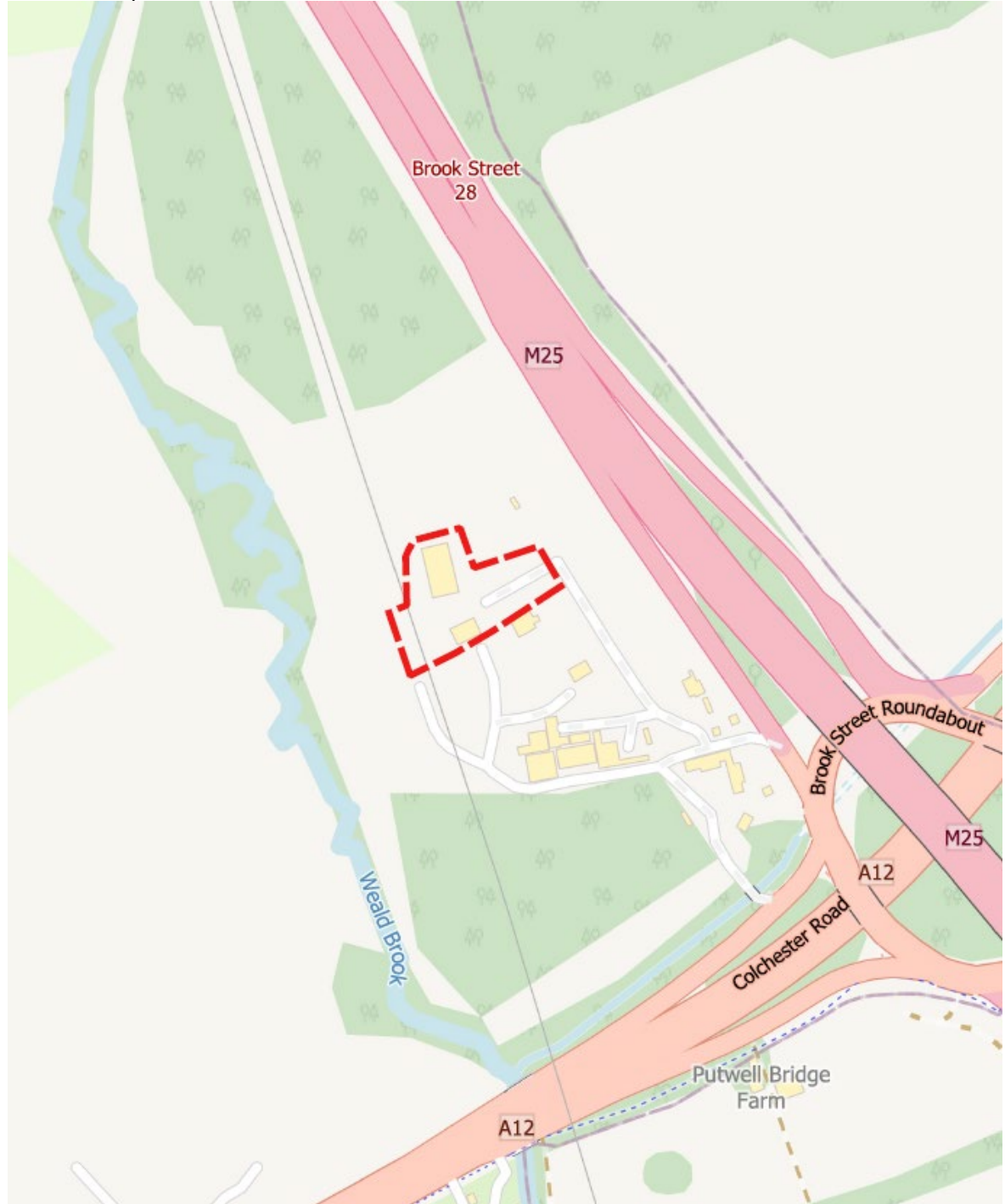
Site name:	Gerpins Lane Reuse & Recycling Centre
Borough:	London Borough of Havering
Site address:	Civic Amenity Site, Gerpins Lane, Upminster, Essex, RM14 2XR
OS grid reference:	TQ 55362 84288
Site size (ha):	0.71

Location map:



Site name:	Grove Farm
Borough:	London Borough of Havering
Site address:	Plot 6, Grove Farm, Brook Street, Brentwood CM14 5NG
OS grid reference:	TQ 556419 192561
Site size (ha):	0.71

Location map:



Site name:	Rainham MRF Coldharbour Lane
Borough:	London Borough of Havering
Site address:	Coldharbour Lane, Off Ferry Lane, Rainham RM13 9DA
OS grid reference:	TQ 52537 79313
Site size (ha):	1.26



Site name:	Salamons Way, Rainham
Borough:	London Borough of Havering
Site address:	7b Salamons Way, Ferry Lane South, Rainham, Essex, RM13 9UL
OS grid reference:	TQ 51247 81430
Site size (ha):	0.12

Location map:



Site name:	Silt Lagoons, Rainham and Wennington Marshes
Borough:	London Borough of Havering
Site address:	Silt Lagoons, Rainham and Wennington Marshes, Cold Harbour Lane, Rainham, Essex, RM13 9YQ
OS grid reference:	TQ 52660 80568
Site size (ha):	15.19

Location map:

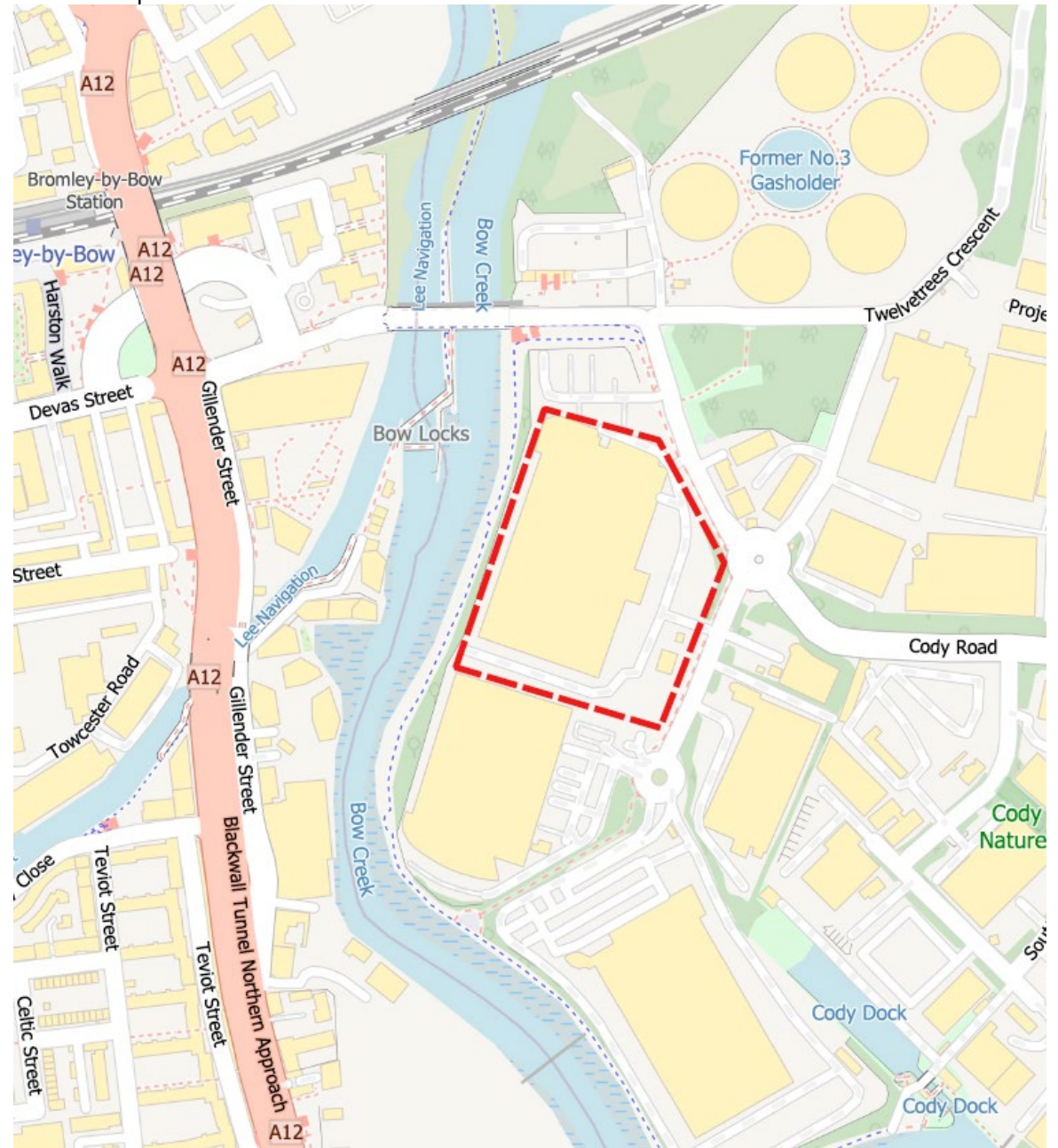


London Borough of Newham

Site name:	32 Stephenson Street
Borough:	London Borough of Newham
Site address:	32 Stephenson Street, Canning Town, London, E16 4SA
OS grid reference:	TQ 39132 81838
Site size (ha):	0.54
Location map:	

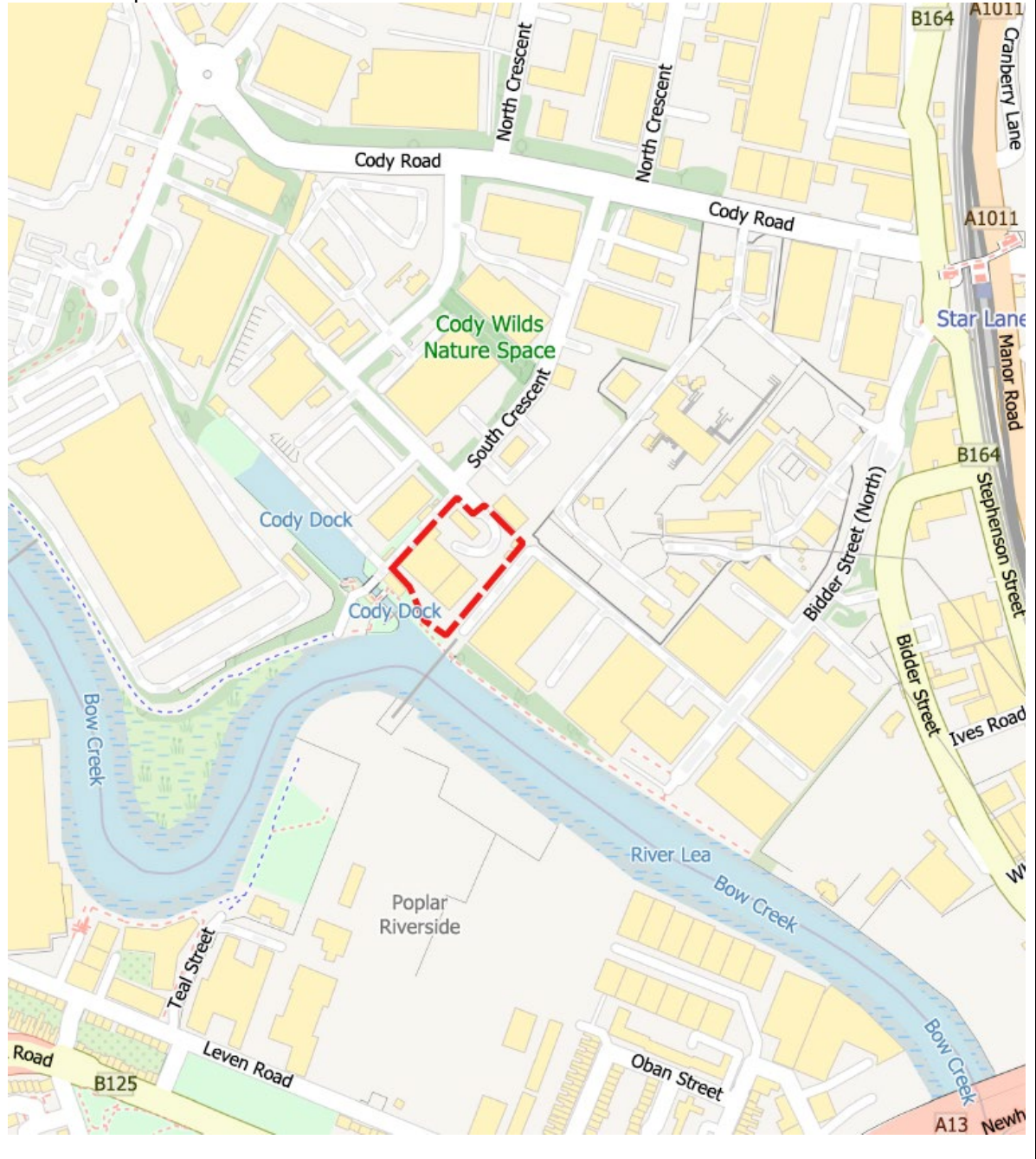
Site name:	Bywaters Recycling & Recovery Centre, Unit J Prologis Park
Borough:	London Borough of Newham
Site address:	Unit J Prologis Park, Twelvetrees Crescent, Bow, London, E3 3JG
OS grid reference:	TQ 38416 82253
Site size (ha):	3.25

Location map:



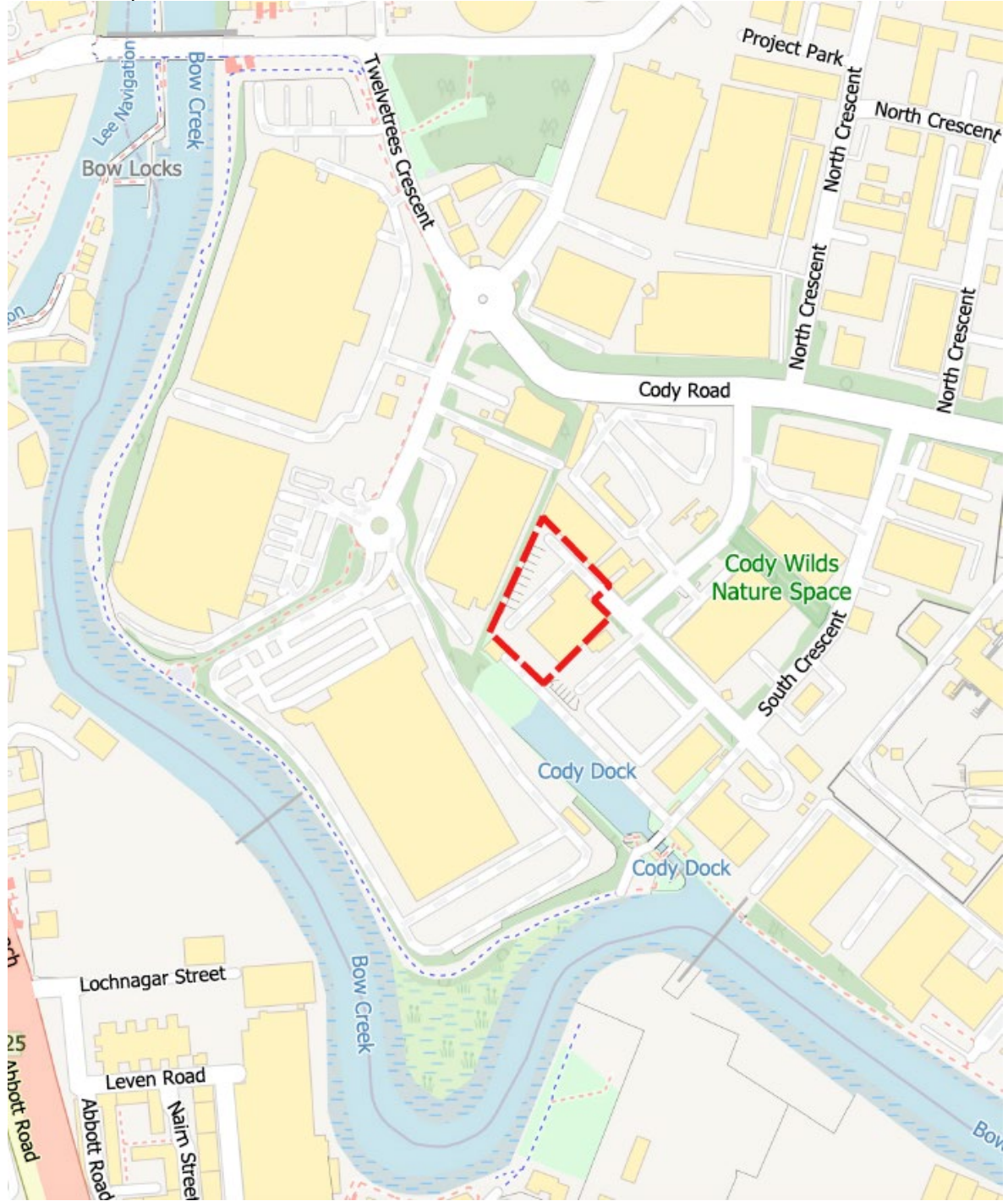
Site name:	Canning Town Depot
Borough:	London Borough of Newham
Site address:	Canning Town Depot, 11a Cody Road Business Centre, South Crescent, Canning Town, London, E16 4TL
OS grid reference:	TQ 38785 81905
Site size (ha):	0.60

Location map:



Site name:	Cody Road, Canning Town
Borough:	London Borough of Newham
Site address:	Canning Town Depot, 11a Cody Road Business Centre, South Crescent, Canning Town, London, E16 4TL,
OS grid reference:	TQ 38785 81905
Site size (ha):	0.60

Location map:



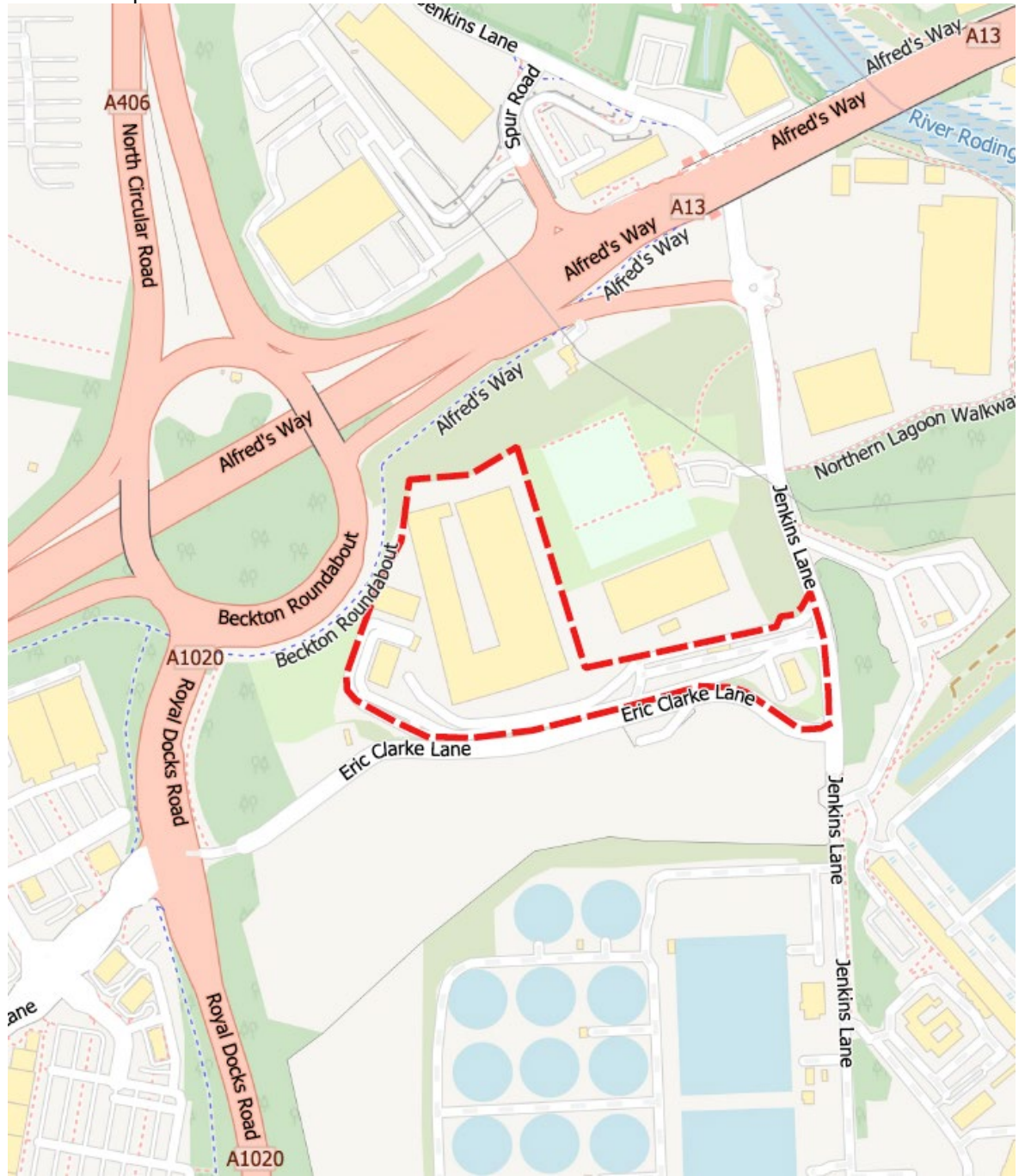
Site name:	EMR Silvertown
Borough:	London Borough of Newham
Site address:	EMR Silvertown, Unit 6, Standard Industrial Estate
OS grid reference:	542811 179900
Site size (ha):	1.18

Location map:



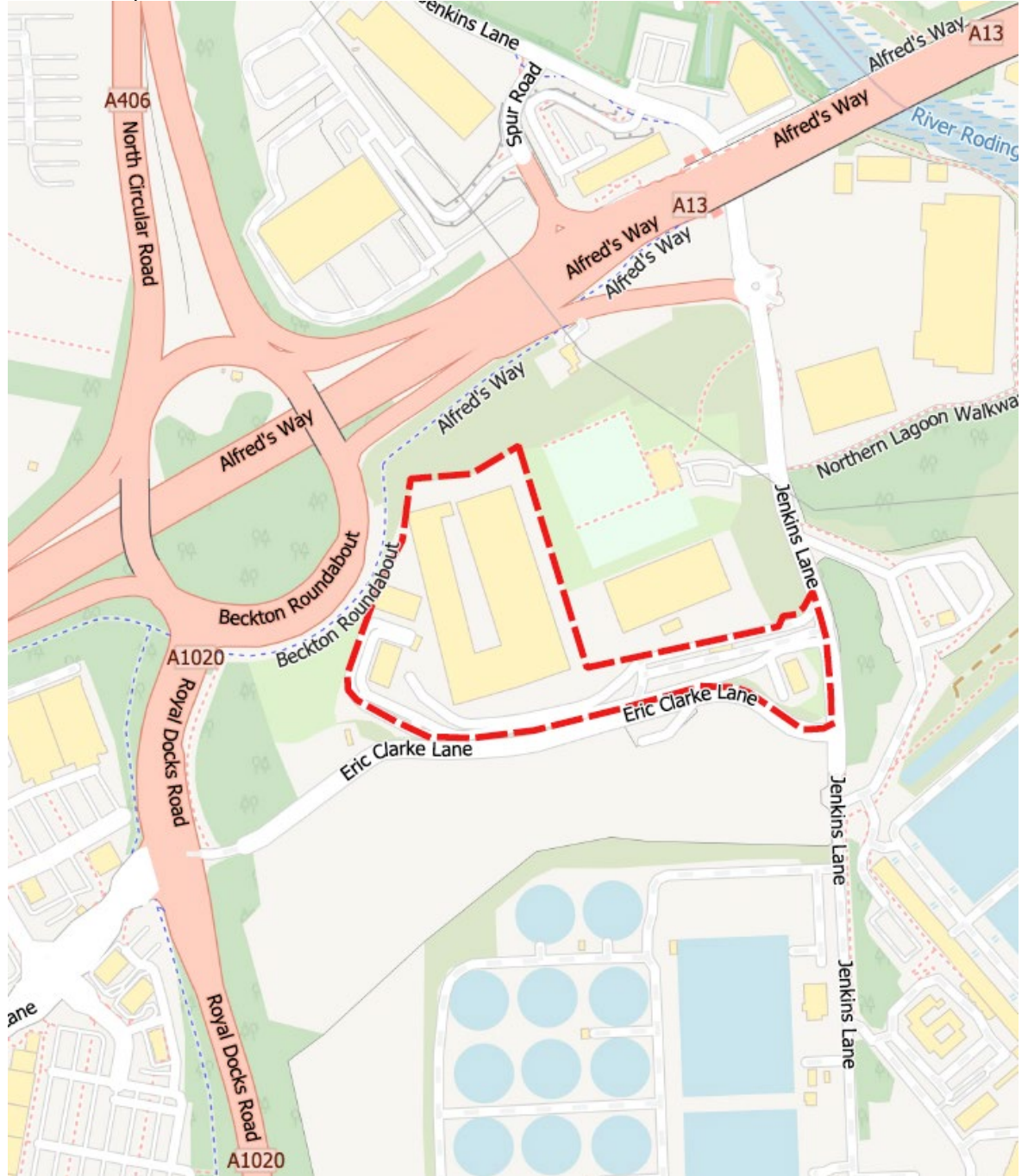
Site name:	Jenkins Lane Reuse and Recycling Centre
Borough:	London Borough of Newham
Site address:	Jenkins Lane Reuse and Recycling Centre, Jenkins Lane, Barking, Essex, IG11 0AD
OS grid reference:	TQ 44051 82596
Site size (ha):	3.382

Location map:



Site name:	Jenkins Lane Waste Management Facility
Borough:	London Borough of Newham
Site address:	Jenkins Lane, Barking, Essex, IG11 0AD
OS grid reference:	TQ 44051 82596
Site size (ha):	3.382

Location map:



Site name:	Knights Road
Borough:	London Borough of Newham
Site address:	Knights Road, London E16, 2AT
OS grid reference:	TQ 540267 179895
Site size (ha):	1.35

Location map:



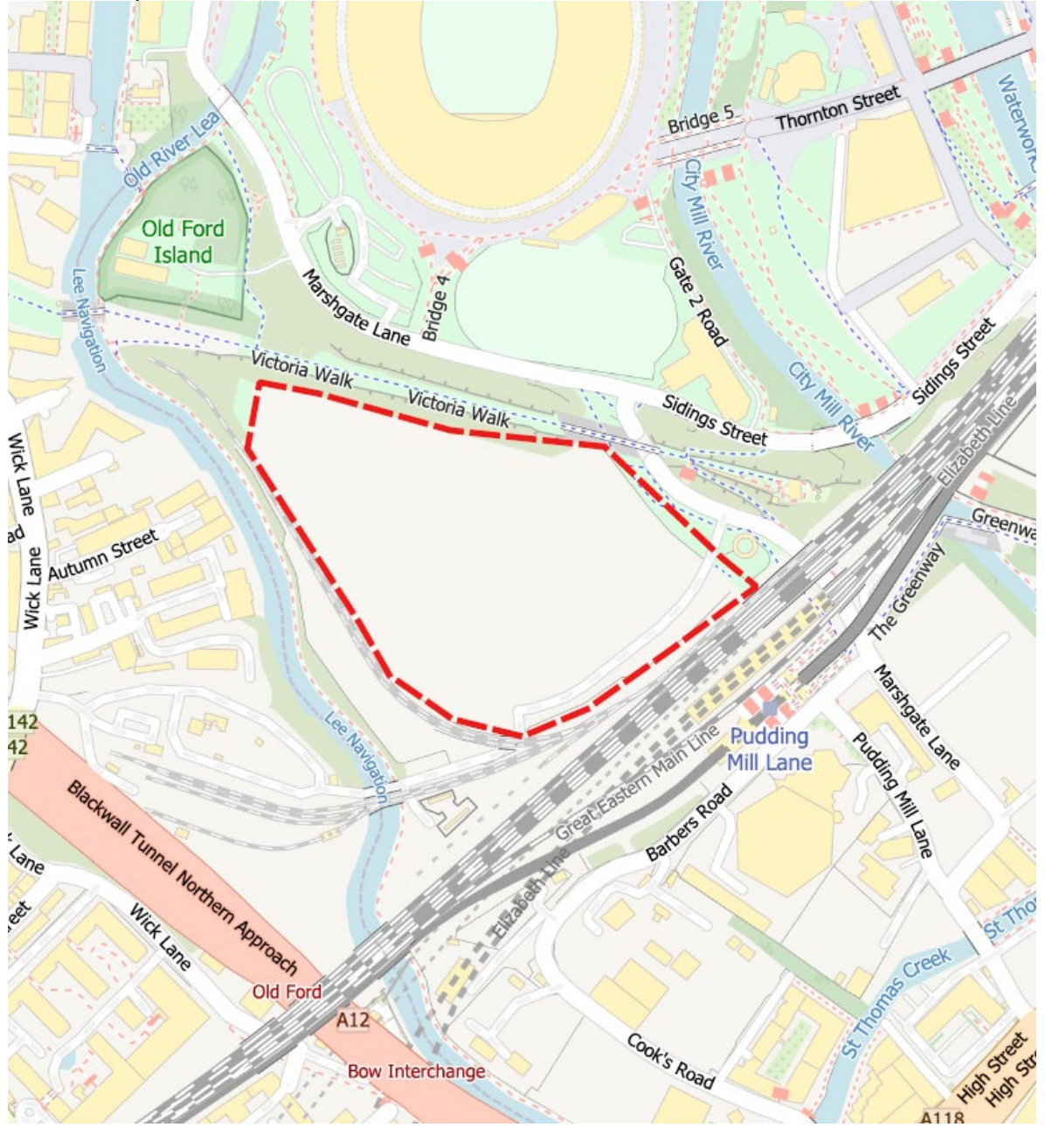
Site name:	London Teleport Site
Borough:	London Borough of Newham
Site address:	Pier Road, North Woolwich, London, E16 2JJ
OS grid reference:	TQ 54301 17986
Site size (ha):	0.92

Location map:



Site name:	Marshgate Sidings - D B Schenker/D B Cargo - S Walsh & Son Limited
Borough:	London Borough of Newham
Site address:	Marshgate Sidings, Pudding Mill Lane, Bow, London, E15 2PJ
OS grid reference:	TQ 37611 83599 and TQ 37691 83595
Site size (ha):	6.34

Location map:



Site name:	Plaistow Wharf
Borough:	London Borough of Newham
Site address:	Thames Wharf, Dock Road, Silvertown, London, E16 1AF
OS grid reference:	TQ 39791 80427
Site size (ha):	1.18

Location map:



Site name:	Silvertown Recycling Centre
Borough:	London Borough of Newham
Site address:	Silvertown Recycling Centre, 2 Oriental Road, London, E16 2BZ
OS grid reference:	TQ 41821 80243
Site size (ha):	0.27

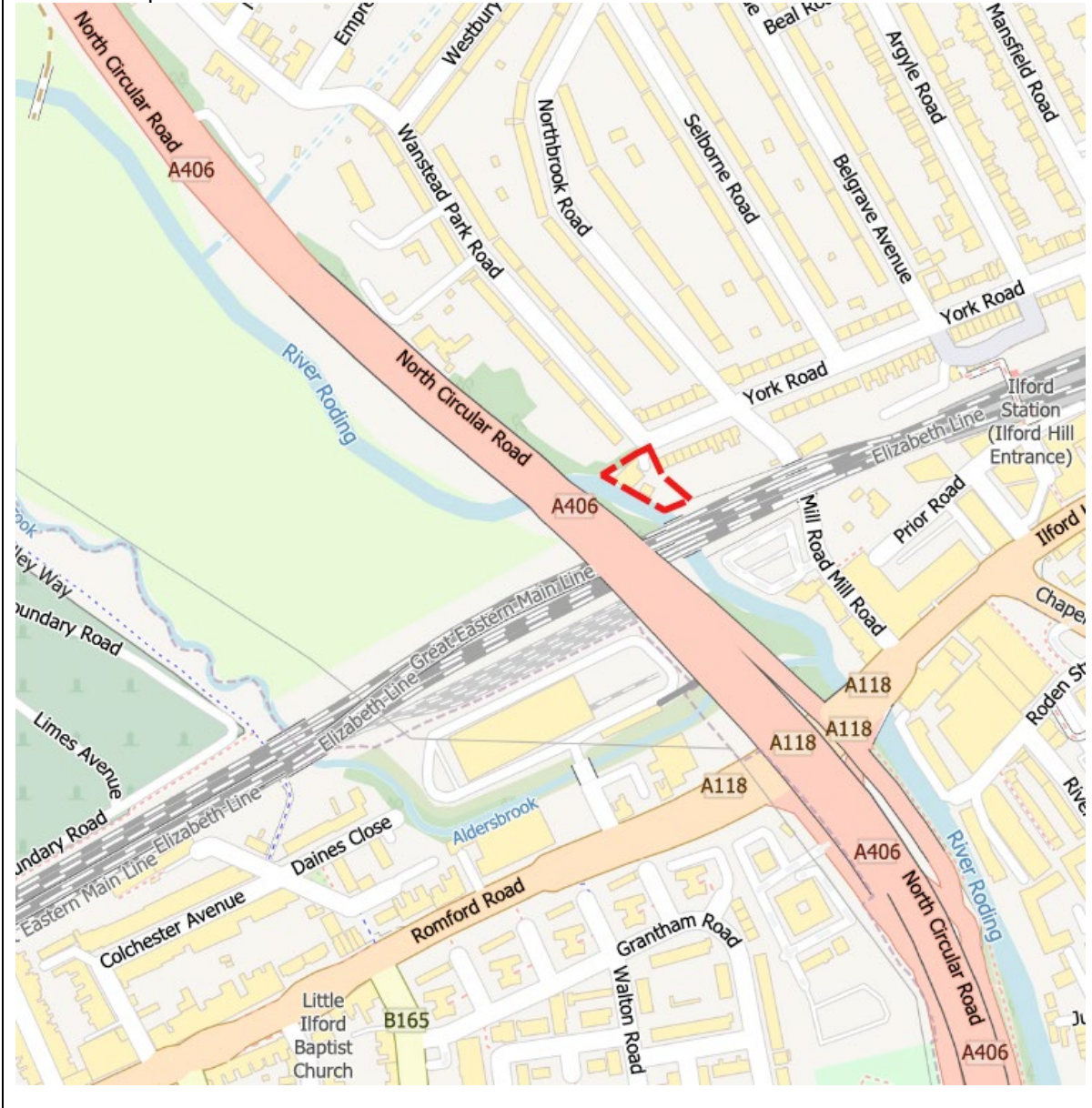
Location map:



London Borough of Redbridge

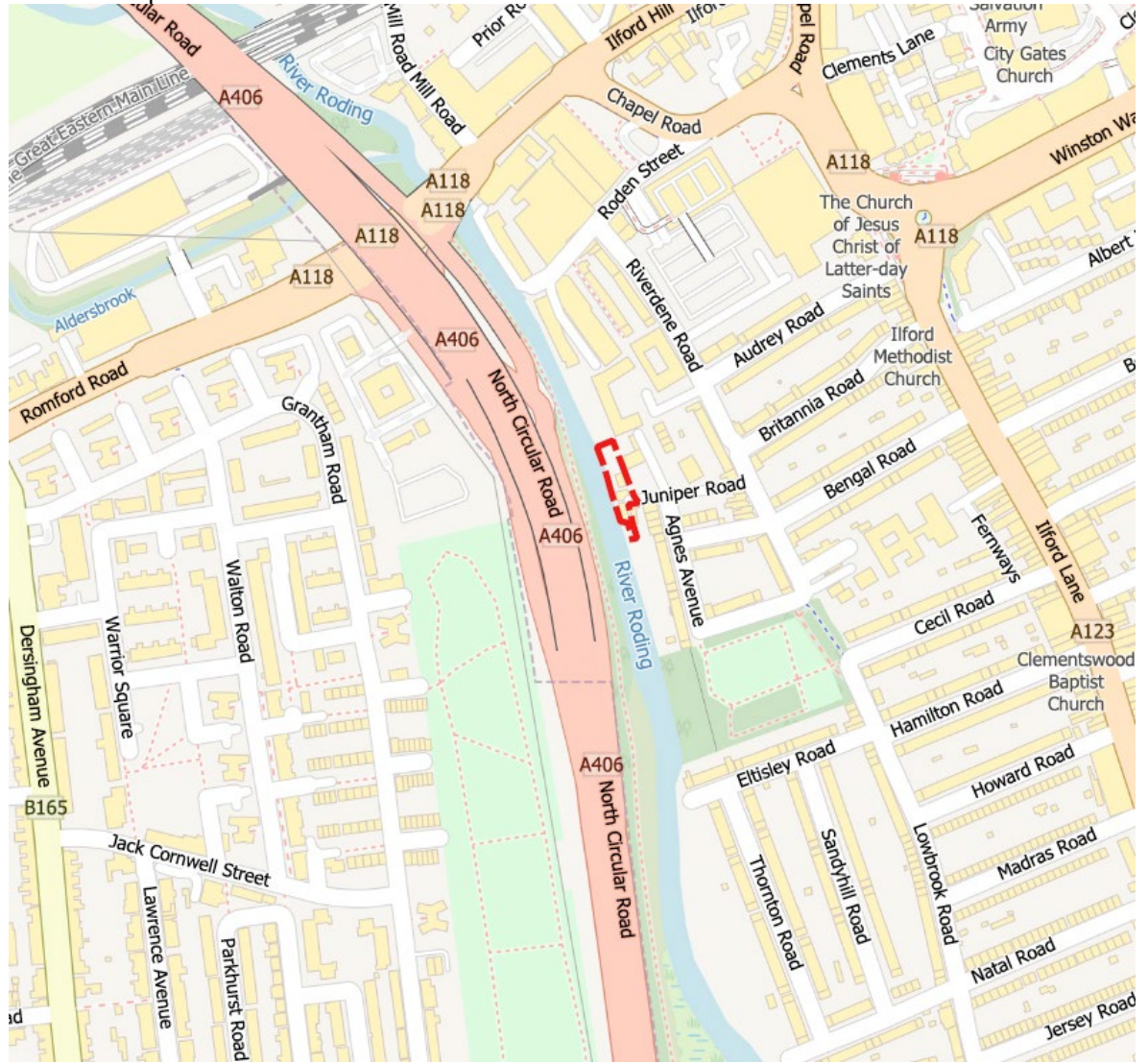
Site name:	1a Wanstead Park Road
Borough:	London Borough of Redbridge
Site address:	Units 5 & 6, 1a Wanstead Park Road, Ilford, Essex, IG1 3TG
OS grid reference:	TQ 43161 86387
Site size (ha):	0.12

Location map:



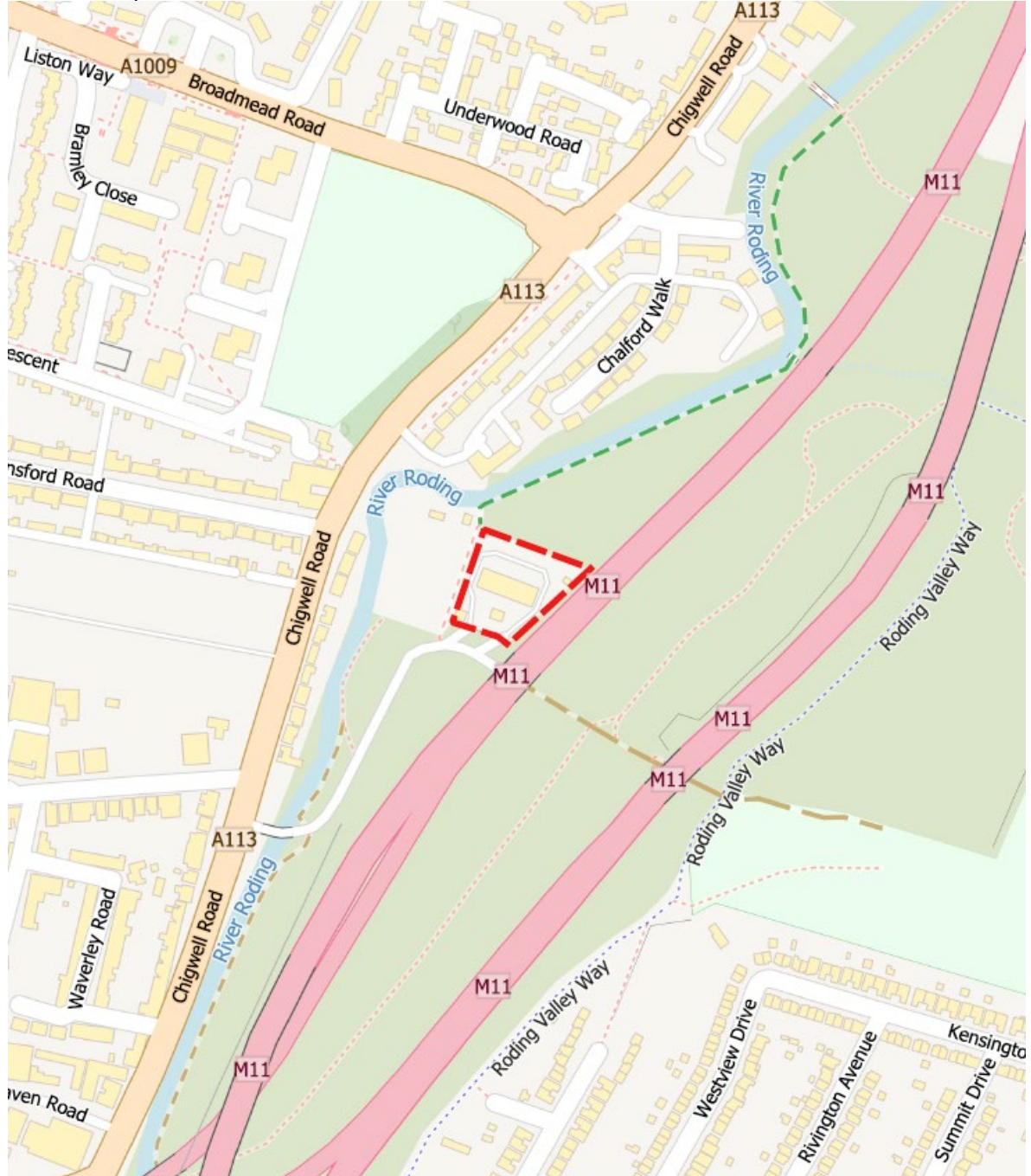
Site name:	7 Juniper Road
Borough:	London Borough of Redbridge
Site address:	Units 5 & 6, 1a Wanstead Park Road, Ilford, Essex, IG1 3TG
OS grid reference:	TQ 43161 86387
Site size (ha):	0.12

Location map:



Site name:	Chigwell Road Reuse and Recycling Centre
Borough:	London Borough of Redbridge
Site address:	Reuse and Recycling Centre, Chigwell Road, Woodford, Essex, IG8 8PP
OS grid reference:	TQ 41550 90810
Site size (ha):	0.49

Location map:



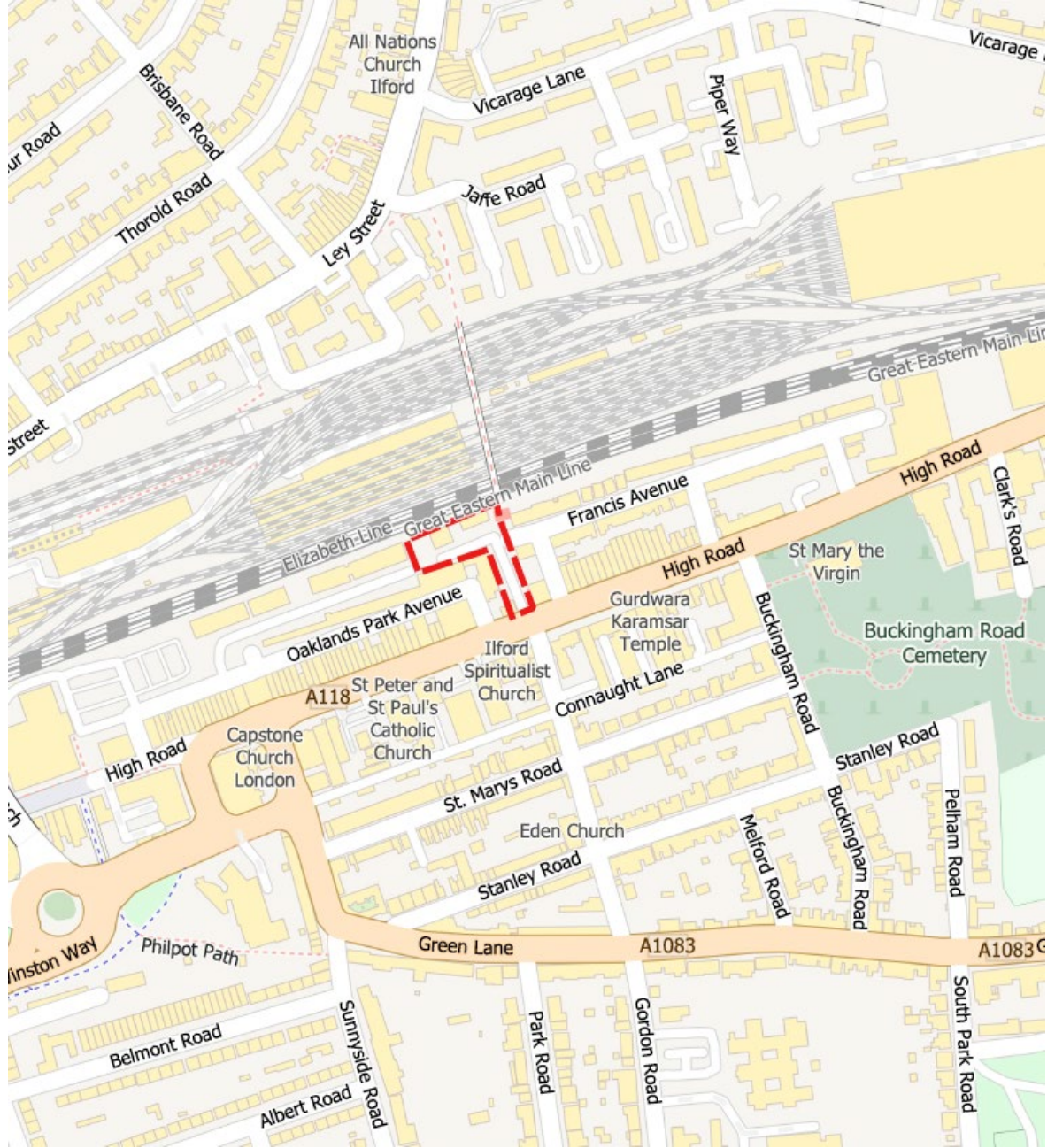
Site name:	GB Macks 45-47, Roebuck Road, Hainault Business Park
Borough:	London Borough of Redbridge
Site address:	45-47 Roebuck Road, Hainault Ind Est, Ilford, Essex, IG6 3TU
OS grid reference:	TQ 46792 91973
Site size (ha):	0.21

Location map:



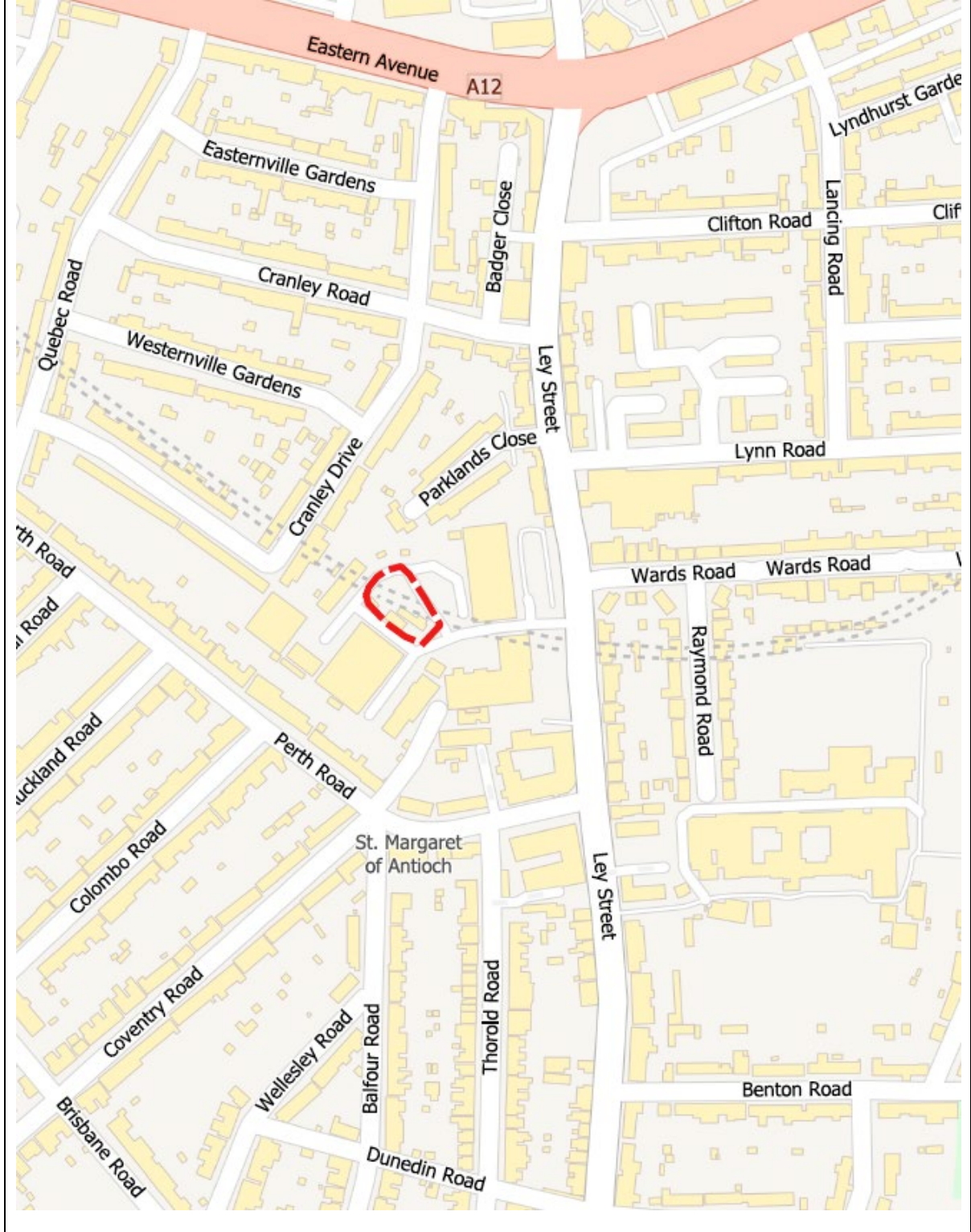
Site name:	Iflord Recycling Centre
Borough:	London Borough of Redbridge
Site address:	Iflord Recycling Centre, 409 High Road, Ilford, Essex, IG1 1TH
OS grid reference:	TQ 44529 86829
Site size (ha):	0.328

Location map:



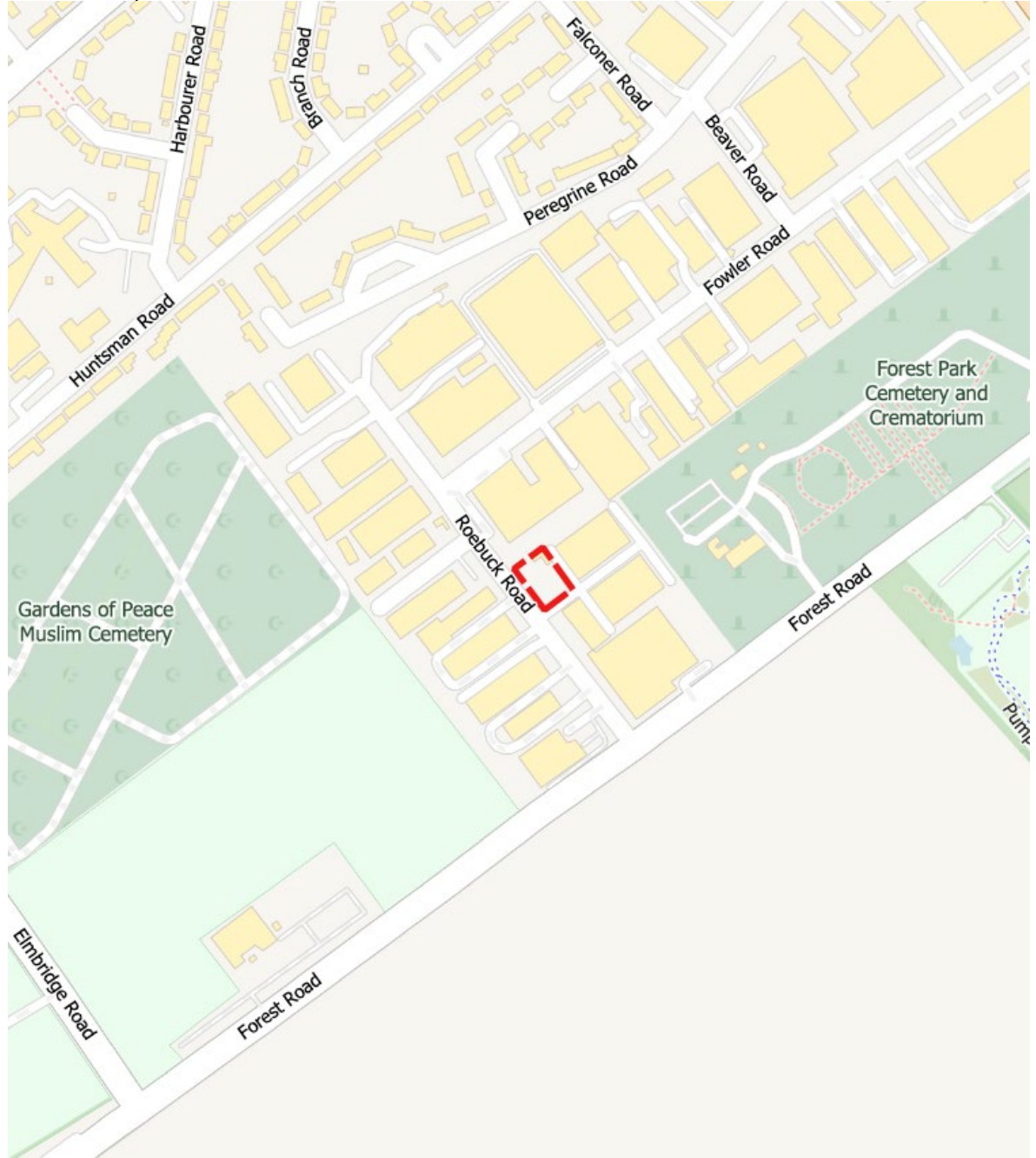
Site name:	Ley Street Depot
Borough:	London Borough of Redbridge
Site address:	Ley Street Depot, 531 Ley Street, Essex, IG2 7QZ
OS grid reference:	TQ 44385 87740
Site size (ha):	0.21

Location map:



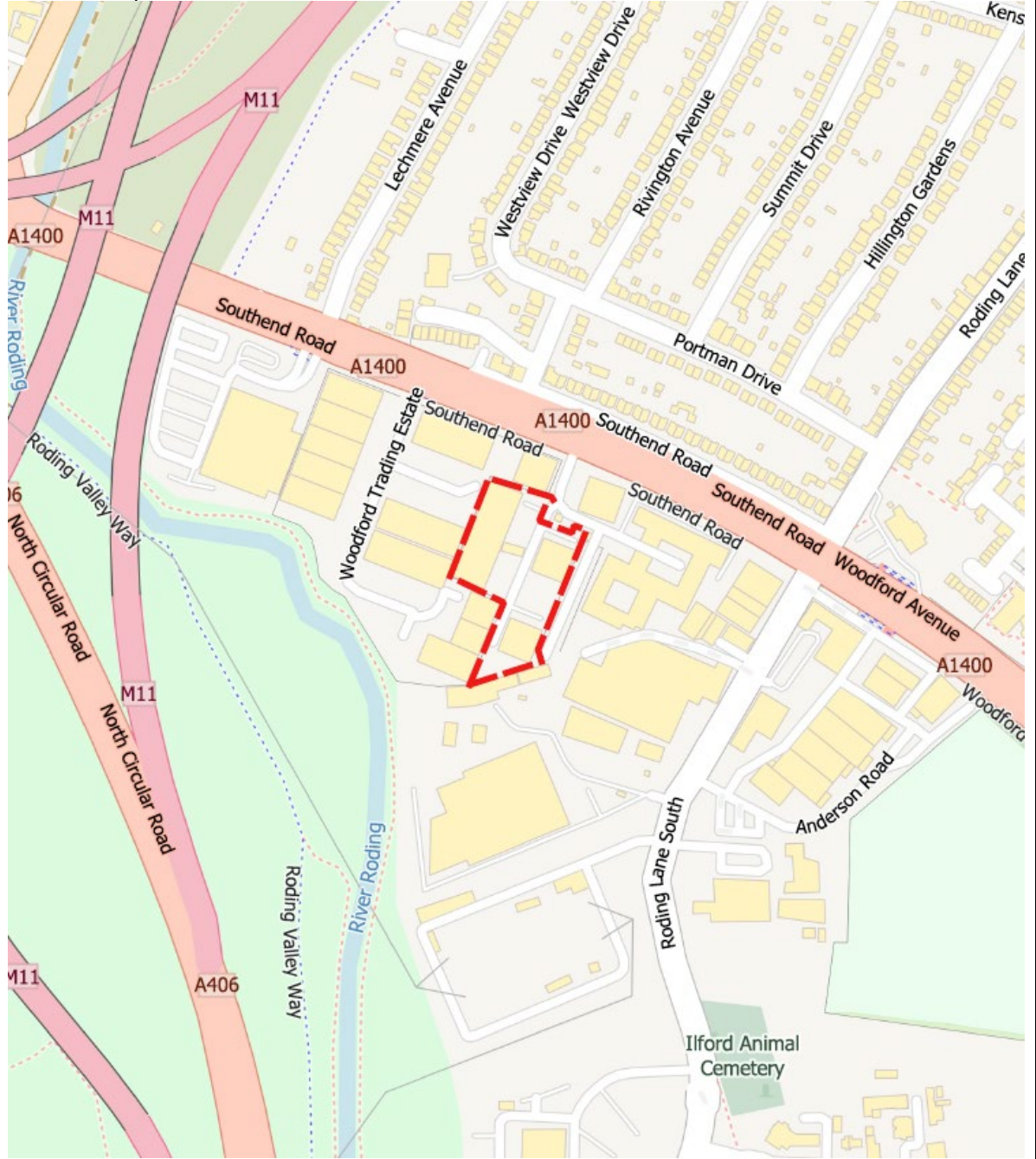
Site name:	Unit U, Pegasus Works
Borough:	London Borough of Redbridge
Site address:	Unit U, Roebuck Road, Hainault Business Park, Pegasus Works IG6 3UF
OS grid reference:	TQ 46970 91868
Site size (ha):	0.11

Location map:



Site name:	Woodford Service Centre
Borough:	London Borough of Redbridge
Site address:	Woodford Service Centre, Unit 5, The Orbital Centre, Southend Road, Woodford, Essex, IG8 8HH
OS grid reference:	TQ 41736 90051
Site size (ha):	0.09

Location map:



Appendix 3 – Sites with Potential for Release from Safeguarding

Borough	Site Name	Reason	Assessed Capacity			Planning Status
			Apportioned Waste	C, D & E Waste	Hazardous	
Barking & Dagenham	Old Bus Depot, Perry Road (Manns Waste Management)	City Market relocation	22,128	56,647	0	Permanent Permission for Materials Reclamation Facility
	Barking Waste Transfer and Recycling Facility (Biffa)	Located within Castle Green site allocation subject to masterplan	108,712	0	0	Permanent Permission for Waste Transfer Station (89/00279/TP)
	Alfred's Way, Barking (Creek Metals)	As above	0	27,091	0	Change of use including end of life vehicle scrapping (2013)
Havering	Off Crow Lane, Romford (Crow Metals)	Potential for re-location for longer term regeneration aims of the area	25,436	245	4,320	Permanent Permission for recycling, processing, storage and distribution of scrap metal (excluding car stripping and breakages) (P0962.11)
	Land At York Road, Rainham (Kilnbridge Construction Services Ltd)	Potential for re-location for longer term regeneration aims of the area	0	44,593	0	Permanent Permission as use as Recycling and Waste Transfer Facility & Depot (P1524.00)
Redbridge	Ilford Recycling Centre (Renewi UK Services Limited)	May not be required for ELWA contract	20,000	0	0	Permanent Permission (1847/94)
Totals			176,276	128,576	4,320	

Appendix 4 – Replacement of Policies in the East London Waste Plan

The table below shows how it is proposed that policies in the 2012 East London Waste Plan are replaced by those in the East London Joint Waste Plan

East London Waste Plan (2012) Policies		Proposed Replacement Policies in the East London Joint Waste Plan	
W1	Sustainable waste management	JWP1	Circular Economy
W2	Waste Management Capacity, Apportionment & Site Allocation	JWP2	Safeguarding and Provision of Waste Capacity
		JWP3	Prevention of Encroachment
W3	Energy recovery facilities	JWP5	Energy from Waste
W4	Disposal of inert waste by landfilling	JWP6	Deposit of Waste on Land
W5	General Considerations with regard to Waste Proposals	JWP4	Design of Waste Management Facilities

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East London Joint Waste Plan

Consultation Protocol

V4.0 Final

21.05.24

London Boroughs of Barking & Dagenham, Havering, Newham,
Redbridge

**Barking &
Dagenham**

 **Havering**
LONDON BOROUGH

 **Newham London**

London Borough of
Redbridge 

Project: East London Joint Waste Local Plan
Document: Consultation Protocol
Version: V4.0 Final 21.05.24

Consultation Protocol for the Preparation of the East London Joint Waste Plan

Prepared by **BPP Consulting**

V4.0 Final
May 2024

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1. Introduction

This East London Joint Waste Local Plan Consultation Protocol describes the overall approach to consultation and communication that will be taken during the preparation of the East London Joint Waste Local Plan (ELJWP). The document outlines the background and context for the preparation of the ELJWP and includes a programme of consultation activities.

Every London Borough has a statutory responsibility to plan for future waste management within its area by preparing a Local Plan that includes policies on how and where waste should be managed. In East London the following four Boroughs adopted a joint waste plan (known as the East London Waste Plan) in 2012:

- London Borough of Barking & Dagenham
- London Borough of Havering
- London Borough of Newham
- London Borough of Redbridge

The East London Waste Plan contains planning policies against which the Boroughs assesses planning applications for development associated with the management of waste. The waste plan is in addition to each Boroughs' Local Plan which considers all other forms of development including housing.

Regulations require local plans to be reviewed and so the four East London Planning Authorities are now renewing the adopted ELWP and replacing it with the East London Joint Waste Plan (ELJWP). The ELJWP will plan for the management of all waste arisings in the area up to 2040. It will do this by setting a vision and objectives for the management of the waste produced in the area and by ensuring there is sufficient waste management capacity to manage the waste in ways that will meet the objectives of the Plan and help ensure its vision is realised. Existing waste management facilities may be safeguarded from redevelopment for other uses and land may be identified in the Plan that is considered suitable for the development of new facilities. To be aligned with the vision, and to meet the objectives, the Plan will consider how waste should be managed using a mix of technologies ranging from recycling and composting through to energy recovery and disposal. These sites and associated facilities will enable the boroughs to meet their waste management targets (including recycling) and their waste apportionment targets included in the London Plan.

The four local authorities have appointed BPP Consulting as lead consultants to assist with the preparation of the ELJWP. Land Use Consultants (LUC) has been appointed to prepare the Integrated Impact Assessment (IIA) and Habitat Regulations Assessment (HRA).

Background legal and policy context

The National Planning Policy Framework (2023) sets out requirements for producing a Local Plan including the need for consultation. Specifically, it states that:

- Plans should be shaped by early, proportionate and effective engagement between plan makers and communities, local organisations, businesses, infrastructure providers and operators and statutory consultees
- Plans should contain policies that are clearly written and unambiguous, so it is evident how a decision maker should react to development proposals
- Plans should be accessible through the use of digital tools to assist public involvement and policy presentation

Consultation requirements are also set out at a local level in the Borough's Statements of Community Involvement. The legal requirements for plan making, including consultation, are set out in the Planning and Compulsory Purchase Act 2004 and the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended). The Boroughs' Statements of Community Involvement (SCI) can be accessed electronically via the following links:

- [London Borough of Barking and Dagenham SCI](#), 2020
- [London Borough of Havering SCI](#), 2021
- [London Borough of Newham SCI](#), 2022
- [London Borough of Redbridge SCI](#), 2020

Initially the Boroughs are required to consult on what the ELJWP should cover, and the Boroughs will do this by consulting on a draft plan that sets out a draft vision, objectives and policies. Following this the Boroughs are required to submit their final draft plan to the Secretary of State for independent examination. Before they submit the Plan, the Boroughs will publish it (known as the 'Submission ELJWP') in order to give an opportunity for communities and other stakeholders to comment on whether the Plan is 'sound' and has been prepared in accordance with the relevant legislation.

At the examination an independent planning inspector will consider any representations made and may ask those who have made representations to appear at public hearings. Following the examination, the Inspector will issue a report on whether the Plan is sound and legally compliant. The Boroughs are not able to adopt

and implement the Plan until the inspector has concluded that it is sound and legally compliant.

This Consultation Protocol includes a comprehensive consultation programme setting out how local residents, businesses and other stakeholders can take part in the development of the ELJWP. This programme takes account of, and is consistent with, the relevant legislation and Statements of Community Involvement prepared by each Boroughs. It is proposed that the consultation programme will include the key elements outlined below.

Communication methods

The following methods will be used to communicate how the ELJWP is being prepared.

1. A dedicated consultation page, hosted by Havering, that will act as a 'one stop shop' for consultation and communication with stakeholders and the wider public on the ELJWP.
2. Publication of information about the ELJWP, the plan making process, and FAQs on the website.
3. Notification of the process by each Borough, in line with the Boroughs' SCIs, emailing stakeholders in its area using details held on the Boroughs' consultation databases.
4. Announcement of the process via the Boroughs' social media platforms (e.g. X (Twitter), Facebook, Instagram, YouTube channel)
5. Publication of hard copies of draft plans at each consultation stage for inspection at the Boroughs' main offices and potentially libraries in some Boroughs (if required by individual Boroughs' Statements of Community Involvement).
6. Publicise in local newspapers or newsletters at key stages of the process (if required by individual Boroughs' SCI)

Consultation process

7. An online joint launch event will take place at the beginning of the draft plan stage. A particular purpose of the online meetings is to ensure that all those who are interested are given an opportunity to be involved.
8. Two drop-in sessions will be held in each borough throughout the consultation period.

9. Opportunity for further comment on the evidence base used to inform the content of the ELJWP.
10. Consultation comments received at all consultation stages will be recorded on a project database, and a summary report produced, which will be made available for inspection on the project website.
11. It is important to note that the Boroughs collect and process personal information in order to provide a range of public services. The Boroughs will respect the privacy of individuals and endeavour to ensure personal information is collected fairly, lawfully, and in compliance with the General Data Protection Regulation and Data Protection Act 2018.

Commitment to consultation

Engaging in the development of the ELJWP through consultation is crucial because:

- It ensures that the outcomes align more closely with the diverse views, aspirations, and needs of the wider community.
- Public involvement plays a vital role in fostering a dynamic, transparent, and participatory democracy.
- The process enhances the quality and efficiency of decisions by tapping into local knowledge, thereby reducing unnecessary conflicts and associated costs.
- Participants gain valuable insights into the needs of communities, the business sector, and the functioning of local government, contributing to their education.
- By establishing genuine connections with communities and providing them with a tangible role in decision-making, the consultation process helps promote social cohesion.

Aims

The principle aim of the communication and consultation programme is to deliver a “sound” ELJWP by ensuring that stakeholders and the wider public in East London are involved in its preparation. The Boroughs will seek involvement in three principle ways:

1. **Engage:**

- Provide information about the evolving ELJWP and its preparation.

2. **Listen**

- Provide opportunities for stakeholders to:
 - contribute their ideas, with confidence that they will be taken into account.
 - Participate actively in shaping proposals.
 - Feedback on draft plans.

3. **Collaborate**

- Providing feedback on comments made by stakeholders
- Providing updates on progress and outcomes to allow stakeholders to stay informed about the process.

In addition, the programme aims to strengthen partnership working between the four East London Boroughs through co-ordinated communication across the authorities and with waste and planning professionals.

Objectives

The objectives of the communications and consultation programme are to:

1. Effectively engage with a diverse East London community and stakeholder group to raise awareness and foster understanding of major waste planning issues across East London;
2. contribute to meeting the statutory requirements for consultation set by government regulations, as well as the local requirements stipulated in the four authorities' Statements of Community Involvement;
3. achieve a coordinated programme of consultation across the four boroughs through effective joint working and communication;

Operating principles

In delivering the consultation and communication programme we will seek to abide by the following principles for community involvement which includes those set out in the Planning Advisory Services' Good Plan Making Guide, Principle 5, summarised below:

1. **The engagement plan should be integral part of the project plan.** We will address the statutory requirements for publication and consultation on documents,
2. **Front loading of involvement.** We will provide opportunities for participation in identifying issues and debating options from the earliest stages. Community involvement will be focused at the points at which there is most potential to make a difference.
3. **The methods used to encourage involvement and participation should be relevant to their experience.** A wide range of methods and approaches will be used, tailored to the needs of different groups.
4. **Clearly articulated opportunities for continuing involvement.** The process will allow local communities to see how ideas have developed at the various stages, with effective feedback. There will be clear formal stages when involvement will take place, based on the statutory requirements, but as part of a continuous programme.
5. **Transparency and accessibility.** The processes will be clear, so that people know when they will be able to participate, and the ground rules for doing so.

6. **Planning for involvement.** Community involvement has been carefully planned in from the start of the process for plan preparation, so as to enable timely involvement.
7. **Encourage participants to explore the implications of their views rather than simply state a predetermined view or preference**

2. Consultation Programme

The table below summarises who will be consulted at the various stages of plan preparation, how they will be consulted and who will be responsible for delivering the processes. In addition, an indicative timing for each consultation stage (N.B. these are estimates and are subject to change).

Stage	Purpose	Key tasks	Who will be consulted	Responsibilities	Indicative timing
Preliminary work on consultation and community involvement	To establish appropriate approaches and procedures to ensure effective stakeholder and community involvement in the ELJWP	Development of project website, on which all reports and information relating to the project will be issued	Open access website for use throughout consultation programme	Borough Planning Officers/web team(s); BPP Consulting	May – June 2024
		Each borough notifying all those stakeholders on their consultation databases of the start of the consultation using their preferred method of contact.	Borough consultation database consultees	Borough Planning Officers	Early July 2024
		Publicise website via Boroughs' social media platforms (E.g. Twitter, Facebook, Instagram, YouTube channel)	Open access social media	Borough Planning Officers	Early July 2024
Launch of programme	To raise awareness of waste planning issues in East London and communicate the	Joint online launch event	Public and stakeholders, through press releases and articles in Borough magazines	• Planning and logistics by Project Manager	July 2024

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Version: Final V4.0 21.05.24

Stage	Purpose	Key tasks	Who will be consulted	Responsibilities	Indicative timing
	process of preparing the ELJWP			• Content by BPP Consulting	
Consultation on the scope of the Integrated Impact Assessment	To consult on the scope of the SA, in particular, key sustainability issues and the SA framework to be used for appraisal	Formal consultation on Scoping Report, in line with statutory requirements	Statutory consultees and others, in line with statutory requirements	Project Manager, Boroughs	March – April 2024
		Publish for consultation with Reg 18 ELJWP and IIA	Key stakeholder groups, including statutory bodies, other public agencies, industry representatives, environmental groups, academics	Project Manager, Boroughs	Jul – Aug 2024
Consultation draft ELJWP and accompanying Integrated Impact Assessment report	To consult statutory bodies and the wider public on the Draft Plan, its reasonable alternatives and their significant effects. To involve statutory bodies and the wider	Make hard copies of documents available for inspection at council offices and in other locations (if required by individual Boroughs' SCIs).	Key stakeholder groups, including statutory bodies, other public agencies, industry representatives, environmental groups, academics	Borough Planning Officers	Jul – Aug 2024
		FAQs setting out contents of the draft plan	Public and stakeholders – available on the project website	Project Manager, Boroughs	Jul – Aug 2024

Stage	Purpose	Key tasks	Who will be consulted	Responsibilities	Indicative timing
	public on waste management approaches and implications for sustainable development objectives.	Drop-in sessions (two in each borough)	Public and stakeholders, utilising advertising and consultee lists held by the four Boroughs and those that have expressed an interest directly.	Consultee databases held by four Boroughs <ul style="list-style-type: none"> • Planning and logistics and logging responses by BPP • Content and facilitation and acknowledgement and summary of contents by BPP 	Jul – Aug 2024
		Questionnaire on project website for feedback.	Public and stakeholders	BPP Consulting	By 24 July 2024
Consultation on Submission ELJWP	To publish version of the Draft ELJWP that will be submitted to Secretary of State (Submission Draft) and seek stakeholder views	Formal consultation on Submission ELJWP and SA Report, in line with statutory requirements (at least six weeks)	Those on consultation databases, statutory consultees, local resident/community groups and others, in line with statutory requirements.	Project Manager, Boroughs	January to February 2025
Notification of Submission	To raise awareness of the submission of the ELJWP to the Secretary of State for examination	Each borough formally notifying all those stakeholders on their consultation databases of the submission of the ELJWP in line with statutory requirements	Those on consultation databases, statutory consultees, local resident/community groups and others, in line with statutory requirements.	Project Manager, Boroughs	Spring 2025 (By end June 2025)

Stage	Purpose	Key tasks	Who will be consulted	Responsibilities	Indicative timing
Notification of Examination	To raise awareness of the ELJWP examination	Each borough formally notifying all those stakeholders on their consultation databases of the ELJWP examination in line with statutory requirements	Those on consultation databases, statutory consultees, local resident/community groups and others, in line with statutory requirements.	Project Manager, Boroughs	Autumn 2025
Consultation on Main Modifications	To publish ELJWP Main Modifications resulting from the examination and SA Report and seek stakeholder views	Formal consultation on ELJWP Main Modifications and SA Report, in line with statutory requirements	Those on consultation databases, statutory consultees, local resident/community groups and others, in line with statutory requirements.	Project Manager, Boroughs	Winter 2025/26
Notification of Adoption	To raise awareness of the adoption of the ELJWP	Formal notification of the ELJWP adoption in line with statutory requirements	Those on consultation databases, statutory consultees, local resident/community groups and others, in line with statutory requirements.	Project Manager, Boroughs	Early 2026

Feedback procedures

All representations made during the course of the consultation will be recorded in a database.

A summary report setting out the issues raised and the Boroughs' response to the representations will be produced by BPP Consulting and made publicly available on the project website.

All respondents will be notified regarding the availability of this report.

All respondents who make representations will also be notified of all opportunities for further involvement at later stages of the process.

We will seek to ensure that all reports are accessible to everyone. We will offer assistance to those who are blind or partially sighted or do not speak English fluently. This may include spoken or written translation in different languages, Braille, audio or large print format.

We will also seek to ensure that documents are appropriate for the audiences that the Boroughs seek to engage.

Responding to press/media enquiries

The Borough Project Manager will coordinate responses to press and media enquiries with advice from Borough communications teams, BPP Consulting and LUC as appropriate.

Further information

For further information please contact the Borough Project Manager, Cara Collier, London Borough of Havering, Cara.Collier@haverling.gov.uk

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Regulation 18 East London

Joint Waste Plan

Integrated Impact Assessment

East London Waste Authorities of Barking and Dagenham, Havering, Newham and Redbridge

Final report

Prepared by LUC

May 2024

Version	Status	Prepared	Checked	Approved	Date
1	Draft	K Williamson R Osborne R Finnigan	K Williamson	J Allen	02.05.2024
2	Final	K Williamson	K Williamson	J Allen	17.05.2024



Land Use Consultants Limited

Registered in England. Registered number 2549296. Registered office: 250 Waterloo Road, London SE1 8RD. Printed on 100% recycled paper

Regulation 18 East London Joint Waste Plan

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Chapter 1

Introduction

1.1 LUC was commissioned in October 2023 to undertake an Integrated Impact Assessment, comprising Sustainability Appraisal (SA) incorporating Strategic Environmental Assessment (SEA), Health Impact Assessment (HIA), Equalities Impact Assessment (EqIA), and Habitats Regulations Assessment (HRA) for the new East London Joint Waste Plan (ELJWP).

1.2 The ELJWP is a joint venture between the London Borough of Barking and Dagenham, London Borough of Havering, London Borough of Newham, and the London Borough of Redbridge.

1.3 This document is the IIA of the draft Regulation 18 ELJWP. The IIA appraises the likely effects of the vision, objectives and policies. This document will accompany the consultation on the Regulation 18 draft of the ELJWP that will be consulted on in the summer of 2024.

1.4 It should be noted that this report is in an 'Accessible format', which means it has been formatted to meet the requirements of the Public Sector Bodies (Websites and Mobile Applications) Accessibility Regulations (2018), as set out in the Web Content Accessibility Guidelines (WCAG 2.1). This means it must have larger font, larger spacing between lines and headings, less information presented in tables, 'alt text' provided for all figures and it is able to be read by screen-reading software.

Geographical context

1.5 The ELJWP area is consistent with the geography for the East London Waste Authority [See reference 1] formed by the four most easterly London Boroughs north of the Thames: London Borough of Barking and Dagenham,

London Borough of Havering, London Borough of Newham, and the London Borough of Redbridge. The ELJWP also includes the area covered by the London Legacy Development Corporation (LLDC) within the London Borough of Newham. The LLDC does not have a separate waste apportionment within the London Plan 2021, and therefore waste is planned for by the London Borough of Newham.

1.6 The plan area is bordered within London by the London Borough of Waltham Forest, London Borough of Hackney and the London Borough of Tower Hamlets to the west, and the London Borough of Greenwich and the London Borough Bexley to the south of the river Thames. To the north and east, outside of the Greater London area, are the Districts of Epping Forest and Brentwood and the unitary area of Thurrock, respectively – all within the county of Essex.

1.7 The administrative geography of London is overseen at a regional level by the Greater London Authority (GLA). There are thirty-three administrative areas within London: twelve inner boroughs, twenty outer boroughs, and the City of London. LB Newham is the only inner borough within the East London Joint Waste Local Plan area.

1.8 The population of the ELJWP Area has grown from 772,900 in the 2011 Census to 1,142,300 in the 2021 Census. The London Plan predicts that the population of London is projected to increase by 70,000 every year, reaching 10.8 million in 2041, and East London will play a large role in providing for this growth **[See reference 2]**

1.9 The London Borough of Barking and Dagenham (LBBD) is located between the City of London to the West, and the M25 motorway which circles the capital, to the East with the River Thames immediately to the South. Barking has been designated as a Metropolitan Centre in the London Plan (2021). LBBD includes many of capital's largest stretches of undeveloped riverside frontage, and the most affordable premises for large and small businesses in London. One third of the LBBD is green open space, amounting to 463 hectares. Barking

Riverside Overground station, opened in 2022, connects passengers to Barking in seven minutes, and to central London in twenty-two minutes.

1.10 The London Borough of Havering (LBH) includes Romford, identified as a Metropolitan centre within the London Plan 2021. LBH is bordered to the south by part of the London Riverside Opportunity Area, containing Rainham and Beam Park. Part of the LBH extends beyond the M25 to the east, with the A12, A123, A1306 and A13 forming key routes across the borough. Over half the LBH is identified as Metropolitan Green Belt.

1.11 The London Borough of Newham (LBN) includes Stratford and East Ham, identified as major centres within the London Plan 2021. The borough is home to London City Airport. The newly opened Elizabeth Line on the London rail network provides direct train services to Heathrow and Reading via Paddington station. Royal Docks is within the Thames Gateway, and is identified within the London Plan as one of the largest regeneration opportunities within the greater London area. The recently adopted Royal Docks and Beckton Riverside Opportunity Area Planning Framework (OAPF) [\[See reference 3\]](#) guides emerging and ongoing development in the area, and sets the context for the proposed extension of the DLR to Thamesmead via Beckton Riverside. The OAPF identifies the potential to provide 38,600 new homes and create 55,800 new jobs. LBN includes part of the area of the London Legacy Development Corporation which covers Queen Elizabeth Park and part of its surroundings.

1.12 The London Borough of Redbridge (LBR) sits approximately 7 miles east of the City of London, adjoining LB Waltham Forest, LB Newham, LBBB, and between two strategic growth corridors. The Thames Gateway runs to the south and east, and the London-Stansed-Cambridge growth corridor covers the western half of the Borough and beyond, extending south to the river Thames and north, through Hertfordshire, towards Cambridge. There are four Elizabeth Line stations within the borough. LBR includes the Metropolitan centre of Ilford. Just under half of the borough is considered to be green space, and around one third of the borough is designated Metropolitan Green Belt.

1.13 There are three European protected wildlife sites within 5km of the four Boroughs; Epping Forest Special Area of Conservation (SAC), Lee Valley Special Protection Area (SPA) and Lee Valley Ramsar. The south edge of Epping Forest crosses into the northern boundary of Redbridge. Downstream from the river Thames, which forms the southern boundary of the Plan area are Thames Estuary & Marshes Ramsar and SPA and the Benfleet and Southend Marshes SPA.

1.14 Due to the location of the plan area within Greater London, the four boroughs benefit from strategic transport links including access to the M11 and M25 motorways via the A12, A13, A1020 and the A406. There is water transport connectivity for leisure and freight on the river Thames, good connectivity to rail hubs in central London, as well as good access to London City Airport and London Stanstead.

East London Joint Waste Plan

1.15 The current version of the ELJWP was adopted in 2012 **[See reference 4]** and set out to meet the requirements of the national policy and the London Plan at that time, to plan effectively for waste across the four London Boroughs. There have been four iterations of the London Plan since 2011: the London Plan (2016), the Revised Early Minor Alterations to the London Plan (2013) to align within the NPPF, the Further Alterations to the London Plan (2015), and the current adopted London Plan (2021).

1.16 The ELJWP (2012) predates the original National Planning Policy Framework (2012) and instead considered the requirements of Planning Policy Statement 10: Planning for Waste and Planning Policy Statement 12: Local Development Framework. The PPS system has been replaced and current national policy requirements are set out in the National Planning Policy Framework (NPPF, 2023), the National Planning Policy for Waste (NPPW, 2014) and the accompanying Planning Practice Guidance (PPG, 2014).

1.17 The new ELJWP will provide the local planning policy framework for all waste planning matters across London Borough of Barking and Dagenham, London Borough of Havering, London Borough of Newham, and London Borough of Redbridge. The LLDC will transfer planning powers back to LBN by the end of 2024.

1.18 The East London Waste Authority published a new Joint Strategy for East London Resources and Waste in 2023 [See reference 5]. The strategy focuses on waste prevention to meet the GLA objective of London becoming a zero-waste city by 2050.

Sustainability appraisal and strategic environmental assessment

1.19 Under the amended Planning and Compulsory Purchase Act 2004 [See reference 6], SA is mandatory for Development Plan Documents. For these documents it is also necessary to conduct an environmental assessment in accordance with the requirements of the Strategic Environmental Assessment (SEA) Directive (European Directive 2001/42/EC) as transposed into law in England by the SEA Regulations [See reference 7], which currently remain in force despite the UK exiting the European Union in January 2020. Therefore, it is a legal requirement for the ELJWP to be subject to SA and SEA throughout its preparation.

1.20 The requirements to carry out SA and SEA are distinct, although it is possible to satisfy both using a single appraisal process (as advocated in the national Planning Practice Guidance [See reference 8]), whereby users can comply with the requirements of the SEA Regulations through a single integrated SA process – this is the process that is being undertaken for the ELJWP. From here on, the term ‘SA’ should therefore be taken to mean ‘SA incorporating the requirements of the SEA Regulations’.

1.21 The SA process comprises a number of stages:

Stage A: Setting the context and objectives, establishing the baseline and deciding on the scope.

Stage B: Developing and refining options and assessing effects.

Stage C: Preparing the Sustainability Appraisal Report.

Stage D: Consulting on the Waste Local Plan and the SA Report.

Stage E: Monitoring the significant effects of implementing the ELJWP.

Health impact assessment

1.22 Although not a statutory requirement, Health Impact Assessment (HIA) aims to ensure that health-related issues are integrated into the plan-making process. The HIA of the ELJWP has been carried out as part of the SA by ensuring that the SA objectives against which the Plan is appraised address relevant health issues. Recommendations have been made in relation to how the health-related impacts of the Plan can be optimised.

Equalities impact assessment

1.23 The requirement to undertake formal Equalities Impact Assessment (EqIA) of development plans was introduced in the Equality Act 2010 but was abolished in 2012. Despite this, authorities are still required to have regard to the provisions of the Equality Act, namely the Public Sector Duty which requires public authorities to have due regard for equalities considerations when exercising their functions.

1.24 The EqIA of the ELJWP has been carried out as part of the SA by ensuring that the SA objectives against which the Plan is appraised address relevant Equalities issues. Recommendations have been made in relation to how the equality-related impacts of the Plan can be optimised.

Habitats regulations assessment

1.25 The requirement to undertake Habitats Regulations Assessment (HRA) of development plans was confirmed by the amendments to the Habitats Regulations published for England and Wales in July 2007 and updated in 2010 and again in 2012 and 2017 [See reference 9]. The Regulations translate Directive 92/43/EEC on the Conservation of Natural Habitats and of Wild Fauna and Flora (Habitats Directive) and 79/409/EEC (Birds Directive) into UK law and currently remain a legal requirement despite the UK exiting the European Union.

1.26 The purpose of HRA is to assess the impacts of a land-use plan against the conservation objectives of a European Site and to ascertain whether it would adversely affect the integrity of that site.

1.27 The HRA has been undertaken separately but the findings have been taken into account in the IIA where relevant (for example to inform judgements about the likely effects of potential development locations on biodiversity).

Approach to integrated impact assessment

1.28 The methodology for this IIA report is set out in Chapter 2. The framework for the appraisal process is set out in Chapter 5. In accordance with the Government's Planning Practice Guidance on SEA/SA, the IIA Report is proportionate and relevant to the ELJWP, focussing on what is needed to assess likely significant effects [See reference 16]. It also takes account of the

National Planning Policy Framework (NPPF) and the emphasis it places on achieving sustainable development.

1.29 This IIA Report follows key legislation, policy and guidance including:

- Directive 2001/42/EC on the assessment of the effects of certain plans, and programmes on the environment i.e., the SEA Directive **[See reference 10]**;
- The Environmental Assessment of Plans and Programmes Regulations 2004 (SI 2004/1633) as amended by the Environmental Assessments and Miscellaneous Planning (Amendment) (EU Exit) Regulations 2018 (SI 2018/1232) **[See reference 11]**;
- Strategic Environmental Assessment and Sustainability Appraisal National Planning Practice Guidance **[See reference 12]**;
- A Practical Guide to the Strategic Environmental Assessment Directive **[See reference 13]**;
- Guidance on Integrating Climate Change and Biodiversity into Strategic Environmental Assessment **[See reference 14]**;
- Guidance on Strategic Environmental Assessment / Sustainability Appraisal and the Historic Environment **[See reference 15]**;
- Strategic Environmental Assessment: Improving the effectiveness and efficiency of Strategic Environmental Assessment / Sustainability Appraisal for land use plans **[See reference 16]**;
- Draft Guidance on Assessing Health Impacts in Strategic Environmental Assessment **[See reference 17]**; and
- Health Impact Assessment in spatial planning: A guide for local authority public health and planning teams **[See reference 18]**

Where the SEA Regulations are addressed in this IIA

1.30 The text in this section signposts the relevant sections of the IIA Report that are considered to meet the SEA Regulations requirements (the remainder will be met during subsequent stages of the IIA of the ELJWP). This section will be updated and included in the full IIA Report at each stage of the IIA to show how the requirements of the SEA Regulations have been met through the IIA process.

Regulation 12 and Schedule 2

1.31 The SEA Regulations require the responsible authority to prepare, or secure the preparation of, an 'environmental report', which in this case will comprise the IIA report. The environmental report must identify, describe and evaluate the likely significant effects on the environment of implementing the plan or programme and reasonable alternatives, taking into account the objectives and geographical scope of the plan or programme (Regulation 12).

Structure of the IIA

1.32 This chapter describes the background to the production of the ELJWP and the requirement to undertake IIA and other assessment processes. The remainder of this IIA Report is structured into the following sections:

- Chapter 2 sets out the methodology for the IIA.
- Chapter 3 presents the policy context for the ELJWP and the IIA.
- Chapter 4 presents the baseline and key sustainability issues in the boroughs.

Chapter 1 Introduction

- Chapter 5 presents the IIA framework against which the effects of the ELJWP will be assessed and explains how this has been developed.
- Chapter 6 appraises the appraisable vision, objectives and policies contained within the Draft ELJWP prepared for Regulation 18 consultation.
- Chapter 7 describes the next steps to be undertaken in the IIA of the ELJWP.
- Appendix A provides a more comprehensive review of relevant policy documents.
- Appendix B sets out the comments received by statutory consultees in response to the consultation on the Scoping Report, held in March and April 2024.

Chapter 2

Methodology

2.1 In addition to complying with legal requirements, the approach being taken to the IIA of the East London Joint Waste Plan (ELJWP) is based on current good practice and the guidance on SA/SEA set out in the Government's Planning Practice Guidance. This calls for the SA/SEA (in this case IIA) to be carried out as an integral part of the plan-making process. The section below sets out the main stages of the plan-making process and shows how these correspond to the SA/SEA (in this case IIA) process.

Main Stages of plan-making, SA and SEA (IIA)

Joint East London Waste Plan Evidence Gathering and Engagement

- SA/SEA/IIA Stage A – Setting the context and objectives, establishing the baseline and deciding on the scope:
 - Identifying other relevant policies, plans and programmes, and sustainability objectives.
 - Collecting baseline information.
 - Identifying sustainability issues and problems.
 - Developing the SA/IIA Framework.
 - Consulting on the scope of the SA/IIA.

Joint East London Waste Plan Production

- SA/SEA/IIA Stage B – Developing and refining options and assessing effects:
 - Testing the ELJWP objectives against the SA/IIA Framework.
 - Developing the ELJWP options.
 - Evaluating the effects of the ELJWP.
 - Considering ways of mitigating adverse effects and maximising beneficial effects.
 - Proposing measures to monitor the significant effects of implementing the ELJWP.
- SA/SEA/IIA Stage C – Preparing the Sustainability Appraisal (or IIA) Report.
- SA/SEA/IIA Stage D – Seek representations on the ELJWP and the Sustainability Appraisal (or IIA) Report:
 - Public participation on Local Plan and the SA/IIA Report.
 - Appraising significant changes.

Joint East London Waste Plan Examination

- SEA/IIA Stage D (cont.):
 - Appraising significant changes resulting from representations.

Joint East London Waste Plan Adoption and Monitoring

- SA/SEA/IIA Stage D (cont.):
 - Making decisions and providing information.

- SA/SEA/IIA Stage E: Monitoring the significant effects of implementing the ELJWP:
 - Finalising aims and methods for monitoring.
 - Responding to adverse effects.

Stage A: Scoping

2.2 The IIA process began with the production of an IIA Scoping Report for the ELJWP, prepared by LUC in February 2024. The Scoping stage of the IIA involves understanding the social, economic and environmental baseline for the Plan area, as well as the sustainability policy context and key sustainability issues.

Review other relevant policies, plans and programmes to establish policy context

2.3 The ELJWP is not prepared in isolation; rather it is prepared within the context of other policies, plans and programmes. The SEA Regulations require the Environmental Report to describe the relationship of the plan with other relevant plans and programmes. It should also be consistent with environmental protection legislation and support attainment of sustainability objectives that have been established at the international, national and regional/sub-regional levels.

2.4 The IIA Scoping Report contained a review of relevant policies, plans and programmes at the national, regional and local levels that were considered to be relevant to the scope of the Local Plan. A summary of the relevant international and national level policies, plans and programmes is provided in Chapter 3 of this IIA report, and a more detailed record can be found in Appendix A.

Collect baseline information to establish sustainability context

2.5 Information on existing environmental, social and economic conditions in the plan area provides the baseline against which the plan's effects can be assessed in the IIA and monitored during the plan's implementation. Baseline information can also be combined with an understanding of drivers of change that are likely to persist regardless of the ELJWP to understand the likely future sustainability conditions in the absence of the ELJWP.

2.6 The SEA Regulations require the Environmental Report (in this case the IIA report) to describe relevant aspects of the current state of the environment and how they are likely to evolve without the plan. An understanding of this likely future, together with the assessed effects of the plan itself, additionally allows the IIA to report on cumulative effects, another requirement of the SEA Regulations.

2.7 The SEA Regulations require assessment of effects in relation to the following 'SEA topics': biodiversity, population, fauna, flora, soil, water, air, climatic factors, material assets, cultural heritage (including architectural and archaeological heritage), landscape, and the inter-relationship between these. Baseline information was therefore collected in relation to the SEA topics and additional sustainability topics were also addressed, covering broader socio-economic issues such as housing, access to services, crime and safety, education and employment. This reflects the integrated approach that is being taken to the SA, SEA and other impact assessment processes. Baseline information for the Borough was presented in the IIA Scoping Report produced by LUC in February 2023. Any updates since the publication of the Scoping Report have been reflected in Chapter 3 and Chapter 4 of this IIA Report.

Identify sustainability issues

2.8 The baseline information also allows the identification of existing sustainability issues, including problems as required by the SEA Regulations. The sustainability issues and their likely evolution without the Local Plan were initially presented in the IIA Scoping Report and are set out in Chapter 3 and Chapter 4 of this IIA report.

Develop the IIA framework

2.9 The relevant sustainability objectives identified by the review of other policies, plans and programmes together with the key sustainability issues facing the Borough, identified by the collection and review of baseline information in the IIA Scoping Report, informed the development of a set of sustainability objectives (the 'IIA framework') against which the effects of the Plan would be assessed. These objectives also take into account the types of issues that are capable of being affected by the land use planning system.

2.10 Development of an assessment framework is not a requirement of the SEA Regulations but is a recognised way in which the likely sustainability effects of a plan can be transparently and consistently described, analysed and compared. The IIA framework comprises a series of sustainability objectives and supporting criteria that are used to guide the appraisal of the policies and proposals within a plan. An explanation of the development of the IIA framework for the ELJWP is set out in Chapter 5.

Consult on the scope and level of detail of the IIA

2.11 Public and stakeholder participation is an important part of the IIA and wider plan-making processes. It helps to ensure that the IIA report is robust and

has due regard for all appropriate information that will support the ELJWP in making a contribution to sustainable development.

2.12 The SEA Regulations require the statutory consultation bodies (the Environment Agency, Historic England and Natural England) to be consulted “when deciding on the scope and level of detail of the information that must be included” in the IIA Report. The scope and level of detail of the IIA is governed by the IIA framework and the statutory consultees have therefore been consulted on this when it was developed as part of the scoping process for the IIA Report. The Council undertook consultation with the statutory consultees for the IIA Scoping Report in March and April 2024.

2.13 Appendix B contains the comments that were received during this period of consultation.

Stage B: Developing and refining options and assessing effects

2.14 Developing options for a plan is an iterative process, usually involving a number of consultations with the public and stakeholders. Consultation responses and the IIA help to identify where there may be ‘reasonable alternatives’ to the options being considered for a plan.

2.15 In relation to the IIA report that needs to be prepared for the ELJWP, Part 3 of the SEA Regulations 12 (2) requires that:

“The (environmental or SA/IIA) report must identify, describe and evaluate the likely significant effects on the environment of—

- Implementing the plan or programme; and

- Reasonable alternatives, taking into account the objectives and the geographical scope of the plan or programme.”

2.16 Schedule 2 (h) of the SEA Regulations requires that the Environmental (or SA/IIA) Report includes a description of:

“(h) an outline of the reasons for selecting the alternatives dealt with”

2.17 The SEA Regulations therefore require that when considering the policies and site allocations for inclusion in a plan, any alternative policy approaches or site option that are ‘reasonable’ must be subject to appraisal. Therefore, alternatives that are not reasonable do not need to be subject to appraisal. Examples of unreasonable alternatives could include policy options that do not meet the objectives of the plan or national policy (e.g. the NPPF) or site allocation options that are unavailable or undeliverable.

2.18 The IIA findings are not the only factors taken into account when plan-makers are determining a preferred option to take forward in a plan. Indeed, there will often be an equal number of positive or negative effects identified by the IIA for each option, such that it is not possible to rank them based on sustainability performance in order to select a preferred option. Factors such as public opinion, deliverability and conformity with national policy will also be taken into account by plan-makers when selecting preferred options for the plan.

2.19 The consideration of reasonable alternatives has been a key focus of attention within the IIA process.

Issues and Options of the East London Joint Waste Plan (Regulation 18)

2.20 This IIA report considers the Regulation 18 draft of the ELJWP which will be subject to consultation in the summer of 2024.

2.21 The results of LUC's appraisal of draft plan is set out in Chapter 6, along with justification for why each potential option was appraised or not appraised. As the ELJWP develops, its contents and any additional reasonable alternatives will be subject to further IIA.

Stage C: Preparing the IIA report

2.22 This IIA report describes the process that has been undertaken to date in carrying out the IIA of the Draft ELJWP. It contains an appraisal of the vision and objectives for the plan, and six policies. The focus of the appraisal has been the identification of significant effects, whether positive or negative, in accordance with the SEA Regulations.

2.23 This IIA report is intended to meet all the reporting requirements of Schedule 1 of the SEA Regulations.

Stage D: Consultation on the Joint Waste Plan and this IIA report

2.24 The four Boroughs are inviting comments on the Draft ELJWP (Regulation 18 draft) and this IIA report. These documents will be published on the East London Joint Waste Plan website for consultation in the summer of 2024.

Stage E: Monitoring and implementation of the Joint Waste Plan

2.25 Chapter 7 sets out a number of suggested indicators for monitoring the potential sustainability effects of implementing the ELJWP.

Appraisal methodology

2.26 The SEA Regulations, Schedule 2(8) require the Environmental Report to include:

“...a description of how the assessment was undertaken including any difficulties (such as technical deficiencies or lack of know-how) encountered in compiling the required information.”

IIA Framework

2.27 The development of a set of IIA objectives (known as the IIA framework) is a recognised way in which the likely environmental and sustainability effects of a plan and reasonable alternatives can be described, analysed and compared. The IIA framework for the IIA of the ELJWP is presented in Chapter 5 and was developed by LUC from the analysis of national, regional and local policy objectives, baseline information, and key sustainability issues identified in the Plan area.

2.28 The IIA framework comprises a series of IIA objectives, each accompanied by a set of guide questions that are used to appraise the performance of the ELJWP and its reasonable alternatives against the IIA objectives. The relationship between the key sustainability issues, the IIA objectives and the

SEA Topics, Equality Act 2010 protected characteristics is set out within Chapter 5.

Key to IIA effects symbols

2.29 The findings of the IIA are presented as colour coded symbols showing an effect for each option against each one of the IIA objectives along with a concise justification for the effect given, where appropriate. The colour coding is shown in **Table 2.1** below.

Table 2.1: IIA effects symbols

Symbol	Effect
++	Significant positive effect likely
++/-	Mixed significant positive and minor negative effects likely
+	Minor positive effect likely
+/-	Mixed minor effects likely
++/--	Mixed significant effects likely
-	Minor negative effect likely
--/+	Mixed significant negative and minor positive effects likely
--	Significant negative effect likely
0	Negligible effect likely
?	Likely effect uncertain
N/A	Not applicable or relevant

2.30 Where a potential positive or negative effect is uncertain, a question mark was added to the relevant symbol (e.g. +? Or -?) and the symbol has been colour coded as per the potential positive, negligible or negative effect (e.g. green, white, yellow, pink, etc.). Negligible effects are recorded where a policy or site allocation is considered to have no effect in contributing to achievement of the IIA objective. This is usually the case when an objective or policy is focused on a very narrow topic and would only affect two or three IIA objectives.

2.31 The likely effects of options and policies need to be determined and their significance assessed, which inevitably requires a series of judgments to be made. The appraisal has attempted to differentiate between the most significant effects and other more minor effects through the use of the symbols shown above. The dividing line in making a decision about the significance of an effect is often quite small. Where either (++) or (--) has been used to distinguish significant effects from more minor effects (+ or -) this is because the effect of an option or policy on the IIA objective in question is considered to be of such magnitude that it will have a noticeable and measurable effect taking into account other factors that may influence the achievement of that objective. However, effects are relative to the scale of proposals under consideration.

2.32 Mixed effects have only been presented where directly opposing effects (i.e. positive and negative) have been identified through the appraisal (e.g. +/-, ++/-, --/+ and ++/--). For some IIA objectives, it is possible that a policy might have a minor positive effect in relation to one aspect of the policy and a significant positive effect in relation to another aspect (giving a score of +/++). However, in these instances, only the significant score is shown in the appraisal tables. Similarly, if a policy could have a minor and significant negative effect (-/--) for the same IIA objective, only the significant negative score is shown in the appraisal tables. The justification text relating to the appraisal describes where the various elements of the policy or site being appraised might have potential to result in effects of differing magnitude.

2.33 The likely sustainability effects of the ELJWP and its reasonable alternatives are summarised in Chapter 6. Potential cumulative impacts are also set out within Chapter 6.

Difficulties encountered

2.34 To date, the main difficulties encountered or limitations of the IIA process include:

- Many effects of development are dependent on the exact location, layout and design of development, so it may be possible to mitigate some of the effects highlighted in this IIA. However, given the inherent uncertainties about these details, the IIA focuses on identifying potential significant effects of the options considered, without making assumptions about detailed design or mitigation measures that might be implemented.
- The number of strategies, plans, programmes, policy documents, advice and guidance produced by a range of statutory and non-statutory bodies means that it has not been possible within the resources available to consider every potentially relevant document in detail (see Chapter 3 and Appendix A). Strategies, plans and programmes will be newly prepared or updated throughout the preparation of the ELJWP and each iteration of the IIA will take account of those changes, where it is appropriate.
- The IIA of future iterations of the ELJWP and associated new reasonable alternatives will continue to benefit from the more recent, accurate and consistent evidence available.

2.35 All waste planners in England rely on the Environment Agency Waste Data Interrogator and it is considered the best available source of data available for waste planning purposes. It is not possible to obtain entirely accurate estimates of waste arisings, or imports and exports due to limitations of available data. It is acknowledged that not all waste arising in, or imported to, or exported from, East London may be represented in the data; and not all data may be accurately attributed. A particular issue is the tonnage of waste not attributed down to WPA level in the Waste Data Interrogator. This is due to reporting practices of some site operators and means that a tonnage of around 13 million tonnes of waste is only attributed to London as a whole rather than a specific WPA and would otherwise be 'orphaned' i.e. not provided for. In order to address this, an attempt has been made to allocate arisings of Construction, Demolition and Excavation (C,D & E) waste attributed to London. This has been

done by applying London wide construction sector employment statistics. However as the arising value has been arrived at partially through applying this statistical computation it is not possible to be certain what fate this reattributed waste followed.

Chapter 3

Policy Context

3.1 Schedule 2 of the SEA Regulations requires the SA Report to describe:

(e) “the environmental protection objectives established at International, Community or Member State level, which are relevant to the plan and the way those objectives and any environmental considerations have been taken into account during its preparation”

3.2 To establish a clear scope for the IIA it is necessary to review and develop an understanding of the environmental, social and economic policy objectives that the East London Joint Waste Plan (ELJWP) should seek to conform with. This chapter summarises the international and national policy objectives that should be taken into consideration during preparation of the plan. These objectives have been considered when drafting the IIA Framework in Chapter 5.

There is an extensive range of policy documents that are of potential relevance to the Local Plan preparation and IIA process. A pragmatic and proportionate approach has been taken to the review of the policy context, seeking to identify key sustainability (i.e. environmental, social or economic) objectives that have the potential to be influenced by a local plan. A summary of the relevant objectives of key policy documents is provided in this chapter with a wider and more detailed review provided in Appendix A.

Implications of 'Brexit'

3.3 As of the end of January 2020 the UK has left the EU. Principally, the UK's environmental law is derived from EU law or was directly effective EU law. As a result of Brexit, the European Union (Withdrawal) Act 2018 converts existing EU law which applied directly in the UK's legal system (such as EU Regulations and EU Decisions) into UK law and preserves laws made in the UK to implement EU obligations (e.g., the laws which implement EU Directive). This body of law is known as retained EU law and is could be subject to future, post-Brexit amendments.

3.4 As set out in the Explanatory Memorandum accompanying the Brexit amendments to the SEA Regulations [[See reference 19](#)], the purpose of the Brexit amendments is to ensure that the law functions correctly after the UK has left the EU.

3.5 No substantive changes have been made to the UK regulations to date; however, the Government does intend to reform the planning system, including replacing SEA and SA with a new requirement for an Environmental Outcomes Report. No further information is known at the time of writing. Any changes to the legal framework for carrying out SA/SEA will be addressed as appropriate as the ELJWP is prepared. The government has set a deadline for plans created under the current system to be submitted by June 2025 and adopted by the end of 2026.

International plans, policies and programmes

3.6 Relevant international plans and policy (including those at the EU level) are transposed into national plans, policy and legislation and these have been considered.

3.7 At the international level, Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment (the ‘SEA Directive’) and Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora (the ‘Habitats Directive’) have been transposed into UK Regulations. They are particularly significant given that Strategic Environmental Assessment (SEA) and Habitats Regulations Assessment (HRA) are to be undertaken in relation to the emerging ELJWP. These assessment processes should be undertaken iteratively and integrated into the production of the plan in order to ensure that any potential negative environmental effects (including on nature conservation sites of international importance) are identified and can be mitigated.

3.8 Directive 2008/98/EC (Waste Framework Directive) is also of particular relevance. It has also been transposed into UK law and aims to protect the environment and human health by preventing or reducing the adverse impacts of the generation and management of waste and by reducing overall impacts of resource use and improving the efficiency of such use.

3.9 There are a wide range of other EU Directives relating to issues such as water and air quality, most of which have been transposed into UK law through national-level policy.

3.10 Furthermore, the 2030 Agenda for Sustainable Development (2015) [[See reference 20](#)]: This initiative, adopted by all United Nations Member States, provides a shared blueprint for peace and prosperity for people and the planet and includes 17 Sustainable Development Goals (SDGs), designed to achieve a better and more sustainable future for all. Relevant to this topic are:

- SDG 6: Clean Water and Sanitation
- SDG 08: Decent Work and Economic Growth
- SDG 09: Industry, Innovation and Infrastructure
- SDG 11: Sustainable Cities and Communities
- SDG 12: Responsible Consumption and Production
- SDG 13: Climate Action

- SDG 14: Life Below Water.
- SDG 15: Life on Land.

Key national plans and programmes

3.11 The National Planning Policy Framework (NPPF) [See reference 21] is the overarching planning framework which provides national planning policy and principles for the planning system in England. The East London Waste Local Plan must be consistent with the requirements of the NPPF which sets out information about the purposes of local plan-making. It states:

“Succinct and up-to-date plans should provide a positive vision for the future of each area; a framework for addressing housing needs and other economic, social and environmental priorities; and a platform for local people to shape their surroundings”.

3.12 The NPPF does not contain specific waste policies. The detailed waste planning policies are contained in the National Planning Policy for Waste (2015). The policies state that when preparing Local Plans, waste planning authorities should take account of a number of criteria including:

- Driving waste management up the waste hierarchy;
- Identifying the need for waste management facilities
- Working jointly and collaboratively with other planning authorities to provide a network of facilities to deliver sustainable waste management; and,
- Identifying suitable sites and areas for waste management facilities in line with the proximity principle, giving priority to the re-use of previously developed land.

3.13 The NPPF is supported by Planning Practice Guidance which includes guidance on Waste (2015) [See reference 22]. The PPG provides guidance on implementing the waste hierarchy, the preparation of local plans and sustainability appraisals for waste local plans, and determining planning applications for waste facilities. According to the guidance on flood risk and coastal change, waste treatment facilities are classified as less vulnerable and are suitable in all flood zones, excluding 3b (the functional floodplain). Landfills and sites used for waste management facilities for hazardous waste are considered to be more vulnerable and are suitable only in Flood Zones 1 and 2, and potentially 3a.

3.14 Also of particular relevance to the East London Waste Local Plan is the National Waste Management Plan for England (DEFRA, 2021) which provides an analysis of the current waste management situation in England and supports the implementation of the objectives and provisions of the Waste (England and Wales) Regulations 2011.

3.15 Table 2.1 lists the national plans and programmes that are of greatest relevance to the emerging ELJWP. Further national plans and programmes are included in Appendix A. It should be noted that some of the documents will be updated in the timeline of preparing the IIA for the Waste Local Plan. This list will be updated at each stage of the IIA, where appropriate.

Table 3.1: Key national plans and programmes of relevance for the ELJWP

National Legislation
HM Government (1979) Ancient Monuments and Archaeological Areas Act 1979
HM Government (1981) The Wildlife and Countryside Act 1981
HM Government (1990) Planning (Listed Building and Conservation Areas) Act
HM Government (1990) Environmental Protection Act 1990

National Legislation
HM Government (2000) Countryside and Rights of Way Act 2000
HM Government (2003) Sustainable Energy Act
HM Government (2006) The Natural Environment and Rural Communities (NERC) Act
HM Government (2016) Energy Act 2016
HM Government (2008) The Climate Change Act 2008 (as amended)
HM Government (2008) The Planning Act 2008
HM Government (2021) The Environment Act 2021
HM Government (2010) Flood and Water Management Act 2010
HM Government (2014) Water Act 2014
National Regulations
HM Government (2015) Water Framework Directive (England and Wales) (amendment) Regulations 2015
HM Government (2016) Environmental Permitting (England and Wales) Regulations 2016
HM Government (2010) The Conservation of Habitats and Species Regulations 2010
HM Government (2002) The Landfill (England and Wales) Regulations 2002
HM Government (1994) Urban Waste Water Treatment (England and Wales) Regulations 1994
HM Government (2005) The Hazardous Waste (England and Wales) Regulations 2005
HM Government (2011) The Animal By-Products (Enforcement) (England) Regulations 2011
HM Government (2005) Waste Management (England and Wales) Regulations 2005
HM Government (2012) Waste (England and Wales) (Amendment) Regulations 2012

National Legislation
HM Government (2002) Air Quality (England) (Amendment) Regulations 2002
HM Government Circular 1/2003: Safeguarding, Aerodromes, Technical Sites and Military Explosive Storage Areas
HM Government (2017) The Conservation of Habitats and Species Regulations 2017 (as amended)
HM Government (2020) The Waste (Circular Economy) (Amendment) Regulations 2020
National Policies, Plans and Strategies
DCMS (2013) Scheduled Monuments & Nationally Important but Non-Scheduled Monuments Policy Statement
HM Government (2019) Clean Air Strategy 2019 Policy Paper
DEFRA (2011) Safeguarding our Soils: A Strategy for England Policy Paper
Natural England (2021) Guide to assessing development proposals on agricultural land – National Guidance
Environment Agency (2020) National Flood and Coastal Erosion Risk Management Strategy for England Policy Paper
Environment Agency (2022) Flood risk assessments: climate change allowances – National Guidance
DEFRA (2011) Future water: The Government’s Water Strategy for England Policy Paper
Environment Agency (2017) Groundwater protection guides
DfT (2021) Transitioning to zero emission cars and vans: 2035 delivery plan – National Guidance
DEFRA (2013) Hazardous Waste National Policy Statement
DECC (2011) National Policy Statement for Renewable Energy Infrastructure (EN-3)
DECC (2012) Strategy for the management of solid low level radioactive waste from the non-nuclear industry
DECC (2009) The UK Renewable Energy Strategy
HM Government (2021) Net Zero Strategy: Build Back Greener

National Legislation
BEIS (2021) Industrial Decarbonisation Strategy
DEFRA (2020) Rural proofing in England 2020 Policy Paper
DLUHC (2021) National Design Guide
MHCLG (2023) National Planning Policy Framework
DCLG (2014) National Planning Policy for Waste
DLUHC National Planning Practice Guidance (living document)
DEFRA (2021) National Waste Management Plan for England
DEFRA (2013) Waste prevention programme for England: Prevention is better than cure – The role of waste prevention in moving to a more resource efficient economy Policy Paper
DEFRA (2018) Our Waste, Our Resources: A strategy for England Policy Paper
BEIS (2022) British Energy Security Strategy Policy Paper
DfT (2022) Air quality: clean air zone framework for England Policy Paper
HM Government (2017) Litter Strategy for England Policy Paper
DfT (2022) Future of freight plan Policy Paper
DEFRA (2022) Landscapes Review (National Parks and AONBs): government response Policy Paper
DEFRA (2020) Agricultural Transition Plan 2021 to 2024 Policy Paper
DCLG (2021) National Planning Policy Framework
DCLG (2015) Planning Practice Guidance on Waste
DEFRA (2012) National Policy Statement for Waste Water
DEFRA (2013) National Policy Statement for Hazardous Waste
HM Government (2013) Waste prevention programme for England: Prevention is better than cure – The role of waste prevention in moving to a more resource efficient economy
Our Waste, Our Resources: A strategy for England (2018)

National Legislation
British Energy Security Strategy (2022)
DEFRA (GP3): Underground, Under threat – Groundwater Protection: Policy and Practice
DLHC (2022) Flood risk and coastal change guidance
Environment Agency (2022) National Flood and Coastal Erosion Risk Management Strategy for England
DEFRA (2008) Future Water: The Government’s Water Strategy for England
Environment Agency (2009) Water for People and the Environment: Water Resources Strategy for England and Wales
MHCLG (2019) Clean Air Strategy
DECC (2014) Community Energy Strategy
Government policy papers
DEFRA (2021) The Water White Paper
25 Year Environment Plan (2018)
Resources and Waste Strategy for England (2018)

3.16 The ELJWP is not being prepared in isolation but is influenced by, and influences, other policies, plans and programmes. The ELJWP needs to be consistent with international and national guidance and strategic planning policies and should contribute to the goals of a wide range of other programmes and plans. It must also conform to environmental protection legislation and the sustainability objectives established at the international, national and local levels.

3.17 Schedule 2 of the SEA Regulations requires:

- (1) “an outline of the...relationship with other relevant plans or programmes”;
- and

(5) “the environmental protection objectives established at international, Community or Member State level, which are relevant to the plan and the way those objectives and any environmental considerations have been taken into account during its preparation”

3.18 In order to establish a clear scope for the IIA it is necessary to review and develop an understanding of the environmental, social and economic objectives contained within international and national plans and programmes that are of relevance to the emerging ELJWP. The review is not exhaustive, and an exhaustive approach would not be proportionate or be useful in understanding the policy environment that the ELJWP must be prepared within. Instead, the review focuses on a limited number of key policy documents that are of particular importance of setting the parameters of what the ELJWP should and should not do. It should be noted that the policy context within which the ELJWP and its IIA are being prepared is inherently uncertain given the following key factors:

- **UK economy** – The UK economy contracted by 0.3% in the fourth quarter of 2023 which was the second successive fall in GDP. However, quarter four of 2023 was 1.0% above its pre-pandemic level of Q4 2019 [See [reference 23](#)] Whilst the UK is in a technical recession, the Organisation for Economic Co-operation and Development (OECD) forecasts UK GDP to grow by 0.7% in 2024 and by 1.2% in 2025 (unchanged from its previous forecast made in November). The International Monetary Fund (IMF) forecasts UK GDP to grow by 0.6% in 2024 (unchanged from its previous forecast made in October) and by 1.6% in 2025. The UK is currently experiencing a cost-of-living crisis and for the first time in four decades, the Confederation of British Industry (CBI) expects real household incomes to drop for a second consecutive year (-1.3%), before recovering in 2024 (1.1%). Brought on by high inflation and low wage growth, the economy is underperforming compared to its G7 peers. As the UK’s economy continues to take a downturn, the potential implications for planning and development include Government spending cuts impacting on support available for services and facilities, and new infrastructure.
- **‘Brexit’** – Following the UK’s departure from the European Union on 31st January 2020, it entered a transition period which ended on 31st

December 2020. From 1st January 2021, directly applicable EU law no longer applies to the UK and the UK is free to repeal EU law that has been transposed into UK law. Where EU law has been transposed into UK law and not repealed, the relevant EU and UK legislation is still referred to in this report.

- **COVID-19** – The COVID-19 pandemic has led to far-reaching changes to society in the UK and around the world. Which of these changes will continue in the long term is unknown. However, emerging evidence suggests that there has been an increase in remote working, reduced commuting and related congestion and air pollution, and increased prioritisation of walking and cycling over private transport in towns and cities.
- **The Levelling Up and Regeneration Act** – Published on 11th May 2022, and received Royal Assent on 26th October 2023, the Act introduces several reforms to the planning system. It sets out the Government’s plans to drive local growth and empower local leaders to regenerate their areas. The Act introduces a new Infrastructure Levy, new powers for councils to bring vacant properties back into use, a new approach to environmental assessments, and changes to neighbourhood planning including digitisation of the system.

Regional, sub-regional and local plans and programmes

3.19 It is not a requirement of the SEA Regulations to describe the relevance of policy objectives established at sub-national scale for the ELJWP. However, since they provide further context for the ELJWP, those considered of most relevance (e.g. relating to the economy, transport, climate change and green infrastructure) are listed below.

Table 3.2: Key GLA policies, strategies and guidance

Key Greater London Authority (GLA) policies, strategies and guidance
The London Plan (2021)
Climate Action Strategy 2020-2027 (2020)
London Environment Strategy (2022)
Local Nature Recovery Strategy (in progress)
Accessible London SPG (2014)
Optimising Site Capacity: A Design - Led Approach LPG (2023)
Characterisation and Growth Strategy (2023)
Air quality positive LPG (2023)
Air quality neutral LPG (2023)
Be Seen energy monitoring LPG (2021)
Circular economy statements LPG (2022)
Energy Planning guidance (2022)
The control of dust and emissions in construction SPG (2014)
Whole life carbon LPG (2022)
Sustainable Transport, Walking and Cycling (2022)
Urban Green Factor LPG (2023)
London Sustainable Drainage Action Plan (2015)
Thames Estuary 2100 (TE2100) (2023)

3.20 There are also a wide range of plans and programmes at the district / local authority scale. While such local plans do not set policy objectives that the Waste Local Plan must follow, the ELJWP may nevertheless need to take into account development provided for by those local plans. This section therefore also lists local plan documents considered of greatest potential relevance to the ELJWP. The table includes plans adopted or that have reached Regulation 19

stage at the date this document was published. The table includes document relating to the London Legacy Development Corporation. Planning powers for the area covered by the London Legacy Development Corporation will return to Newham, Hackney, Tower Hamlets and Waltham Forest, by the end of December 2024. Chapter 3 setting out the baseline of the ELJWP area, draws from these local plans, programmes and policies to highlight future trends relevant to waste management in East London, such as the scale and distribution of each London Borough’s housing and employment growth.

Table 3.3: Key Local plans, programmes and policies

Key Local plans, programmes and policies
East London wide
Joint Waste Development Plan for the East London Waste Authority Boroughs (2012)
A Joint Strategy for East London’s Resources and Waste 2027 – 2057 (2022)
Evidence Base for the East London Joint Waste Plan (and appendices) (2022)
East London Waste Prevention Action Plan 2023-24 (2023)
East London Integrated Waste Management Services Procurement and Contract Expiry (PACE) Outline Business Case (OBC) (2023)
London Borough of Barking and Dagenham
New Local Plan (Regulation 19 draft, 2021) and Proposed Site Allocations (2021)
LBBB Local Plan Sustainability Appraisal (2021)
Climate Emergency Declaration (2020)
Barking and Dagenham Inclusive Growth 2022 to 2026 draft (2022)
Barking and Dagenham Authority Monitoring Report 2021-2022 (2023)
Barking and Dagenham Air Quality Action Plan 2020-2025 (2020)
Be First Waste Needs Assessment (2021)

Key Local plans, programmes and policies
London Borough of Barking and Dagenham Industrial Land Strategy (2021)
Barking and Dagenham Wide Transport Priorities 2021-2037 (2021)
Planning Advice Note (PAN3) – Waste and Recycling Provisions (updated 2021)
Barking and Dagenham Reduction and Recycling Plan April 2023 to March 2025 (2023)
London Borough of Havering
Havering Local Plan 2016 – 2031 (2021)
Havering Local Plan 2016 – 2031 – Policies Map (North & South 2021)
Sustainability Appraisal for the Havering Local Plan (2021)
Climate Change Action Plan (2021)
Havering Inclusive Growth Strategy 2020-2045 (2020)
Havering Local Implementation Plan: Transport strategy (2019)
Havering Authority Monitoring Report 2022-2023 (2023)
Havering Reduction and Recycling Plan April 2023 to March 2025 (2022)
Climate Emergency Declaration (2021)
Havering Nature Conservation and Biodiversity Strategy (2014)
Romford Area Action Plan Development Plan Document (2008)
Site Specific Allocations Development Plan Document (Romford) (2008)
London Borough of Newham
Newham Local Plan (2018)
Newham Local Plan Policies Map (2018)
Climate Emergency Action Plan Climate Emergency Statement (2020)
Newham’s Climate Emergency Annual Report (2021-2022)
Newham’s Climate Action Just Transition Plan (2023)

Key Local plans, programmes and policies
AMR: Waste, Energy and Infrastructure Delivery Monitoring Bulletin (2013-2018)
AMR: Sustainability and Climate Monitoring Bulletin (2013-2018)
Waste Management Guidelines for Developers(2014)
Equalities and the Local Plan (2017)
Air Quality Action Plan (2019)
London Borough of Newham Draft Submission Local Plan (Regulation 19) will be published in July 2024
London Borough of Redbridge
Redbridge Local Plan 2015-2030 (2018)
Climate Action Plan (2021)
Climate Change Annual report (2022)
Redbridge Reduction and Recycling Plan 2023-2025 (2022)
Redbridge Biodiversity Action Plan (2006)
Redbridge Third Implementation Plan (2019)
Waste Reduction Strategy (2019)
London Legacy Development Corporation
Local Plan 2020-2036 (2020)
Getting to Net Zero SPD (2022)

Chapter 4

Baseline Information

4.1 Baseline information provides the basis for predicting and monitoring the likely sustainability effects of a plan and helps to identify key sustainability issues.

4.2 Schedule 2 of the SEA Regulations requires information to be provided on:

1. The relevant aspects of the current state of the environment and the likely evolution thereof without implementation of the plan or programme.
2. The environmental characteristics of areas likely to be significantly affected.
3. Any existing environmental problems which are relevant to the plan or programme including, in particular, those relating to any areas of a particular environmental importance, such as areas designated pursuant to Council Directive 79/409/EEC on the conservation of wild birds and the Habitats Directive [92/43/EEC].

4.3 The environmental, social and economic baseline for the East London Joint Waste Plan (ELJWP) is organised under the following topic headers:

- Waste.
- Climate change, adaptation and mitigation.
- Population, health and wellbeing.
- Economy.
- Transport.
- Historic environment.

- Landscape and townscape.
- Biodiversity.
- Air, land and water quality.

4.4 Analysis of baseline information and the policy context has informed identification of sustainability issues facing Barking and Dagenham, Havering, Newham and Redbridge Boroughs that are of relevance to the ELJWP, in line with the requirements of Schedule 2 of the SEA Regulations. The key sustainability issues that have been identified are set out underneath each baseline topic section, along with an outline of their relevance, i.e. how the Plan could avoid exacerbating these issues or help to solve them.

4.5 Maps illustrating the spatial dimension of some of the baseline conditions are described below are presented at the end of this chapter.

Waste

Policy Context

The London Plan

4.6 The London Plan 2021 states that London should manage the equivalent of London's waste within its boundaries, aiming to achieve waste net self-sufficiency by 2026 in all waste streams except for excavation waste. To meet this aim, the Plan requires boroughs to:

1. plan for identified waste needs;
2. identify how waste will be reduced, in line with the principles of the Circular Economy and how remaining quantum's of waste will be managed; and,

3. allocate sufficient sites, identify suitable areas, and identify waste management facilities to provide the capacity to manage the apportioned tonnages of waste, and tonnages of waste not apportioned by the London Plan.

4.7 The London Plan also sets out management targets for waste generated in London in Policy SI 7 Reducing waste and supporting the circular economy as follows:

- ensure that there is zero biodegradable or recyclable waste to landfill by 2026;
- meet or exceed the municipal waste recycling target of 65 per cent by 2030 **[See reference 24]**;
- meet or exceed the targets for each of the following waste and material streams:
 - construction and demolition – 95 per cent reuse/recycling/recovery; and,
 - excavation – 95 per cent beneficial use **[See reference 25]**.

4.8 In addition in connection with hazardous waste management capacity Paragraph 9.8.18 of the London Plan identifies "*..a need to continue to identify hazardous waste capacity for London.*"

Waste Streams

Current baseline information

4.9 Information within this section is taken from the ELJWP evidence base 2024 **[See reference 26]** Future iterations of the IIA will be updated in line with the emerging evidence for the new ELJWP.

4.10 The exercise has not be applied to Household, Industrial and Commercial (HIC) [See reference 27] waste tonnages because the London Plan apportionments already determine the tonnage of this waste type for which the ELJWP is to provide management capacity. The types of capacity considered to count towards the management of apportioned waste (hereinafter referred to as "qualifying capacity") is defined in Paragraph 9.8.4 of the London Plan [See reference 28] as follows:

- energy recovery in London;
- production of solid recovered fuel (SRF) and refuse derived fuel (RDF) in London;
- sorting or bulking for re-use or recycling including anaerobic digestion. The reuse or recycling may take place within or outside London providing the sorting and bulking capacity is located within London; and
- reuse or recycling including anaerobic digestion within London.

Waste arisings

4.11 The London Plan sets out both waste arising forecasts and apportionments for the management of HIC waste for each borough. The combined apportionment for East London is significantly higher than the area's projected arisings of HIC waste, so the London Plan envisages that East London would be a major contributor to London's target of net self-sufficiency by 2026. The estimated arisings and forecasts of HIC waste for the East London Boroughs are set out below.

Table 4.1: Comparison of estimated arisings and apportionments for the East London Boroughs (thousand tonnes)

London Borough	Waste Arising 2021	Waste Arising 2041	Apportionment 2021	Apportionment 2041
Barking and Dagenham	214	230	505	537
Havering	229	249	370	393
Newham	244	260	383	407
Redbridge	196	216	151	160
Total	883	955	1,409	1,497

Net Self Sufficiency Balance

4.12 **Table 4.2** shows the tonnages of waste attributed to East London in the WDI 2022 and managed at permitted facilities within East London.

Table 4.2: Tonnages of East London arisings managed inside and outside East London

East London Waste	Tonnes
Waste managed inside East London	931,768
Waste managed outside of East London	859,030
Total	1,790,798

4.13 **Table 4.3** shows the amount of waste managed within East London and the split between East London waste and waste imported from outside of the plan area.

Table 4.3: Amount of waste managed within East London by origin

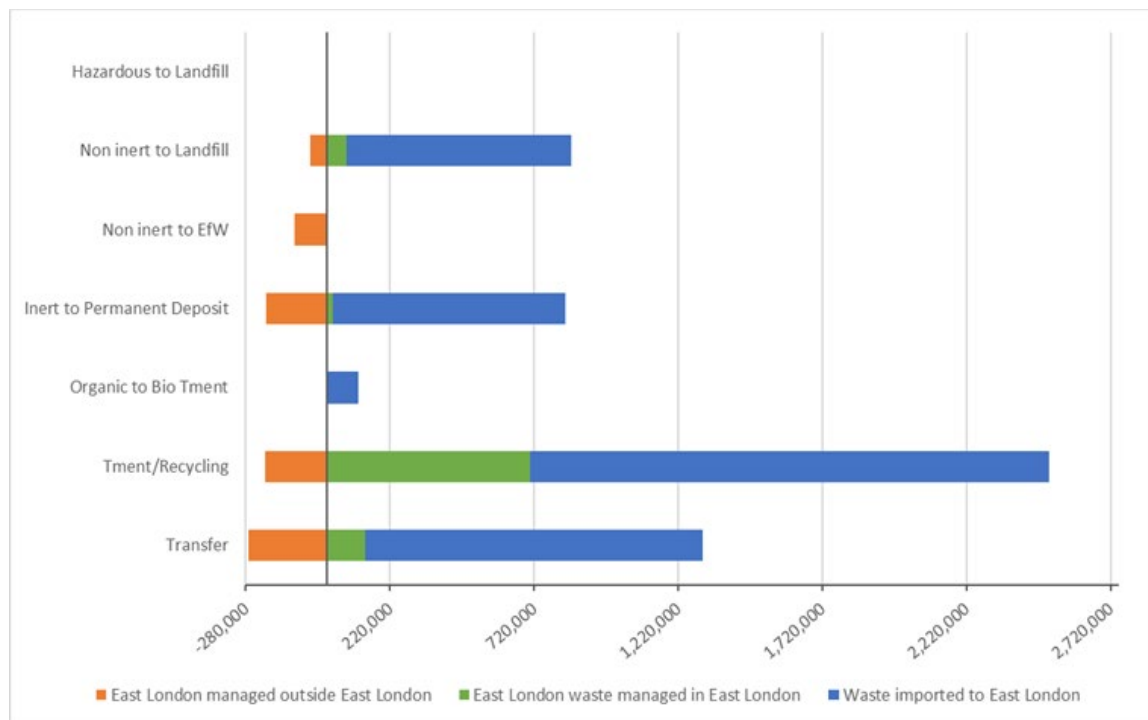
Origin of waste	Tonnes
East London waste managed in East London	931,768
Waste imported to East London	4,671,537
Total managed within East London	5,603,305

4.14 As set out in the table above, it is estimated that of the c1.79 million tonnes of waste produced in East London in 2022:

- 0.93 million tonnes was managed at permitted facilities located within East London;
- 0.86 M tonnes was managed outside of East London; and
- 4.67 million tonnes of waste was imported into East London permitted facilities.

4.15 From this snapshot, it is clear that East London provides for the management of greater imports of waste than it exports to other areas. Figure 4.1 displays the balance between imports and exports by waste management method and waste type. It should be noted that the data is a snapshot of a single year. It only includes waste managed at permitted sites in England and does not include any waste exported to Wales, Scotland or further afield as this is not reported in the WDI. It is not necessarily a true representation of net -self-sufficiency as actual inputs to facilities in 2022 may not be reflective of potential capacity of sites operating in East London (as in most cases inputs will be lower than actual site capacity).

Figure 4.1: Imports and exports in East London by waste type



4.16 Of the waste arising within East London, 57% of Local Authority Collected Waste (LACW) and Commercial and Industrial (C&I) waste arisings and 58% of Construction and Demolition (C&D) waste is managed within East London. Seven percent of East London’s LACW and C&I, and 19% of C&D waste, is managed elsewhere in London. Exports account for 36% and 23% of these waste streams respectively. A higher proportion of hazardous waste and excavation waste is exported outside of London, which is to be expected due to the specialist nature of facilities dealing with these waste streams.

Table 4.4: East London's waste arisings and management destinations 2022

Waste Stream	Amount Managed in East London	Amount Managed Elsewhere in London	Amount exported outside London
LACW/C&I	57%	7%	36%

Waste Stream	Amount Managed in East London	Amount Managed Elsewhere in London	Amount exported outside London
C&D	58%	19%	23%
Hazardous (HWDI)	18%	5%	77%
Excavation	17%	2%	81%

Construction, demolition and excavation waste current baseline

4.17 It is estimated that arisings of C,D&E waste from East London in 2022 was in the order of c2.1 million tonnes. The total C&D waste was around 800,000 tonnage per annum (tpa), and that of excavation waste was 1.3 million tonnes. The distinction is important as the London Plan sets different targets for C&D waste ads compared with excavation waste.

4.18 Of the tonnages arising with known management routes, of the total C,D&E waste:

- 45% was managed at recycling facilities;
- 3% was recovered (either through incineration or recovery to land);
- 23% was managed at permitted landfills (possibly for use in restoration or operational needs);
- 26% was managed at intermediate sites prior to going on to its final fate (transferred); and
- 3% was managed via mobile plant (normally for recycling or reuse).

Table 4.5: Estimated C,D&E waste baseline arisings in East London

Waste Stream	Inert	Non-inert	Hazardous	Total
C&D	653,333	151,700	693	805,726
Excavation	1,302,370	15,816	8,952	1,327,137
Total	1,955,703	167,516	9,645	2,132,863

Waste management routes

4.19 The management routes for East London’s waste in 2019 are set out in the **Table 4.6** below. The table shows an estimated 42% of LACW/C&I waste was recycled in 2019 but nearly a third of these two waste streams are still being disposed of to landfill. The target for LACW and (part of) C&I waste streams is 65% recycling, composting or reuse by 2030.

4.20 An estimated 69% per cent of C&I waste is being recycled or recovered, but this falls short of the London Plan target which is 95%. Two thirds of excavation waste is being disposed of to landfill but some or all of this may be for restoration purposes which is a beneficial use.

Table 4.6: East London's waste management routes

Waste stream	Total tonnes	Recycling	Recovery	Landfill/ Disposal	Other including transfer
LACW	481,545	27%	45%	0.3%	28%
C&D	805,726	82%	4%	0%	14%
Excavation	1,327,137	48%	26%	0%	26%
Hazardous	57,745	10%	64%	18%	8%

Duty to Cooperate

4.21 Waste is a strategic cross-boundary issue and is subject to the duty to cooperate. In the case of waste, the duty to cooperate is a mechanism for waste planning authorities (WPAs) to engage with each other on waste movements between their plan areas so that waste streams are provided for.

4.22 The following guideline tonnages in relation to the Duty to Cooperate have been agreed by the London Waste Planning Forum (LWPF), South East Waste Planning Advisory Group (SEWPAG) and the East of England Waste Technical Advisory Board (EoEWTAB). The guideline tonnages per annum (tpa) are:

- 5,000 tpa non-hazardous waste (LACW and C&I).
- 10,000 tpa inert waste (C,D&E).
- 100 tpa hazardous waste.

4.23 Around 0.86 million tonnes of waste was reported as exported from East London in 2022. Just over half of this (52%) was excavation waste and just over a third (36%) was LACW/C&I waste.

4.24 Only 12% of waste exports were managed elsewhere in London. The majority (88%) were exported to locations in the south east and east of England.

4.25 Over half (54%) of all waste exported from East London was deposited to landfill and a further 8% was put to beneficial use in/on land.

4.26 Buckinghamshire and Thurrock received the greatest proportion of exported CD&E waste in 2019. In that year around 500,000 tonnes of CD&E waste went to landfill with a further 110,000 tonnes being put to beneficial use on/in land.

4.27 Cambridgeshire and Peterborough, Kent and Northamptonshire receive the greatest quantity of hazardous waste from East London. The data shows

that hazardous waste tends to travel further than other types of wastes, due to the specialist nature and requirements for specialist treatment. It also shows that there are a number of facilities that consistently receive quantities of hazardous waste from East London, while exports to other facilities have a more irregular pattern.

Imports to ELJWP Boroughs

4.28 Approximately 6 million tonnes of waste was reported as being imported to East London in the waste data interrogator 2019. However, it should be noted that a large proportion of this (40%) is categorised as “WPA not codeable (London)”. Around half of waste in the “WPA not codeable (London)” category is excavation waste, just over a quarter is C&D waste and just under a quarter is LACW/C&I waste. This compares with 43% LACW/C&I waste, 40% excavation and 16% C&D waste in all other categories.

4.29 In addition to the issue of uncodeable waste, 1.7 million tonnes of waste imports (29% of the total) were received by transfer stations to be sorted and bulked before its onward journey to a final destination waste treatment facility.

4.30 The largest proportion of waste recorded as imported to East London was excavation waste (43%), followed by LACW/C&I waste (35%), C&D waste (21%) and hazardous waste (1%).

4.31 Well over half of waste imports (60%) are reported as coming from other London Boroughs, although as mentioned above, this could include waste arising in East London. If the ‘non-codeable London’ category is removed, the proportion of imports recorded as originating in the rest of London reduces to 34%. Most of the remaining imports in 2019 originated from the wider south east, in particular Essex (806,000 tonnes) and Kent (214,000 tonnes). The WDI also includes other ‘non-codeable’ categories and 280,000 tonnes of waste was imported to East London from ‘WPA not codeable (South East)’ which means it is not possible to identify exactly which authorities this waste came from.

4.32 Just over a third (36%) of waste recorded as imported to East London was recycled, processed or treated, a quarter went to a transfer facility to be sorted and bulked and 21% was deposited to landfill with a further 11% put to beneficial use in/on land.

4.33 In 2019, East London received 2.1 million tonnes of LACW and C&I waste. Just under a quarter of this was deposited at Rainham landfill site and around 10% went Hitch Street Anaerobic Digestion Plant. Essex, Kent and Lewisham are the most significant users of East London waste facilities to manage their LACW and C&I waste external to the four boroughs, but as already mentioned large amounts of uncodeable waste from 'London' and the 'South East' are also received at East London Facilities.

4.34 In 2019, East London received 1.2 million tonnes of C&D and 2.6 million tonnes of excavation waste which was not identified as being generated within the four boroughs. However, 2.7 million tonnes of this (70%) was 'uncodeable' and therefore not directly attributable to specific WPAs. In addition to the uncodeable categories, Wandsworth, Essex, Tower Hamlets and Hackney were the most significant users of East London waste facilities in 2019 to manage their CD&E waste external to the four boroughs.

4.35 In 2019, East London received over 125,000 tonnes (as measured by the Hazardous Waste Data Interrogator (HWDI) [\[See reference 29\]](#)) or 48,000 tonnes (as measured by the Waste Data Interrogator (WDI) [\[See reference 30\]](#)) of hazardous waste not originating from within the four boroughs. The HWDI reports the main origins of hazardous waste received by East London in 2019 as Greenwich (25,300 tonnes), followed by Merton (13,000 tonnes) and Tower Hamlets (10,000 tonnes). The WDI reports the main origins of hazardous waste received by East London in 2019 as Hackney (14,300 tonnes), 'WPA not codeable (London)' (13,300 tonnes) and Essex (8,200 tonnes).

Projected baseline information

4.36 The London Plan sets out both waste arising forecasts and apportionments for each borough. The combined apportionments for East London are significantly higher than the area's projected arisings. The London Plan anticipates that East London could be a major contributor to London's target of net self-sufficiency by 2026, for the HIC waste stream in particular.

Waste sites

Current baseline information

4.37 There are a range of waste management facilities distributed throughout the four boroughs within the ELJWP area that support the movement of waste up the waste hierarchy. The adopted East London Joint Waste Local Plan 2012 [See reference 31] identified waste management infrastructure requirements needed for the period from 2012 to 2027/8. The evidence base was updated in 2022 and is currently being updated in preparation for the new East London Joint Waste Plan which will be informed by this IIA. The facilities are shown in Figure 4 of the Regulation 18 ELJWP.

4.38 Waste has historically been transported by road and river into, out of and across London and this is likely to continue based on the established network of waste management facilities. However, this activity risks contributing to amenity impacts such as noise and dust; exacerbating levels of air pollution; and increasing traffic congestion, highway maintenance and safety concerns. The haulage of waste by way of conventional, fossil-fuel powered vehicles is also a significant contributor to the local waste management sector's greenhouse gas emissions.

Projected baseline information

4.39 There is currently a surplus of supply of capacity across the ELJWP area to meet the Plan area's identified need and the apportionment from the London Plan, as set out in the updated evidence prepared in support of the update to the ELJWP [See reference 32]. This may provide additional capacity to meet the needs of other areas of London in the future, or there may be a need for different types of waste management facilities over the plan period.

Implications for health

4.40 The provision of a network of well managed waste management facilities can ensure that impacts on health (through noise, odour, pollution and transport movements) are minimised and appropriately distributed.

Key sustainability issues and opportunities for the ELWJP to address them

4.41 Across the four boroughs, there is a low level of waste that is reused, recycled, or reclaimed and high levels of waste are sent to landfill. There are missed opportunities to achieve higher rates of recycling and the efficiency benefits associated with the transition to a circular economy. Furthermore, future economic and population growth across London and the South East is likely to put pressure on the existing network of waste management facilities. In addition, disposal to landfill is at present an unavoidable and least bad solution for some wastes.

4.42 The ELJWP will have limited influence on the amount of waste that is generated and needs to be managed each year. A key role of the ELJWP could be to make provision for the right waste management facilities, in the right locations for the purposes of implementing sustainable waste management practices that will meet waste targets and other ambitions set across the four

Boroughs, ensuring waste is dealt with as far up the waste hierarchy as possible.

4.43 The ELJWP should ensure that where waste is unavoidable, it is managed in an efficient and sustainable manner, by employing the ‘waste hierarchy’. In addition, the ELJWP could support the evolution of the four Boroughs waste infrastructure network to the most sustainable locations, where the opportunity arises. Policies could also support the most efficient and appropriate freight routes, and an accelerated transition to low and zero carbon alternatives to conventional fossil-fuel based road freight. Furthermore, opportunities to utilise efficient and more sustainable modes of transport could be promoted to achieve maximum diversion of waste away from road haulage.

Climate change adaptation and mitigation

Climate change predictions

Current baseline information

4.44 Climate change presents a global risk, with a range of different social, economic and environmental impacts that are likely to be felt within the plan area across numerous receptors. A key challenge in protecting the environment will be to tackle the causes and consequences of climate change: warmer, drier summers and wetter winters with more severe weather events all year, higher sea levels and increased river flooding. A strong reaction is required from planning to ensure appropriate action can be taken to help species and habitats adapt and to enable the agricultural sector to continue to deliver diverse, affordable and good quality produce.

4.45 There has been a general trend towards warmer average temperatures in recent years with the most recent decade (2012–2021) being on average 0.2°C warmer than the 1991–2020 average and 1.0°C warmer than 1961–1990. All the top ten warmest years for the UK in the series from 1884 have occurred this century [\[See reference 33\]](#).

4.46 Heavy rainfall and flooding events have been demonstrated to have increased potential to occur in the UK as the climate has generally become wetter. For example, for the most recent decade (2012–2021) UK summers have been on average 6% wetter than 1991–2020 and 15% wetter than 1961–1990 [\[See reference 34\]](#).

4.47 The Intergovernmental Panel on Climate Change (IPCC) special report on global warming outlines that, under emissions in line with current pledges under the Paris Agreement, global warming is expected to surpass 1.5°C, even if these pledges are supplemented with very challenging increases in the scale and ambition of mitigation after 2030. This increased action would need to achieve net zero CO₂ emissions in less than 15 years [\[See reference 35\]](#).

4.48 In December 2018, the London Assembly declared a climate emergency, and called on the Mayor of London to do likewise and put in place specific emergency plans so that London is carbon neutral by 2030 [\[See reference 36\]](#). The Mayor declared a climate emergency shortly after the Assembly and set a target for London to be net zero-carbon by 2030.

4.49 London Borough Barking and Dagenham declared a climate emergency in 2019 [\[See reference 37\]](#). London Borough of Havering declared a climate and ecological emergency in 2023 [\[See reference 38\]](#). London Borough of Newham declared a climate emergency in 2019 [\[See reference 39\]](#). London Borough of Redbridge have an action plan to be carbon neutral by 2030 and carbon zero by 2050 [\[See reference 40\]](#).

Projected baseline information

4.50 UK Climate Projections 18 (UKCP18) for London identify the following main changes (relative to 1981-2000) to the climate by the end of the plan period (2038) **[See reference 41]**:

- Increase in mean winter temperature by 0.9°C;
- Increase in mean summer temperature by 1.3°C;
- Increase in mean winter precipitation by 8%; and
- Decrease in mean summer precipitation by -9%.

4.51 The UK Climate Risk Independent Assessment (CCEA3) identifies likely trends from climate change and sets out 61 specific risks and opportunities to the UK from climate change, including the following **[See reference 42]**:

Risks

- The number of incidents of food poisoning, heat stress and heat related deaths may increase in summer.
- Domestic energy use may increase during summer months as refrigeration and air conditioning demand increases.
- Wetter winters and more intense rainfall events throughout the year may result in a higher risk of flooding from rivers.
- More intense rainstorms may in some locations result in the amount of surface water runoff exceeding the capacity of drainage systems, consequently leading to more frequent and severe localised flash flooding.
- More frequent storms and floods may cause increased damage to property and infrastructure, resulting in significant economic costs.
- Periods of drought in summer could lead to soil shrinking and subsidence, causing damage to buildings and transport networks.

Drought may also impact negatively on agriculture, industry and biodiversity.

- Warmer and drier summers are likely to affect the quantity and quality of water supply, which will need careful management.
- The changing climate will impact on the behaviour and distribution of species and may encourage the spread of invasive species.

Opportunities

- Milder winters should reduce the costs of heating homes and other buildings, helping to alleviate fuel poverty and reducing the number of winter deaths from cold.
- Domestic energy use may decrease in winter due to higher temperatures.
- Warmer and drier summers may benefit the recreation and tourism economy.

Emissions and energy

Current baseline information

4.52 Carbon Dioxide (CO₂) is the main greenhouse gas, accounting for about 80% of the UK greenhouse gas emissions. Emissions are produced when fossil fuels such as coal or gas are burnt or processed. In recent years, increasing emphasis has been placed on the role of regional bodies and local government in contributing to energy efficiency improvements, and hence reductions in carbon dioxide emissions. In line with the wider UK, London has seen a decrease in CO₂ emissions in recent years. One of the main drivers for reduced levels of emissions has been a decrease in the use of coal for electricity generation, accounting for a decrease in emissions for domestic electricity.

4.53 The Government regularly publishes local authority and regional carbon dioxide emissions national statistics [See reference 43]. The statistics are largely consistent with the UK national Greenhouse Gas Inventory and with the Devolved Administration Greenhouse Gas Inventories. In London, CO₂ emissions have fallen from 6.2 tonnes (t) per capita to 3.2t per capita (equivalent to a 52% reduction) from 2005 to 2019. Emissions in each of the four London Boroughs are like those of London, falling steadily over the same period as demonstrated in **Table 4.4** (Total Emissions) and **Table 4.5** (Per Capita Emissions). It should be noted the figures in **Table 4.4** [See reference 44] and 4.5 [See reference 45] do not account for Land Use, Land Use Change and Forestry (LULUCF) figures. In 2020, LULUCF accounted for -60.8 kilotons (Kt) CO₂ emissions in London.

Table 4.7: CO₂ emissions estimates in the ELJWP area 2005-2019 (Kt)

Year	Barking and Dagenham	Havering	Newham	Redbridge
2005	935.7	1,320.9	1,471.7	1,147.4
2006	943.1	1,334.8	1,576.2	1,141.5
2007	931.5	1,276.9	1,554.4	1,117.2
2008	907.6	1,258.3	1,561.2	1,091.2
2009	825.1	1,164.4	1,495.4	1,018.6
2010	895.3	1,245.0	1,574.7	1,080.8
2011	811.5	1,125.2	1,464.8	1,008.5
2012	848.0	1,178.2	1,499.1	1,061.2
2013	816.0	1,158.2	1,481.9	1,025.0
2014	715.5	1,046.3	1,299.9	918.8
2015	685.8	1,025.5	1,242.1	889.4
2016	633.3	992.6	1,163.1	859.2

Year	Barking and Dagenham	Havering	Newham	Redbridge
2017	605.2	958.8	1,091.6	820.7
2018	590.3	963.6	1,066.3	823.6
2019	563.6	926.6	1,021.0	790.4

Table 4.8: CO2 emissions estimates in the ELJWP area (Kt per capita)

Year	Barking and Dagenham	Havering	Newham	Redbridge
2005	5.6	5.8	5.8	4.6
2006	5.6	5.8	6.1	4.5
2007	5.5	5.6	5.8	4.3
2008	5.3	5.4	5.6	4.1
2009	4.6	5.0	5.2	3.8
2010	4.9	5.3	5.3	3.9
2011	4.3	4.7	4.7	3.6
2012	4.4	4.9	4.7	3.7
2013	4.2	4.8	4.6	3.5
2014	3.6	4.3	4.0	3.1
2015	3.4	4.1	3.7	3.0
2016	3.0	3.9	3.4	2.9
2017	2.9	3.7	3.1	2.7
2018	2.8	3.7	3.0	2.7
2019	2.6	3.6	2.9	2.6

4.54 The Department for Business, Energy & Industrial Strategy (now split into Department for Business and Trade, the Department for Energy Security and Net Zero, and the Department for Science, Innovation and Technology) produced the following consumption figures for the East London Joint Waste Plan area in 2020 [See reference 46]

- **Coal** – a total of 3.3 kilo tonnes of oil equivalent (ktoe) predominantly through domestic use;
- **Manufactured fuels** – a total of 4.3ktoe predominantly through domestic use;
- **Petroleum** – a total of 2,639.3ktoe predominantly through road transport;
- **Gas** – a total of 5,302.5ktoe predominantly through domestic use;
- **Electricity** – a total of 2,940.2ktoe predominantly through industrial and commercial use; and,
- **Bioenergy and wastes** – a total of 156.2ktoe, predominantly through road transport.

4.55 Between 2005 and 2020 the total reported energy consumption for London fell from 338.7 to 291.3ktoe. The changes in consumption by energy type are shown in **Table 4.6**.

Table 4.9: Energy Consumption in London by type 2005-2020

Energy type	Energy consumption in ktoe (2005)	Energy consumption in ktoe (2020)
Coal	4.5	3.3
Manufactured fuels	5.6	4.3
Petroleum	3,225.1	2,639.3
Gas	6,865.8	5,302.5
Electricity	3,562.8	2,940.2
Bioenergy and wastes	18.2	156.2

Energy type	Energy consumption in ktoe (2005)	Energy consumption in ktoe (2020)
Total	13,682	11,385.8

Table 4.10: Energy Consumption in Barking and Dagenham 2005-2020

Energy type	Energy consumption in ktoe (2005)	Energy consumption in ktoe (2020)
Coal	0.2	0.1
Manufactured fuels	0.1	0.1
Petroleum	72.1	65.3
Gas	113.2	87.4
Electricity	67.4	48.5
Bioenergy and wastes	0.4	3.4
Total	253.4	204.8

Table 4.11: Energy Consumption in Havering by type 2005-2020

Energy type	Energy consumption in ktoe (2005)	Energy consumption in ktoe (2020)
Coal	0.1	0.1
Manufactured fuels	0.2	0.2
Petroleum	132.0	128.7
Gas	183.4	143.0
Electricity	75.9	64.7
Bioenergy and wastes	0.4	7.6

Energy type	Energy consumption in ktoe (2005)	Energy consumption in ktoe (2020)
Total	392.0	344.3

Table 4.12: Energy Consumption in Newham by type 2005-2020

Energy type	Energy consumption in ktoe (2005)	Energy consumption in ktoe (2020)
Coal	0.1	0.1
Manufactured fuels	0.2	0.1
Petroleum	100.4	86.2
Gas	242.8	176.8
Electricity	92.9	108.2
Bioenergy and wastes	0.3	4.7
Total	436.7	376.1

Table 4.13: Energy Consumption in Redbridge by type 2005-2020

Energy type	Energy consumption in ktoe (2005)	Energy consumption in ktoe (2020)
Coal	0.1	0.1
Manufactured fuels	0.1	0.1
Petroleum	105.1	96.2
Gas	187.9	151.1
Electricity	64.5	53.9
Bioenergy and wastes	0.3	5.3

Energy type	Energy consumption in ktoe (2005)	Energy consumption in ktoe (2020)
Total	358.0	306.7

Projected baseline information

4.56 The Tyndall Centre for Climate Change Research has undertaken work to calculate the ‘fair’ contribution of local authorities towards the Paris Climate Change Agreement. Based on the analysis undertaken the following recommendations have been made for London **[See reference 47]**:

- Stay within a maximum cumulative carbon dioxide emissions budget of 203.5 million tonnes (MtCO₂) for the period of 2020 to 2100. At 2017 CO₂ emission levels, London would use this entire budget within 7 years from 2020.
- Initiate an immediate programme of CO₂ mitigation to deliver cuts in emissions averaging a minimum of -12.2% per year to deliver a Paris aligned carbon budget. These annual reductions in emissions require national and local action, and could be part of a wider collaboration with other local authorities.
- Reach zero or near zero carbon no later than 2043. This report provides an indicative CO₂ reduction pathway that stays within the recommended maximum carbon budget of 203.5 MtCO₂. At 2043 5% of the budget remains. This represents very low levels of residual CO₂ emissions by this time, or the Authority may opt to forgo these residual emissions and cut emissions to zero at this point. Earlier years for reaching zero CO₂ emissions are also within the recommended budget, provided that interim budgets with lower cumulative CO₂ emissions are also adopted.

4.57 Given the trends in carbon emissions and energy consumption at both national and local level, carbon emissions in London, and each of the four London Boroughs within the ELJWP area, are likely to continue declining.

Road travel and associated energy consumption

Current baseline information

4.58 CO₂ emissions in the UK are provisionally estimated to have increased by 6.3% in 2021 from 2020, to 341.5 million tonnes (Mt), however compared to 2019, the most recent pre-pandemic year, 2021 CO₂ emissions are down 5.0% [See reference 48]. This increase in 2021 is primarily due to the increase in the use of road transport as nationwide lockdowns were eased, along with increases in emissions from power stations and the residential sector. CO₂ emissions from transport rose 10.0% in 2021, accounting for almost half of the overall increase from 2020 [See reference 49].

4.59 Road transport accounts for more than half of oil demand in the UK and relies on petrol and diesel to meet around 98% cent of its energy needs. This has implications for carbon emissions considering the regular need to travel for both residents and those undertaking business.

4.60 The overall road energy consumption in Inner London decreased between 2005 and 2021 from 999t of equivalent oil (ktoe) to 683.2ktoe. This change was most influenced by the decreasing energy consumption for personal road travel which fell during this period from 765.9ktoe to 487.3ktoe. During this period energy consumption recorded in Inner London for freight uses declined from 233.2ktoe to 195.9ktoe [See reference 50].

4.61 The overall road energy consumption in Outer London decreased between 2005 and 2021 from 1,798.1t of equivalent oil (ktoe) to 1621.6ktoe. This change was most influenced by the decreasing energy consumption for personal road travel which fell during this period from 1,374.4ktoe to 1,147.1ktoe. During this period energy consumption recorded in Inner London for freight uses rose slightly from 423.6ktoe to 474.5ktoe [See reference 51].

4.62 Recent trends across the UK indicate that diesel consumption excluding biodiesel fell in 2018 for the first time since 2009. The trend is due in part to a slowing of growth in the diesel vehicle fleet following sharp drops in new registrations as well as increased efficiencies. It is expected that the UK will diversify in road transport to include more electric and ultra-low emissions vehicles in the coming years [See reference 52]. The Ultra Low Emission Zones (ULEZ) in London and across the UK are expected to continue to drive down emissions from the most polluting vehicles.

4.63 The ELJWP area benefits from good transport and connectivity to the central and Greater London, Essex, Thurrock, further afield to Hertfordshire and Cambridgeshire to the north. There is a significant road transport network across the area, including the A12, A13, A1020 and the A406, with easy access to the M25 and M11.

Projected baseline information

4.64 Growth in traffic levels may occur in London because of projected population growth and associated development needs. The UK Government aims to ban the sale of new petrol and diesel cars by 2030 [See reference 53] which will significantly cut carbon emissions across the UK. While the full effect of this will not be seen immediately as people continue to use their existing vehicles, the market share of electric cars in the UK is already significant and likely to continue growing rapidly.

Renewable and low carbon energy constraints and opportunities

Current baseline information

4.65 Published as part of the National Statistics publication Energy Trends produced by the Department for Business, Energy and Industrial Strategy (now by Department for Energy Security and Net Zero, Department for Science, Innovation and Technology, and Department for Business and Trade), data concerning renewable electricity generation, capacity and number of sites is available at Borough level between 2014 and 2021 **[See reference 54]**.

- In Barking and Dagenham capacity increased from 2.6 MW in 2014 to 11.9 MW in 2022, providing 6,668 MWh of electricity generation in 2022.
- In Havering capacity increased from 41.4 MW in 2014 to 49.7 MW in 2022, providing 129,870 MWh of electricity generation in 2022.
- In Newham capacity increased from 21.4 MW in 2014 to 44.0 MW in 2022, providing 41,824 MWh of electricity generation in 2022.
- In Redbridge capacity increased from 1.6 MW in 2014 to 6.0 MW in 2022, providing 4,730 MWh of electricity generation in 2022.

Projected baseline information

4.66 It is clear from existing trends that East London is significantly increasing its capacity to generate renewable and low carbon sources of energy, with scope to increase capacity further across of a range of technology types. If capacity continues to increase over the medium to long term, energy generation is also likely to significantly increase. Further renewable energy development may be constrained by lack of capacity in the national grid, currently affecting West London, and constraints on development within urban areas.

Flood risk

Current baseline information

4.67 The UK Climate Projections (UKCP18) predicts that by 2070, under a high emission scenario, average winter precipitation is projected to increase, whilst average summer rainfall is projected to decrease. Although summer rainfall is projected to decrease, there will be an increased frequency of short-lived high intensity showers [See reference 55].

4.68 All areas within the ELJWP will become more vulnerable to fluvial flooding, water supply deficiencies, as the local climate continues to change. The Thames Tidal Defences provides some protection to the ELJWP area. A network of tidal flood defences provides a very high standard of protection in the Thames Estuary. The network includes:

- 330 kilometres (km) of walls and embankments;
- 9 major barriers and gates, including the Thames Barrier; and
- over 400 other structures (including flood gates, outfalls and pumps).

4.69 Figure 4.7 at the end of this chapter illustrates the main areas of flood risk across the ELJWP area.

4.70 Local flood risk assessments are summarised for each borough below:

- Barking and Dagenham: Following the 2007 nation-wide flood events, more consideration is being given to potential risks from surface water, groundwater and sewerage, however the key source of flood risk is fluvial and tidal flooding from the River Thames. The local flood management strategy seeks to manage those risks, working with other statutory and non-statutory partners, and raising awareness in local communities [See reference 56].

- Havering: Within Havering, the main areas of flood risk are tidal and fluvial, and generally limited to the southern part of the borough. Flood risk is concentrated around the River Thames, the River Beam and the Ingrebourne and their tributaries [\[See reference 57\]](#).
- Newham: Historic flooding within Newham has related to the Thames, the River Lea and the River Roding. Newham shares a boundary with the Thames to the south, and the greatest risk is from tidal surges occurring at high tides, or fluvial flooding in the upper catchment. [\[See reference 58\]](#)
- Redbridge: Within Redbridge, the main sources of flood risk are surface water flooding and fluvial flooding from the River Roding, the Cran Brook and Seven Kings water. The River Thames has a tidal effect on the River Roding [\[See reference 59\]](#).

Projected baseline information

4.71 As previously outlined in the ‘climate change predictions’ section of this chapter, the climate in London is expected to change, presenting a series of risks. These include wetter winters, more intense rainfall events and more frequent storms and floods, leading to increased damage to property and infrastructure and significant economic costs. The Environment Agency has provided ‘local flood risk assessments: climate change allowances’ [\[See reference 60\]](#) indicating climate change impacts on peak rainfall intensity and peak river flows.

4.72 Due to the geography of London and the proximity to the River Thames, flooding (including flash, fluvial and tidal flooding) is one of the greatest risks to the East London Boroughs from climate change. Climate change will likely result in sea level rise which could lead to more frequent flooding in the ELJWP area and impact communities, businesses and local authority services. Additionally, incidences of heavy rainfall are expected to continue to rise and will present challenges in terms of drainage and flood risk.

Implications for health

4.73 Climate change has potential for substantial implications on human health, including:

- Disruption to health, social care and emergency management services and schools provision, from flooding, heatwaves and storms.
- Flooding poses multiple risks to people's health, such as heart attacks, trauma, an increase in waterborne infectious diseases, and common mental and post-traumatic stress disorders. Damp housing and damage to water and sanitation infrastructure can further reinforce the adverse effects on health.
- Climate change may bring increases in both cold weather excess mortality and heat-related deaths and illness occurring in the summer. Excess heat represents a serious threat for the entire population, but the elderly and small children, and people with pre-existing cardiovascular, respiratory and renal diseases, diabetes and neurological disorders, are more susceptible. Urban areas tend to be at greater risk due to the "urban heat island" effect. The number of excess deaths in England resulting from heatwaves (excluding COVID-19) in 2022 was 2,803 for those aged 65 and over. Cumulative excess deaths resulting from heatwaves in summer 2022 was the highest recorded on record since the heatwave plan for England was introduced in 2004 **[See reference 61]**.
- Cases of food poisoning in the UK that are linked to warm weather have been increasing rapidly.
- Wildfire likelihood and severity set to increase due to climate change.
- The likely increase in occurrence of severe winter gales is a cause for concern. Deaths during severe gales are commonplace, as are severe injuries. The likely loss of electrical power supplies during severe storms adds very significantly to these problems. Better forecasting of gales and better design and more frequent exercising of disaster plans may well help to mitigate the worst effects.

Key sustainability issues and opportunities for the ELJWP to address them

4.74 There is a need to significantly reduce greenhouse gas emissions to help meet international and national greenhouse gas reduction targets. The ELJWP provides opportunities to help achieve this through:

- Encouraging energy efficiency measures in the construction and design of new buildings.
- Reducing carbon emissions from freight use by reducing the need to travel to process and dispose of waste, as well as supporting the use of low or zero emission transport modes, as discussed below in the section covering transport.
- Promoting green infrastructure within new waste sites to deliver carbon sequestration.

4.75 The effects of climate change in the ELJWP area are likely to result in extreme weather events becoming more common and more intense. Flood risk is of particular significance in this regard, alongside heatwaves and drought. Fluvial and surface water flooding poses the most significant risk to the plan area, particularly in areas in close proximity to the Thames river. The ELJWP provides an opportunity to help adapt to the unavoidable effects of climate change by:

- Locating development in locations with no or low flood risk.
- Encouraging flood and heat resilient development.
- Promoting on-site biodiversity net-gain, as well as links to green infrastructure to deliver flood retention, shading/ cooling, air quality improvements and safe havens for vulnerable species.
- The waste industry has the potential to contribute to climate change via the emission of greenhouse gases generated by the use of energy in processes and transportation involved in the industries. In 2019, the UK government set a legally binding target to achieve net zero greenhouse

gas emissions (GHG) by 2050. Correspondingly, each of the four Boroughs have declared a climate emergency and have set monitored targets to reduce emissions to aid in reaching this goal.

4.76 Areas across the four Boroughs, which are at higher risk of flooding now and, in the future, (e.g. low-lying land on the floodplain) are also often attractive for development. Despite policies in the NPPF and NPPW, the ELJWP could play a key role in ensuring sufficient weight is given to the risk of flooding from all sources and over time; and that new or expanded waste management facilities are directed towards areas with the lowest risk of flooding. Furthermore, the ELJWP could demand highly resilient design to address residual risks of flooding and to tackle flood risk vulnerabilities locally and elsewhere.

Population, health and wellbeing

Population

Current baseline information

4.77 In England, the population has continued to age. More than one in six people (18.4%) were aged 65 years and over on Census Day in 2021. This is an increase of 20.1% since 2011. This is a higher percentage than ever before. On average in London, the largest age group in 2011 was those aged 25 to 29 years. More recently, in 2021, the largest age group in London was those aged 30 to 34 years [\[See reference 62\]](#).

4.78 Within the East London area, Newham has seen the largest increase in people aged 65 years and over with an increase of 21.9%, followed by Redbridge with 13.5% and Havering with 9.3%. The only exception is Barking and Dagenham, which whilst it saw the second largest increase in population between 2011 and 2021 in London, saw a decrease of 1.7% in people aged 65

years and over [See reference 63]. Barking and Dagenham has the highest birthrate in London, the highest percentage of children under 4 years old, and the highest number of under 15-year-olds in England [See reference 64]

4.79 In Barking and Dagenham, the population size has increased by 17.7% since the 2011 census, the second largest increase out of the London Boroughs. Similarly, Newham’s population has grown by 14% (fourth largest), Redbridge by 11.2% (sixth largest) and Havering’s population has increased by 10.4%, (eighth largest). These population increases are higher than the overall increase for London (7.7%). **Table 4.11** presents the most recent (2021) population changes by Borough in Barking and Dagenham, Havering, Newham and Redbridge [See reference 65].

4.80 As of 2021, Havering is the second least densely populated of London's 33 local authority areas with 2,332 people per km², Newham is the eighth, Redbridge is the 14th, and Barking and Dagenham is the 16th least densely populated.

Table 4.14: Population change in the ELJWP area from 2011-2021

Area	2011 Census	2021 Census
Barking and Dagenham	185,900	218,900
Newham	308,000	351,100
Havering	237, 200	262,000
Redbridge	279,000	310,300
Total	772,900	1,142,300

Projected baseline information

4.81 Each of the borough's populations have continued to grow over the last decade, and it is predicted that each of the Borough's populations will continue to grow. The London Plan predicts that the population of London is projected to increase by 70,000 every year, reaching 10.8 million in 2041, and East London will play a large role in providing for this growth [See reference 66]. The London Plan also states that over a fifth of London's population is under 16, but over the coming decades the number of Londoners aged 65 or over is projected to increase by 90%. This is reflected in the high growth of those that are over 65 in each Borough (excluding Barking and Dagenham) over the past decade, and it is predicted that this trend will continue.

4.82 As the population grows so do the Borough's respective population densities. On average, the four Boroughs of East London have a slightly higher population density of 58.96 population per hectare than the London average of 55.96 population per hectare [See reference 67]. The greater the population density the greater the challenge to ensure that each Borough's communities have the quality of life, facilities and services and infrastructure they need, including public and private open space. However, increased population density can have both positive and negative effects in sustainable development terms, depending upon how it is designed and delivered (indeed, some of the most attractive and desirable parts of cities and towns in the UK and abroad are often those areas that are most densely developed).

Housing

Current baseline information

4.83 London's average house prices remain the most expensive of any region in the UK, with an average price of £537,000 in September 2023 and an annual inflation rate of negative 1.1% in the 12 months to September 2023. London's annual inflation slowed in September 2023 because London prices decreased

(negative 0.3%) between August and September 2023, while prices increased between the same months last year [\[See reference 68\]](#).

4.84 As of August 2023, Redbridge has the highest average house prices out of the four Boroughs (£467,406) and Barking and Dagenham has the lowest average house prices (£351,021) out of the four Boroughs and London as a whole. The average for the East London area is £411,487, which is lower than the London average [\[See reference 69\]](#).

4.85 The London Plan contains 10-year targets for net housing completions from 2019/20 up to 2028/29. This includes a total of approximately 52,000 homes per year over ten years. In 2017, the Strategic Housing Market Assessment identified that London needs around 66,000 net new homes a year to meet its housing need. This includes a target of 19,440 for Barking and Dagenham, 12,850 for Havering, 47,600 for Newham (including the area currently administered by the LLDC) and 14,090 for Redbridge. To date, Barking and Dagenham has achieved 4,636 completions since 2019/20, Havering has achieved 3,430, Newham has achieved 6,655 [\[See reference 70\]](#) and Redbridge has achieved 2,156. None of the four Boroughs have achieved the London Plan target housing delivery goal for over five years. Most recently, Newham surpassed their target of 1,994 dwellings by 38 in 2016/17. The average percentage across each East London Borough since 2019/20 is 66%. Havering has achieved the highest rate of delivery by achieving 79% of its housing delivery target whilst Redbridge has achieved the lowest with 45% [\[See reference 71\]](#).

4.86 The GLA's residential completions dashboard demonstrates that London is falling behind its housing completion targets. As a whole, London has failed to reach its housing delivery targets for the last seven years, although delivery did reach 103% in 2017/18. Since then, the average percentage of completions of target across London has been 76.8%. London was the worst-performing region in the Housing Delivery Test 2022. Fewer than half of London boroughs delivered more than 95% of their appropriate housing requirement for the test over the three-year monitoring period.

4.87 London's housing affordability challenge is the worst in the country, facing almost double the house price to earnings ratio compared to the rest of England, and a significantly more unaffordable private rented sector. Over the last 20 years, affordability has worsened in London more than anywhere else in the country, driven largely by house prices increasing faster than earnings **[See reference 72]**.

4.88 From 2015 to the end of March 2023, there have been 55,027 affordable housing completions, relating to the 116,782 homes that were started under the AHP 2016-23. This leaves 61,755, out of the 116,782 starts, to complete. There were 1,261 homes started and also completed in 2015-16. In 2022-23, 13,949 homes were completed; this represents the highest number of completions in one year. There is no target set for when all 116,782 homes started under the AHP 2016-23 will be completed **[See reference 73]**.

4.89 Between 2016-17 to 2022-23, Newham had the second highest number of affordable housing completions in London, with 4,709. The remaining East London Boroughs achieved significantly less, with Barking and Dagenham completing 2013 new affordable homes, Havering achieve 914 and Redbridge just 709 **[See reference 74]**.

4.90 The London Plan suggests that the boroughs are best placed to assess the needs and make provision for Gypsy and Travellers through new pitch provision, protection or enhancement of existing pitches, or by other means. The London Plan 2021 requires each London Borough to provide for a set amount of gypsy and traveller accommodations, based on the midpoint projections of the 2007 assessment. The London Plan provisions are to be used as a starting point dependant on whether or not a more up-to-date assessment has been carried out at the Borough level.

4.91 Following the judgment in the Court of Appeal in the case of Smith v SSLUHC & Ors **[See reference 75]**, the government has reverted to the definition of Gypsies and Travellers used in the Planning Policy for Travellers Sites to that adopted in 2012, with this change applying from 19 December 2023, for plan and decision making. The Gypsy and Traveller Accommodation

Assessment (GTAA) for each borough, considers the definition of Gypsies and Travellers that was in place at the time the assessment was prepared. There are likely to be further changes to national policy and guidance in 2024.

4.92 The Havering GTAA (2018) provides a robust assessment of current and future need for Gypsy, Traveller and Travelling Showperson accommodation in the borough up to 2031. The Assessment identifies a need for 70 additional pitches for the Gypsy and Traveller households who meet the planning definition as set out in the National Planning Policy for Traveller Sites. Of the 70 pitches needed, 57 pitches are required within the first 5-year period of the Plan (2016 – 2021), and the remaining 13 pitches in the latter part of the plan period. No additional need has been identified for plots for Travelling Showpeople over the 15-year plan period (2016-2031) **[See reference 76]**. In Barking and Dagenham there is a need for 24 pitches over the period to 2034 for Gypsy and Traveller households **[See reference 77]**. In Newham, the borough has identified a need for 23 pitches for households that meet the 'planning definition' **[See reference 78]**. In Redbridge, there is no need for additional pitches **[See reference 79]**.

Projected baseline information

4.93 The joint interim report by the London Housing Directors' Group and G15 **[See reference 80]** examines the barriers to housing delivery in London, particularly for affordable housing. The report highlights the extent of market failure in London's housing sector and the affordability challenge that has been created because of housing undersupply. The key findings are:

- Housing completions will average 43,000 per year over the period 2021-2025, compared to the London Plan target of 52,000 homes per year, with around 30% expected to be affordable or intermediate housing. Analysis suggests the actual need may be nearer 100,000 new homes per year, including 42,500 affordable homes.
- London requires 90,000-100,000 homes with at least 42,500 affordable homes required in London per year, compared to the London Plan target

of 52,000 homes per year. This compares to an average of 7,900 affordable homes delivered annually since 2015/16.

- A forecast of future supply against demand shows that the largest supply shortfall over the next five years will be in the lower mainstream market segment below £450 pound per square foot (psf) and in the sub-market rent segment, demonstrating the market's failure to deliver an adequate supply of homes that are affordable to low and middle-income households.
- London's affordability challenge is much starker than elsewhere in the country and the need for affordable housing greater. Average house prices in the capital are 93% higher than the UK average compared to wages that are just 49% higher, with a house price to earnings ratio in London of 12.5, compared to the national average of 7.7. Based on affordability alone, the annual need for additional affordable housing in London is 7.6 times greater than supply, compared to 2.6 in England.
- The boroughs have seen significant increases in homelessness, in part as a consequence of increasing costs resulting from under-supply, with 24,630 households owed a homelessness relief duty by a London borough in 2019/20 compared to 10,180 homelessness acceptances in 2010/11.

4.94 The four borough's strategies for housing growth are set out below.

- Barking and Dagenham aim to deliver more than 40,000 dwellings between 2024 and 2037 [See reference 81]. Growth is focussed in:
 - Barking and the River Roding;
 - Thames Riverside;
 - Dagenham Dock, Freeport;
 - Becontree and Heathway;
 - Chadwell and Marks Gate;
 - Becontree Heath and Rush Green; and
 - Dagenham East and Village.

- Havering aim to deliver a minimum of 18,930 dwellings over the adopted plan period (2016 to 2031) to meet an increased population of over 293,000 people. Growth will be focussed in Romford town centre and the Rainham and Beam Park area, in conformity with the London Plan **[See reference 82]**.
- Newham aim to deliver 43,000 dwelling across the plan area between 2018 and 2033 **[See reference 83]**. Growth is focussed in community neighbourhoods, and strategic sites in the following areas:
 - Stratford and West Ham;
 - Royal Docks;
 - Custom House and Canning Town;
 - Beckton;
 - Urban Newham – Forest Gate;
 - Urban Newham – East Ham: and
 - Urban Newham – Green Street.
- Redbridge aims to deliver a minimum of 16,845 new dwellings between 2015 and 2030 by prioritising housing delivery in:
 - Investment and Growth Areas of Ilford;
 - Crossrail Corridor;
 - Gants Hill;
 - South Woodford; and
 - Barkingside **[See reference 84]**.

Health

Current baseline information

4.95 Health is a cross-cutting topic and as such many topic areas explored in this Scoping Report influence health either directly or indirectly.

4.96 The Office of National Statistics (ONS) have created an index that gives every local area in England an overall health score for each of the past six years. This overall score is made up of measures in different categories, called domains and subdomains. These measures include physical and mental health conditions like diabetes or anxiety, local unemployment, road safety, and behaviours like healthy eating [See reference 85].

4.97 This score can show whether health in a local area is improving. The Health Index score has a baseline of 100, which represents England's health in 2015. A score higher than 100 means that an area has better health for that measure than was average in 2015, lower than 100 means worse health than the 2015 average. In 2021, the four East London Boroughs scores were as follows:

- Barking and Dagenham – 93.8
- Havering – 104.2
- Newham – 93.6
- Redbridge – 100.1

General health trends in Barking and Dagenham

4.98 Barking and Dagenham has an overall Health Index score of 93.8, which is up 1.5 points compared with the previous year, however, Barking and Dagenham ranked in the bottom 20 percent of local authority areas in England for health in 2021.

4.99 Barking and Dagenham's best score across all subdomains is 132.2 for health relating to "physical health conditions". "Physical health conditions" looks at cancer, cardiovascular conditions, dementia, diabetes, kidney and liver disease, musculoskeletal conditions, and respiratory conditions.

4.100 The second highest scoring subdomain is "mental health", while Barking and Dagenham's worst score is for "protective measures".

General health trends in Havering

4.101 Havering has an overall Health Index score of 104.2, which is down 2.7 points compared with the previous year. Havering ranked around average among local authority areas in England for health in 2021.

4.102 Havering's best score across all subdomains is 114.6 for "mental health". "Mental health" looks at children's social, emotional and mental health, mental health conditions, self-harm, and suicides. Self-harm figures are counted through hospital admissions and so not all cases are recorded. During the coronavirus pandemic, people may have been less likely to seek help at hospital because of fears of infection or overwhelming services. Suicides per area are based on a three-year period, so these figures show longer-term trends rather than a change year to year. Suicide registrations were also affected by inquest delays in 2020.

4.103 The second highest scoring subdomain is "physical health conditions", while Havering's worst score is for "physiological risk factors".

4.104 Havering's score for "physical health conditions" fell from 116.8 in 2020 to 108.2 in 2021. This means Havering went from being among the best 10% of local authority areas to being among the best 30% across England for this subdomain.

4.105 The change was largely because of an increase in diabetes (the index worsened by 15.9 points) and an increase in cardiovascular conditions (the index worsened by 9.6 points).

General health trends in Newham

4.106 Newham has an overall Health Index score of 93.6, which is up 0.3 points compared with the previous year. Newham ranked in the bottom 20 percent of local authority areas in England for health in 2021.

4.107 Newham's best score across all subdomains is 123.0 for health relating to "difficulties in daily life".

4.108 "Difficulties in daily life" looks at disability and frailty. "Frailty" measures hospital admissions as a result of a hip fracture in those aged 65 years and over. Figures may have been affected by higher mortality rates in frailer people during the pandemic, or people being less exposed to injury while less active and staying at home.

4.109 The second highest scoring subdomain is "mental health", while Newham's worst score is for "physiological risk factors" declining from 72 in 2015 to 60 in 2021.

General health trends in Redbridge

4.110 Redbridge has an overall Health Index score of 100.1, which is down 1.4 points compared with the previous year. Redbridge ranked around average among local authority areas in England for health in 2021.

4.111 Redbridge's best score across all subdomains is 119.4 for "mental health". "Mental health" looks at children's social, emotional and mental health, mental health conditions, self-harm, and suicides.

4.112 Self-harm figures are counted through hospital admissions and so not all cases are recorded. During the coronavirus pandemic, people may have been less likely to seek help at hospital because of fears of infection or overwhelming services. Suicides per area are based on a three-year period, so these figures show longer-term trends rather than a change year to year. Suicide registrations were also affected by inquest delays in 2020.

4.113 The second highest scoring subdomain is "physical health conditions", while Redbridge's worst score is for "protective measures".

Life expectancy

4.114 In the UK, there has been a steady increase in life expectancy for both men and women for the first decade of the 2000s. However, in the last 10 years the trend has levelled off. **Table 4.12** sets out the average life expectancy across the four East London Boroughs, for 2021, and the average across 2018 to 2020.

Table 4.15: Life expectancy by London Borough

Borough	Male 2018 to 2020	Male 2021	Female 2018 to 2020	Female 2021
Barking and Dagenham	77.0	75.6	81.7	80.3
Havering	79.7	79.0	83.5	82.9
Newham	79.0	75.8	83.1	80.7
Redbridge	80.5	78.9	84.6	83.2

4.115 Across East London, the lowest life expectancy at birth in 2021 was 75.6 for males and 80.3 for females. The highest life expectancy at birth in 2021 was 79.0 for males and 83.2 for females. Life expectancy for women is almost 3

years lower in London Borough of Barking and Dagenham than in London Borough of Redbridge, and almost 4.5 years lower for men.

Obesity

4.116 Being overweight or obese carries numerous health risks, including increased likelihood of type 2 diabetes, cancer, heart and liver disease, stroke and related mental health conditions. It is estimated this health issue places a cost of at least £5.1 billion on the NHS and tens of billions on wider UK society every year. Obesity in adults in London is slightly lower than England as a whole, although over half of adults in London are classified as overweight or obese.

4.117 There is also a high level of obesity amongst children in the London. In 2021/22 by Year 6 25.8% of children are classified as overweight or obese. This is worse than England average of 22.7%. Within East London, Barking and Dagenham has the highest level of obesity amongst Year 6 children at 33.2% in 2021.

- Havering: 24.6%
- Newham 32.0%
- Redbridge: 27.9% [\[See reference 86\]](#).

Mental health and perception of wellbeing

4.118 National research highlights that good emotional and mental health is fundamental to the quality of life. As set out in [Table 4.13](#), residents in East London had broadly similar responses in comparison to England on a national scale out of ten (7.55, 7.78, and 7.45 respectively) during the 2021/22 period [\[See reference 87\]](#).

Table 4.16: Perception of Wellbeing 2021/22 by Borough

Borough	Life Satisfaction	Happiness	Sense that life is worthwhile
Barking and Dagenham	7.6	7.8	7.8
Havering	7.6	7.8	7.4
Newham	7.7	7.8	7.7
Redbridge	7.6	7.5	7.3

Social isolation/loneliness

4.119 The ONS mapped loneliness rates by local authorities between October 2020 to February 2021 during the COVID-19 pandemic. Areas with higher concentrations of younger people and higher rates of unemployment tended to have higher rates of loneliness during the study period. Across the UK, local authorities in more urban areas had a higher loneliness rate than rural, industrial, or other types of areas. In the London, 7.3% of the adult population reported they ‘often or always’ felt lonely. This was slightly higher than the British average of 7.2% [See reference 88]. Within the East London Boroughs, Newham and Redbridge had relatively low levels of the adult population reporting they ‘often or always’ felt lonely at 4.53% and 4.73% respectively. This contrasts with the reported levels within Barking and Dagenham (11.25) and Havering (8.8%).

COVID-19

4.120 The COVID-19 pandemic highlighted health inequalities nationally, including the differences in people’s health and well-being that result from the conditions in which they are born, grow, live, work and age. For example, the pandemic has impacted social and community networks, showing that lack of social contact has a detrimental impact on mental health (causing or facilitating

anxiety and depression). It also had a negative impact on individual lifestyle factors such as lack of exercise and unhealthy diet, causing other health issues.

Projected baseline information

4.121 Given that London has performed poorly for some health indicators against regional and national averages, it is likely it will continue to do so without substantial intervention. There are a range of potential changes in determinants that will affect health in the UK and London in the future including climate change. Summers are expected to become hotter, and overheating may increase the excess mortality rate for vulnerable groups.

Access to services and facilities

Current baseline information

4.122 Services and facilities include hospitals and GPs, recreational resources, food retailers, employment and education centres, and other aspects of social infrastructure such as community centres and places of worship. Good and equitable accessibility and the provision of sufficient community facilities is a vital part of development's role in improving the health and well-being of a community.

4.123 The London Borough of Newham produced a Community Facilities Needs Assessment in 2021 [See reference 89]. The study covers the whole of the borough, including the area currently covered by the London Legacy Development Corporation (LLDC), to form an evidence base and set of recommendations to inform the Local Plan review, specifically Policy INF8: Community Facilities. In addition, the evidence will enable LBN to make informed decisions about the spatial approach and location of community facilities as well as the detail in the borough's Site-Specific Allocations (SSA).

4.124 The most recent Department for Transport ‘journey time statistics’ [See reference 90] demonstrates the average journey time taken to reach the nearest key services (employment centres, primary and secondary schools, further education, GPs, hospitals, food stores and town centres) across local authorities. The average times taken to reach the nearest key services in each of the ELJWP London Boroughs are broadly the same or slightly higher than their regional and comparisons [See reference 91] as set out in Table 4.14 below.

Table 4.17: Average journey times to key services (minutes)

Location	Public Transport/ walking	Cycle	Car	Walking
Inner London	10.0	9.1	8.0	11.6
Outer London	13.2	10.9	8.9	17.1
Barking and Dagenham	12.7	10.8	8.8	16.6
Havering	15.1	12.0	9.5	20.5
Newham	10.7	9.4	7.8	12.5
LB Redbridge	12.6	10.6	8.7	15.6

4.125 Along with being physically available, support services need to provide people with a positive experience to promote uptake and engagement for early intervention and reducing or delaying development of additional health and care needs in the longer term. In London, fewer patients have a good experience in making a GP appointment overall. The rate had been falling over recent years, to the lowest in 2020 which likely had been impacted by changes resulting from the pandemic as improvements have been seen in reported experience lately and have surpassed levels seen in most recent years.

Projected baseline information

4.126 Access to key services and facilities could become more challenging as the population in the four London Boroughs continues to grow, if this results in insufficient capacity in the nearest services. As the population ages, this may result in a larger proportion of the plan area's population not having access to key services that are only readily accessible by car.

Open spaces

Current baseline information

4.127 In 2012, the NPPF introduced a new concept of a Local Green Space designation. The Local Green Space designation provides communities with a way to place special protection against the development of green areas of particular importance to them.

4.128 Barking and Dagenham has ambitions to be the 'Green Capital of the Capital' as set out in the Regulation 19 submission Local Plan [\[See reference 92\]](#). One third of the borough is green open space (463 hectares) and the borough is in close proximity to Epping Forest.

4.129 More than 50% of Havering is classed as Metropolitan Green Belt, and the borough has some of the most green space in London. The town centre in Romford has a lack of green space although it is within walking distance of a number of local parks. This mirrors other areas of the borough where, if there is a lack of one type of open space it is often met by another type of open space. There is generally a good coverage of parks, gardens, natural and semi natural spaces and amenity greenspaces across the borough.

4.130 Newham has an extensive network of natural and open areas, encompassing not only nature reserves, parks, and rivers but also playgrounds,

playing fields, allotments, gardens, hedges, green walls, green/brown roofs, cycle and footpaths, street trees, docks, lakes, and ponds. Specifically, Newham has 101 parks and gardens, and amenity greenspace which, along with natural and semi-natural greenspaces and sports facilities total approximately 254.72 ha of publicly accessible green space. However, the Borough has 16% tree cover which is the second lowest in London [See reference 93]. There are deficiencies in local and district park access, the former in Urban Newham, and the latter particularly in the east and west of the borough.

4.131 Redbridge, one of London's greenest boroughs, comprises extensive Green Belt land (37% of total area) to the north-east. About 48% of the borough comprises open spaces, including notable locations like Hainault Forest Country Park, Roding Valley Park, Fairlop Waters Country Park, Valentines Park, and around 120 hectares of countryside. These open spaces, including country parks and formal parks, contribute to the borough's character, biodiversity, and climate change mitigation efforts.

Projected baseline information

4.132 Development pressure could lead to the loss of some existing open space and sports/recreation facilities while projected population increases are likely to increase demand for such facilities.

Crime

Current baseline information

4.133 In the year ending July 2022, there was an average of 20 to 25 police recorded crimes per 1,000 population in London [See reference 94].

4.134 According to Police UK [See reference 95], crime in the each of the four Boroughs is lower than the London average, except for Havering although crime rates are increasing.

Projected baseline information

4.135 Crime rates are influenced by so many variables that it is very difficult to anticipate future trends. Spatial variation that currently exists in relative crime deprivation across the plan area is likely to remain for the foreseeable future, and for the most part will likely mirror overall deprivation trends.

Deprivation

Current baseline information

4.136 Poverty impacts upon entire families and has significant impacts on health, education, skills and life chances. Efforts to lift people out of poverty is a challenge, especially as it is linked to so many other factors such as income levels, cost of living and family size. The Indices of Multiple Deprivation (IMD) 2019 [See reference 96] provide comparison data down to the postcode level. **Figure 4.4** at the end of this chapter shows the IMD across the ELJWP area.

Barking and Dagenham

4.137 In Barking and Dagenham, 19.4% of the population was income-deprived in 2019, making the area the 20th most income-deprived local authority in England, excluding the Isles of Scilly. There are 110 neighbourhood areas within LBBD, and 49 of those are within the 20% most deprived in England. No neighbourhoods within LBBD are within the 20% least deprived in England.

Havering

4.138 In Havering, 10.8% of the population was income-deprived in 2019, making the area the 160th most income-deprived local authority in England, excluding the Isles of Scilly. There are 150 neighbourhood areas within LBH, and 14 of those are within the 20% most deprived in England. Thirty-two neighbourhoods within LBH are within the 20% least deprived in England.

Newham

4.139 In Newham, 16% of the population was income-deprived in 2019, making the area the 43rd most income-deprived local authority in England, excluding the Isles of Scilly. There are 164 neighbourhood areas within LBN, and 38 of those are within the 20% most deprived in England. Four neighbourhoods within LN are within the 20% least deprived in England.

Redbridge

4.140 In Redbridge, 12.1% of the population was income-deprived in 2019, making the area the 131st most income-deprived local authority in England, excluding the Isles of Scilly. There are 161 neighbourhood areas within LBR, and 11 of those are within the 20% most deprived in England. Fifteen neighbourhoods within LBR are within the 20% least deprived in England.

4.141 **Figure 4.4** at the end of this Chapter illustrates the range and distribution of deprivation across the Borough.

Projected baseline information

4.142 There are disparities in the level of deprivation across all four boroughs and within each borough. The GLA and each of the boroughs have strategies to

address inequalities over time but there are uncertainties if current trends will continue over time.

Equalities

Current baseline information

4.143 The Equality Act 2010 identifies nine ‘protected characteristics’ and seeks to protect people from discrimination based on these characteristics. It presents three main duties: to eliminate discrimination, harassment, victimisation and other conduct that is prohibited under the Act; to advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share it; and to foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The nine protected characteristics identified through the Act are:

- Age: Children (0-4), Younger people (aged 16-24), older people (aged 65 and over);
- Disability: Disabled people, people with physical and mental impairment;
- Gender reassignment;
- Marriage and civil partnership;
- Pregnancy and maternity;
- Race;
- Religion or belief;
- Sex; and
- Sexual orientation.

4.144 The data referred to below was collected in the 2021 UK Census.

Age

4.145 The latest dataset relates to the 2021 UK Census [See reference 97]. The 2021 Census suggests that across London, the age profile has changed very little since 2011 and remains younger than the broader national average. In relation to the four London Boroughs, the Boroughs of Barking and Dagenham, Newham, and Redbridge have all seen minimal increases in their median age, whilst Havering has seen a decrease by one year, from 40 to 39 years of age.

4.146 The age protected characteristic is split into three. For children up to four years old, the following applies to each of the four London boroughs:

- In Barking and Dagenham, the percentage of children aged 4 and below showed a decrease from 10.0% in 2011, to 7.9% in 2021.
- In Havering, the percentage of children aged 4 and below rose from 5.8% in 2011 to 6.3% in 2021.
- In Newham, the percentage of children aged 4 and below showed a decrease of 1.4%, between 2011 and 2021, from 8.2% to 6.8%.
- In Redbridge, the percentage of children aged 4 and below decreased from 7.8% in 2011 to 6.8% in 2021.

4.147 For younger people aged from 16 to 24 years old:

- In Barking and Dagenham, the percentage of younger people aged 16 – 24 displayed a slight decrease from 12.4% in 2011 to 11.4% in 2021.
- In Havering, the proportion of younger people aged 16 – 24 also showed a decrease of from 11.5% in 2011 to 9.7% in 2021, signifying a 1.8% decrease.
- In Newham, the percentage of younger people aged 16 – 24 displayed a decrease from 15.9% in 2011, to 13.2% in 2021.
- In Redbridge, the percentage of younger people aged 16 – 24 displayed a decrease from 23.9% in 2011, to 21.1%.

4.148 Older people (65 and over):

- In Barking and Dagenham, the percentage of older people, aged 65 and above displayed a decrease of 1.7% between 2011 and 2021, from 10.4% in 2011 to 8.7% in 2021.
- In Havering, the percentage of older people aged 65 and above presented a slight decrease between 2011 and 2021, from 17.9% in 2011 to 17.7% in 2021.
- In Newham, the percentage of older people aged 65 and above showed a small increase of 0.4%, between 2011 and 2021, from 6.7% in 2011 to 7.1 in 2021.
- In Redbridge, the percentage of older people aged 65 and above displayed a slight increase from 11.9% in 2011, to 12.2%.

Disability

4.149 Disabled people and people with physical and mental impairment:

- In Barking and Dagenham, in 2021 17.9% of the population identified as having a disability. Of this, 9% of the population reported significant limitations due to disability, whilst 8.9% reported minor limitations. This marks a 5.2% decrease from 2011, when 23.1% of the population identified as having a disability.
- In Havering, 15.3% of the population identified as having a disability in 2021. Of this, 6.6% of the population reported significant limitations due to disability, whilst 8.7% reported minor limitations. This marks a 2.6% decrease from 2011, when 17.9% of the population identified as disabled, with 8.5% reported significant limitations due to disability, and 9.4% of the population reported minor limitations.
- In Newham, 9.1% of the population identified as disabled and limited a lot in 2021. This represents a 4.4% decrease from 13.5% in 2011. In 2021, 8.4% identified as disabled and limited a little, representing an increase from 11.2% in 2011.

- In Redbridge, 14.6% of the population identified as having a disability in 2021. Of this, 6.7% of the population reported significant limitations due to disability, whilst 7.9% reported minor limitations. This marks a 4.8% decrease from 2011, when 19.4% of the population identified as disabled, with 9.3% reported significant limitations due to disability, and 10.1% of the population reported minor limitations.

4.150 Concerning mental health, the London Boroughs of Barking and Dagenham, Havering, and Redbridge have a relatively small percentage of the adult population experiencing severe mental illnesses (SMI), including schizophrenia, bipolar affective disorder and other psychoses. Rates of SMI are lower than the national average in all three boroughs – nevertheless more than 6,800 people have a SMI [See reference 98]. In Newham [See reference 99], the rate of mental health issues are higher in lower age groups than in older people.

Marriage and civil partnership

4.151 From the 2021 census data, the percentage of people married or in a civil partnership across England fell from 46.8% to 44.7%. During the same period, the London percentage fell from 40.2% to 40.0%. [See reference 100].

- In Barking and Dagenham, the percentage of people married (or in a civil partnership) rose from 42.1% in 2011 to 42.8% in 2021. The percentage of adults who had never married or registered a civil increased from 38.8% to 41.8%, while the percentage of adults who had divorced or dissolved a civil partnership decreased from 8.7% to 8.1%.
- In Havering, the percentage of people married (or in a civil partnership) declined slightly from 48.6% in 2011 to 47.0% in 2021. The proportion of people aged 16 years and over who had never been married or in a civil partnership rose from 33.0% in 2011 to 36.9% in 2021, and the percentage of adults who had divorced or dissolved a civil partnership declined from 8% to 7.8%.
- In Newham, the percentage of people married or in a civil partnership, was almost the same in 2021 as 2011, at 40.8% and 40.7% respectively. The

percentage of adults in Newham that had divorced or dissolved a civil partnership was 6.2% in 2011 and 2021. The proportion of people aged 16 years or over who had never been married or in a civil partnership rose from 45.2% in 2011 to 47.1% in 2021.

- In Redbridge, the percentage of people married (or in a civil partnership) rose slightly from 50.5% in 2011 to 51.1% in 2021. The proportion of people aged 16 years or over who had never been married or in a civil partnership rose from 34.6% in 2011 to 35.9% in 2021. the percentage of adults who had divorced or dissolved a civil partnership decreased slightly from 6.2% in 2011 to 6.1% in 2021.

Pregnancy and maternity

4.152 The total fertility rate (TFR) for England was 1.62 children per woman in 2021, increasing from 1.59 in 2020, an increase of 1.9%. In London the TFR was 1.52 children per women in 2021, a small decrease from 1.54 in 2020 **[See reference 101]**.

- In Barking and Dagenham, there were a total of 3,255 births in 2021, with a TFR of 2.04 children per woman, decreasing from 2.16 in 2020
- In Havering, the TFR rate was 1.66 in 2021, with a total of 3,057 births. This is a minimal decrease from 1.71 2020.
- In Newham, there were a total of 5, 346 births in 2021, with a TFR of 1.8 children per woman. This represents a small decrease from a TFR of 1.85 children per woman in 2020.
- In Redbridge, the TFR was 1.99 in 2021, with a total of 4,275 births. This is a minimal decrease from the TFR of 2.01 in 2020.

Ethnicity

4.153 Across London, the percentage of people from the "Asian, Asian British or Asian Welsh" ethnic group increased from 18.5% in 2011 to 20.7% in 2021,

while across England the percentage increased from 7.5% to 9.3% [See reference 102].

■ Barking and Dagenham:

- 25.9% of Barking and Dagenham residents identified their ethnic group within the "Asian, Asian British or Asian Welsh" category in 2021, compared with 15.9% in 2011.
- 44.9% of people in Barking and Dagenham identified their ethnic group within the "White" category in 2021, compared with 58.3% in 2011.
- 21.4% identified their ethnic group within the "Black, Black British, Black Welsh, Caribbean or African" category in 2021, compared with 20.0% the previous decade
- 4.3% identified their ethnic group within the "Mixed or Multiple" category in 2021, increased from 4.2% in 2011.

■ Havering:

- 10.7% of Havering residents identified their ethnic group within the "Asian, Asian British or Asian Welsh" category in 2021, up from 4.9% in 2011.
- 75.3% of people in Havering identified their ethnic group within the "White" category, in 2021, compared with 87.7% in 2011.
- 8.2% of Havering residents identified their ethnic group within the "Black, Black British, Black Welsh, Caribbean or African" category in 2021, compared with 4.8% in 2011.
- 3.7% identified their ethnic group within the "Mixed or Multiple" category in 2011, increased from to 2.1% in 2021.

■ Newham:

- 42.2% of people in Newham identified their ethnic group within the "Asian, Asian British or Asian Welsh" category in 2021, compared with 43.5% in 2011.
- 30.8% of Newham residents identified their ethnic group within the "White" category, in 2021 up from 29.0% in 2011.

- 17.5% identified their ethnic group within the "Black, Black British, Black Welsh, Caribbean or African" category in 2021, compared with 19.6% in 2011.
- The percentage of residents that % identified their ethnic group within the "Mixed or Multiple" category has remained reasonably constant, from 4.5% in 2011 to 4.7% in 2021.

■ Redbridge

- 47.3% of Redbridge residents identified their ethnic group within the "Asian, Asian British or Asian Welsh" category in 2021, compared with 41.8% in 2011, representing a 5.5% change which was the largest increase among high-level ethnic groups in this area.
- 34.8% of people in Redbridge identified their ethnic group within the "White" category in 2021, compared with 42.5% in 2011.
- The percentage of residents that identified their ethnic group within the "Black, Black British, Black Welsh, Caribbean or African" category in Redbridge has remained largely constant, from 8.4% in 2021, compared with 8.9% the previous decade

4.154 The percentage of residents that identified their ethnic group within the "Mixed or Multiple" category has remained the same from 2011 to 2021, standing at 4.1%.

Religion and belief

4.155 As religion is self-reported in the census, caution is needed when comparing data across areas and between each census. In London, the percentage of residents who described themselves as Muslim increased from 12.6% to 15.0% between 2011 and 2021, while across England the percentage increased from 5.0% to 6.7% **[See reference 103]**.

■ Barking and Dagenham:

- 24.4% of residents described themselves as Muslim in 2021, up from 13.7% in 2011.

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- 45.4% of residents described themselves as Christian in 2021, down from 56.0% in 2011.
- 18.8% of residents reported having "No religion" in 2021, down from 18.9% in 2011.
- **Havering:**
 - 6.2% of residents described themselves as Muslim in 2021, up from 2.0% in 2011.
 - 52.2% of residents described themselves as Christian in 2021, down from 65.6% in 2011.
 - 30.6% of residents reported having "No religion" in 2021, up from 22.6% in 2011.
- **Newham:**
 - 34.8% described themselves as Muslim in 2021, up from 32.0% in 2011.
 - 35.3% of people in Newham described themselves as Christian in 2021, down from 40.0% in 2011.
 - 14.5% of Newham residents reported having "No religion" in 2021, up from 9.5% in 2011
- **Redbridge**
 - In 2021, 31.3% of Redbridge residents described themselves as Muslim, making it the most common response in this local authority area. This marks an 8% increase from 23.3% in 2011.
 - 30.4% of people in Redbridge described themselves as Christian in 2021, down from 36.8% in 2011.
 - 12.6% of Redbridge residents reported having "No religion" in 2021, up from 11% in 2011.

Sex

4.156 In 2020, across London, there were 4.51 million males, constituting 50.1% of the population, and 4.48 million females, making up 49.9%. This distribution remained consistent despite a smaller overall population. According to mid-year population estimates from the ONS, in 2019, there were 4.51 million males, constituting 50.1% of the population, and 4.49 million females, making up 49.9% [See reference 104]. Looking broadly at England, in 2020, males comprised 49.5% of the population whilst females comprised 50.5%. This remains largely consistent to 2019 estimates, in which males made up 49.4% of the population, and females 50.6%.

- Barking and Dagenham: In 2020 the borough had a total population of 214,107, of which 49.9% were male and 50.1% were female.
- Havering: In 2020 the borough had a total population of 260,651, of which 48.2% were male and 51.8% were female.
- Newham: In 2020 the borough had a total population of 355,266, of which 53.2% were male and 46.8% were female.
- Redbridge: In 2020 the borough had a total population of 305,658, of which 50.8% were male and 49.2% were female.

Sexual orientation and gender identity

4.157 Sexual orientation [See reference 105]:

- Barking and Dagenham: 2.3% of the population identified as LGB+ (those who described their sexual orientation as something other than heterosexual)
- Havering: From the 2021 census data, 91.1% of the population identified as straight or heterosexual, whilst 1.95% identified as LGB+ orientation.
- Newham: 4% of the population identified as LGB+. The vast majority of the population identified as heterosexual, at 83.3%.

- Redbridge: The 2021 Census data shows that in Redbridge, approximately 2.5% of residents ages 16 and over identify as part of the LGBT+ community, whilst 88.1% of the population identified as heterosexual.

4.158 Gender identity [\[See reference 106\]](#):

- Barking and Dagenham: Barking and Dagenham has the highest proportion of trans women (0.25%) and 3rd highest proportion of trans men (0.24%) in England and Wales.
- Havering: As of 2021, within London, Havering has the 5th lowest proportion of residents aged 16 and over reporting that the gender that they identify with now is different to their sex registered at birth, at 0.25%. Of this figure, 0.11% identified as a trans woman, and 0.10% identified as a trans man. 5.82% of Havering residents did not answer the question.
- Newham: Newham has the second highest percentage who identified as a trans men (0.25%). Furthermore, in Newham, 1.51% of people aged 16 and over said their gender identity was different from their sex at birth. Of them, 692 people were trans men and 645 were trans women. A further 168 said they were non-binary.
- Redbridge: 1% of residents aged 16 and over stated that they did not identify with the gender assigned to them at birth. Of them, 465 people were trans men and 401 were trans women. A further 61 said they were non-binary. About 20,300 people did not answer the voluntary question.

Projected baseline information

4.159 A review of the baseline information suggests that London has a younger than average population, greater ethnic and religious diversity, and a low mortality rate, although mortality rate and life expectancy differs across the four boroughs in the ELJWP area.

Implications for health

4.160 Some areas of the four London boroughs within the plan area experience health challenges, with high levels of obesity and risk of associated health problems. The UK Chief Medical Officers advise that for good physical and mental health, adults should aim to be physically active every day. Over the course of a week adults should accumulate at least 150 minutes of moderate intensity activity; or 75 minutes of vigorous intensity activity day; or even shorter durations of very vigorous intensity activity; or a combination of moderate, vigorous and very vigorous intensity activity [\[See reference 107\]](#).

4.161 Similarly, open spaces and recreational facilities provide residents space in which they can undertake physical activity to the benefit of public health, including lowering the risk of specific health conditions such as depression, anxiety, cortisol, blood pressure, pre-term birth, low birthweight, and type 2 diabetes. There is generally positive evidence relating to the impacts of activities in natural environments on children's mental health and their cognitive, emotional and behavioural functioning. These health benefits are thought to arise through a range of pathways, including providing opportunities and safe spaces for physical activity, for restoration and relaxation, and for socialising with friends and family. Exposure to green and blue space is also associated with higher levels of life satisfaction. Impacts appear to differ according to socio-economic status and other demographic factors such as age or gender.

4.162 Encouraging active travel, such as walking, wheeling and cycling can have a wider range of positive implications for health, including increased physical activity and opportunities for social interaction. In addition, an increase in active travel would be associated with a decrease in vehicular transport and an associated decrease in air pollutants that can be harmful to human health.

Key sustainability issues and opportunities for the ELJWP to address them

4.163 Across the four boroughs, population is forecast to increase, with younger (0 to 15) and older (over 65) groups seeing the largest increase. In Barking and Dagenham for example, the population is forecast to grow to 250,000 by 2031 with annual growth of households of 1,519 a year in that period. In the absence of any significant change in per capita resource consumption, the consequence of population growth will be an increase in the amount of waste being generated. The existing network of waste management facilities will need to become more efficient and may also need to expand in places to keep pace with demand for waste management services.

Economy

Economy and employment

Current baseline information

4.164 London is an international city which has established itself as a major centre of economic activity. As measured by Gross Value Added (GVA), London's total economic output was worth around £364 billion in 2014, 6.8% higher than in 2013. In 2014, London accounted for 22.5% of the UK's total GVA, up from 18.9% in 1997 [[See reference 108](#)].

4.165 Between 1971 and 2015, the total number of jobs in London has increased by almost one million. The professional, scientific and technical activities sector accounts for the largest number of jobs, at 755,000 (or 14%). Compared to the wider UK, London is specialised (in terms of jobs) in both the information and communications sector and the financial and insurance

activities sector. This sector is the largest in London, generating £68.7 billion of GVA and accounting for 18.9% of London's total economic output. Within these broad sectors there are a large number of significant subsectors of particular specialisation within London. In addition to this specialisation, there are significant levels of employment in a number of broad sectors – making for quite a diverse economic structure. The spatial make-up of London's economy shows that different sectors are important to different boroughs. The Financial and insurance activities sector accounts for 66.6% of total output in the City of London; whereas in Havering has the greatest proportional share of, the Distribution, transport, accommodation and food sector, accounting for accounts for 24.2% of output. Barking and Dagenham has the greatest proportional share of the Production industries, accounting for 21.2% of total output. Newham has the greatest proportional share of local authority output, public administration, education and health, accounting for 18.9% within London [\[See reference 109\]](#).

4.166 In Havering, Barking and Dagenham and Redbridge, the largest percentage of residents aged 16 and over (27.8%, 23% and 26.7% respectively) are employed in the public administration, education and health sector. In Newham, the largest employment sector is banking, finance and insurance, employing 29.8% [\[See reference 110\]](#).

4.167 Of people aged 16 to 64 years living in Havering, 82.6% were employed in the year ending June 2023. This is the highest employment rate when compared to the other three borough's. Consequently, it also has the lowest rate of unemployment (those without jobs who are actively seeking work and available to take up a job) at 3.5%. Newham has the second highest rate of employment (75.5%), and an unemployment rate of 4.7%. Barking and Dagenham has an employment rate of 73.1% and an unemployment rate of 5.5%. Redbridge has the lowest employment rate (72.5%) and an unemployment rate of 5.1%.

4.168 Across London in the year ending June 2023, 75.1% of people aged 16 to 64 years were employed. This means that Barking and Dagenham and Redbridge are below the London average. Across London in the year ending June 2023, 4.6% of people aged 16 to 64 years were unemployed. This means

that Newham, Barking and Dagenham and Redbridge have a higher unemployment rate than the London average. Newham has the fifth highest unemployment rate out of all London boroughs [\[See reference 111\]](#).

4.169 GLA analysis of the departure from the European Union [\[See reference 112\]](#) notes that the economy in London will be most impacted by changes to the provision of financial services, the loss of low skilled labour from the European Economic Area, with less impact to trade in comparison with the wider UK.

Growth Areas

4.170 The Growth Strategy for Barking and Dagenham 2013-2023 sets out the key aims and areas for growth in the borough, to increase investment and create a higher skilled workforce [\[See reference 113\]](#). The LBBD Regulation 19 Submission Local Plan (2021) [\[See reference 114\]](#) identifies the following areas for economic growth for the period between 2019 and 2037:

- Barking Town Centre and the River Roding
- Barking River side
- Thames Road
- Castle Green
- Chadwell Heath and Marks Gate
- Dagenham Dock and Beam Park
- Dagenham East
- Dagenham Heathway

4.171 Havering's Inclusive Growth Strategy (2020-2045) [\[See reference 115\]](#) provides an analysis of the local economy and identifies the types of employment growth and locations for growth over the period to 2045 [\[See reference 116\]](#). The LBH Local Plan 2021 [\[See reference 117\]](#) focusses growth on the areas of Rainham and Beam Park, and Romford, consistent with the London Plan 2021.

4.172 Three of the London Plan (2021) Opportunity Areas are located or partly located in Newham: Royal Dock and Beckton Riverside, and the Poplar Riverside and Olympic Legacy cross boundary Opportunity Areas. The Regulation 18 draft Newham Local Plan (2023) incorporates these areas and also includes a number of Micro Business Opportunity Areas, to promote business use around existing town centres.

4.173 The Redbridge Local Plan (2018) [\[See reference 118\]](#) identifies the following areas for economic growth for the period between 2015 and 2030, noting the inclusion of the Ilford Opportunity Area within the London Plan (2021):

- Ilford Investment and Growth Area
- Crossrail Corridor Investment and Growth Area
- Kind George and Goodmayes Hospital
- Land at Billet Road
- Gants Hill Investment and Growth Area
- Barkingside Investment and Growth Area
- South Woodford Investment and Growth Area

Strategic Industrial Land

4.174 Strategic Industrial Locations (SIL) are protected through Policy E5 of the London Plan. The London Plan notes the importance of these locations in east London, and the role the Thames Gateway will play in a "strategically co-ordinated plan-led consolidation of SILs in order to manage down overall vacancy rates, particularly in the boroughs of Newham and Barking and Dagenham" Plan [\[See reference 119\]](#).

Projected baseline information

4.175 The full economic impact of the COVID-19 pandemic will not be known for some time. However, anecdotal evidence suggests that office-based staff will work remotely/at home more frequently; consequently, businesses are likely to reduce their office space. Rising heating costs have the potential to encourage people back into the office however it is uncertain whether attendance will return to pre-pandemic levels. The full impacts of Brexit are still to be felt, and the continued impacts on London's economy will be different to the impacts on the UK as a whole, as set out above.

Implications for health

4.176 Employment and job security influence mental health and levels of stress. Income can also influence physical health, in terms of the quality and location of housing that people can afford. A strong local economy will help create more job opportunities, contribute to greater job stability and raise the quality of life for local people, resulting in improved health outcomes.

Key sustainability issues and opportunities for the ELJWP to address them

4.177 Beneficial economic characteristics have not been equally shared across the four borough's local communities. The consequence for this has been levels of local inequality, including areas such as South Hornchurch and Harold Hill in Havering, and areas within the wards Abbey, Gascoigne, Chadwell Heath, Thames and Abbey fall in Barking and Dagenham falling within the 10% more deprived Lower Super Output Areas in England.

4.178 The ELJWP could support a local policy framework that will make a small, but present, contribution towards improving the diversity and quality of local employment opportunities available in more deprived urban localities. It may

also bring about training investment, where relevant skills deficits might be present within local communities.

Transport

Current baseline information

4.179 London Infrastructure Plan 2050: Transport Supporting Paper [See reference 120] notes that across London, trip rates are expected to remain constant on a per person basis, but that expected growth in population will require significant additional capacity across London's transport networks by 2050.

- Barking and Dagenham: The Barking Borough Wide Transport Strategy (2021) [See reference 121] considers the key concerns are around the capacity and air quality in the vicinity of the A12 and A13, the lack of access to public transport, fragmented cycling and walking links, and the continued high rates of accidents.
- Havering: The Local Implementation Plan 3 [See reference 122] sets out how the borough will aim to achieve the target of 65% of all trips being made on foot, cycle or public transport by 2041, as well as improving casualty reduction and air quality.
- Newham: The Local Implementation Plan [See reference 123] focusses on the aim of 83% of all trips in Newham to be made by foot, by cycle or using public transport by 2041 as well as the Borough's corporate aims regarding air quality, sustainable and active travel and public health.
- Redbridge: The third Local Implementation Plan (2019) [See reference 124] focusses on transport improvements aligned to areas of growth, reducing car use to meet climate change targets, and improving access to sustainable transport across the borough and in new growth locations.

4.180 **Figure 4.2** at the end of this chapter illustrates the main road, rail and cycling routes in the ELJWP Area.

4.181 The Lower Thames Crossing is a proposed new motorway connecting Kent, Thurrock and Essex through a tunnel beneath the river Thames. If permission is granted, the project will provide over 90% additional road capacity across the Thames east of London. The new motorway will have three lanes in each direction, with a speed limit of 70mph. It will connect the tunnel to the A2 and M2 in Kent on the southern side and A13 and junction 29 of the M25 in the London Borough of Havering on the northern side. The crossing will also feature a 4km-long twin-tube tunnel under the Thames River, for southbound and northbound traffic. With a diameter of 16m, the tunnel will be one of the largest bored-tunnels in the world **[See reference 125]**. A decision is expected later in 2024.

4.182 At the time of Census 2021, UK government guidance and lockdown restrictions resulted in unprecedented changes to travel behaviour and patterns **[See reference 126]**. As seen in **Table 4.15**, between one fifth and just over one third of residents were working from home in 2021. The prevalence of car use over public transport in all boroughs other than Newham reflects the location of LBN within inner London.

Table 4.18: Method of travel to work 2021

Method of travel to work	Barking and Dagenham	Havering	Newham	Redbridge
Total surveyed	94,586	124,781	163,446	141,627
Work mainly at or from home (%)	20.7	33.4	29.2	34.9
Underground, metro, light rail, tram (%)	16.2	6.7	23.5	14.6
Train (%)	9.2	7.0	8.6	6.0

Method of travel to work	Barking and Dagenham	Havering	Newham	Redbridge
Bus, minibus or coach (%)	10.2	5.6	9.1	5.8
Taxi (%)	0.6	0.6	0.5	0.6
Motorcycle, scooter or moped (%)	0.6	0.5	0.7	0.5
Driving a car or van (%)	32.5	36.8	17.3	28.4
Passenger in a car or van (%)	2.5	2.7	1.5	2.1
Bicycle (%)	1.3	0.7	2.3	1.1
On foot (%)	4.7	4.9	6.0	4.8
Other method of travel to work (%)	1.5	1.2	1.4	1.3

Projected baseline information

4.183 Sustainable public transport, including active travel investment is essential alongside direct road congestion interventions if each borough is to continue to reduce the reliance on car travel, and support the use of more sustainable alternatives.

Implications for health

4.184 A lack of sustainable and active travel options can have negative impacts on public health whilst also increasing reliance on relatively expensive private motorised transit and exacerbating existing inequalities. Encouraging active travel, such as walking, wheeling and cycling can have a wide range of positive implications for health, including increased physical activity and opportunities for

social interaction. In addition, an increase in active travel could be associated with a decrease in reliance on often expensive vehicular transport, and an associated decrease in air pollutants that can be harmful to human health.

Key sustainability issues and opportunities for the ELJWP to address them

4.185 Several of the ELJWP road links are inadequate, with several roads and junctions noted as being at or near to capacity, and many experiencing congestion at peak times. Adverse traffic conditions on these routes often have knock-on effects on local roads, leading to localised gridlock on occasion and impacting negatively on economic productivity. In addition, with planned developments and increased housing and job provision, more pressure may be placed on the road networks.

4.186 Without the ELJWP it is anticipated that traffic congestion and air and noise pollution from transport associated with waste developments will continue to increase with the rising population and car dependency will continue to be high. The implications of air pollution for human health and the natural environment are described in subsequent sections.

4.187 The ELJWP provides an opportunity to reduce the demand on the transport network from waste development and to address potential adverse effects of travel by:

- Locating waste development where there is good access to sustainable transport modes for waste and employees
- Supporting and prioritising sustainable travel choices through workplace travel plans; and
- Supporting the uptake of electric vehicles through the provision of electric vehicle charging infrastructure at waste sites.

Historic environment

Current baseline information

Barking and Dagenham

4.188 The Regulation 19 Submission Local Plan for Barking and Dagenham [See reference 127] notes the importance of conserving and enhancing heritage and cultural assets as the borough continues to grow.

4.189 The borough has 45 statutory listed buildings, 123 locally listed buildings, 1 scheduled ancient monument and four conservation areas [See reference 128].

4.190 The greatest concentration of listed buildings is in Barking [See reference 129]. The site of Barking Abbey is Barking and Dagenham's only Scheduled Ancient Monument. It includes the ruins of the Abbey and most of Abbey Green.

4.191 There are four conservation areas:

- Abbey and Barking Town Centre Conservation Area;
- Abbey Road Riverside Conservation Area;
- Chadwell Heath Anti-aircraft Gun Site Conservation Area; and,
- Dagenham Village Conservation Area.

4.192 London Borough of Barking and Dagenham Archaeological Priority Areas Appraisal [See reference 130] found a total of 20 Archaeological Priority Areas are recommended for Barking and Dagenham.

Havering

4.193 The adopted 2021 Havering London Borough Local Plan 2016-2031 [See reference 131] highlights the importance of the plan in protecting the boroughs most valued historic assets by conserving and enhancing Havering's rich heritage and historic environment.

4.194 The borough contains a wealth of designated heritage assets, including 140 listed buildings. There are 3 Scheduled Monuments and 11 Conservation Areas [See reference 132].

- Corbets Tey Conservation Area;
- Cranham Conservation Area;
- Gidea Park Conservation Area;
- Havering-atte-Bower Conservation Area;
- Langtons Conservation Area;
- North Ockendon Conservation Area;
- RAF Hornchurch Conservation Area;
- Rainham Conservation Area;
- Romford Conservation Area;
- St Andrews Conservation Area; and
- St Leonards Hornchurch Conservation Area.

4.195 Special townscape or landscape character areas are areas that have a special and unique character which adds to the townscape and landscape quality of Havering, of which Havering currently has two: Emerson Park, which is typified by large and varied dwellings set in spacious, mature, well landscaped grounds, and the Hall Lane Policy Area typified by large detached and semi-detached dwellings set in large gardens with considerable tree and shrub planting. All of the areas have unique characters which add considerable value to the borough's environment.

4.196 There is just one listed garden in Havering - Upminster Court Gardens, and just one scheduled monument which can be found within the Romford conservation area.

Newham

4.197 The Newham Local plan 2018-2033 [See reference 133] looks to tackle the legacy of Newham's historic position in London and integrate the area with local historic context.

4.198 Newham has over 100 listed buildings, ranging from the 15th century Spotted Dog pub to the 19th century Abbey Mills Pumping Station. Eleven percent of listed buildings and monuments were considered to be 'At Risk' in 2017 [See reference 134].

4.199 Newham's local list identifies historic buildings, spaces and features that are valued by the local community and that help give Newham its distinctive identity. The list identifies parts of the historic environment that are not already designated in another way (such as a listed building), but which nonetheless contribute to a sense of place, local distinctiveness and civic pride.

4.200 There are nine conservation areas in Newham:

- Durham Road Conservation Area, Manor Park, E12;
- East Ham Conservation Area, E6;
- Forest Gate Town Centre Conservation Area, E7;
- Romford Road Conservation Area, Forest Gate, E7;
- Stratford St John's Conservation Area, E15;
- Sugar House Lane Conservation Area, Stratford, E15;
- Three Mills Conservation Area, E3;
- University Conservation Area, Stratford, E15; and,

- Woodgrange Estate Conservation Area, Forest Gate, E7.

4.201 Two of Newham’s conservation Areas: The Three Mills and Sugar House Lane are located in the London Legacy Development Corporation area.

4.202 The Local plan identifies Archaeological Priority Areas: five tier 1, sixteen tier 2, six tier 3 and one tier 4.

Redbridge

4.203 The Redbridge Local Plan 2015-2030 [**See reference 135**] looks to celebrate open spaces and enhance Redbridge’s historic assets. The Council is also committed to the positive conservation and use of heritage assets as they make an important contribution to the identity, distinctiveness and character of Redbridge.

4.204 There are a range of heritage assets within the borough including over 200 statutorily listed buildings or structures of special architectural or historic interest and over 200 locally listed buildings.

4.205 There is also two Registered Historic Parks and Gardens, which are designed landscapes with special historic interest, no Archaeological sites and areas and eight Residential Precincts.

4.206 Redbridge has 16 Conservation Areas, which are statutory local designations covering areas of special architectural or historic interest:

- Aldersbrook and Lakehouse Conservation Area;
- Barnado’s Village Homes Conservation Area;
- The Bungalow Estate Conservation Area;
- Claybury Conservation Area;
- George Lane Conservation Area;

- Little Heath Conservation Area;
- Snaresbrook Conservation Area;
- South Woodford Conservation Area;
- Valentines Mansion Conservation Area;
- Wanstead Park Conservation Area;
- Wanstead Grove Conservation Area;
- Wanstead Village Conservation Area;
- Woodford Bridge Conservation Area;
- Woodford Broadway Conservation Area;
- Woodford Green Conservation Area; and,
- Woodford Wells Conservation Area.

4.207 The 2016 London Borough of Redbridge Archaeological Priority Areas (APA) appraisal [See reference 136] finds a total of 36 Archaeological Priority Areas are recommended for Redbridge of which four are Tier 1 APAs, 28 are Tier 2 APAs and four are Tier 3 APAs.

Projected baseline information

4.208 The historic environment can be considered a finite resource. It cannot be replaced and is susceptible to decline over time as historic features experience degradation and decay. However, cultural heritage can evolve and change, and features which are not currently considered a valued part of the historic environment may become so in the future, either due to their uniqueness, past use, or historic or cultural significance.

4.209 At local level, new developments, infrastructure and environmental pressures, such as extreme weather and flooding, present the greatest risk to cultural heritage assets.

4.210 Historic England has a Heritage at Risk Register [\[See reference 137\]](#) which includes historic buildings, listed buildings, sites and Conservation Areas at risk of being lost through neglect, deterioration or decay. The register aims to highlight those places and buildings in greatest need of repair. As of 2023, there are eighty-one heritage assets registered as at risk within wider London. There are six heritage assets registered at risk within Barking and Dagenham, twelve within Havering, thirteen within Newham and nine within Redbridge.

Implications for health

4.211 Historic England explored the links between the historic environment and health in Wellbeing and the Historic Environment [\[See reference 138\]](#). This identified mental and social wellbeing benefits of the historic environment, including opportunities to meet people and expand knowledge through volunteering or visiting historic sites and giving people a sense of place, community and belonging.

Key sustainability issues and opportunities for the ELJWP to address them

4.212 There are many designated and undesignated heritage assets and areas of historical and cultural interest in the ELJWP area that could be adversely affected by climate change and poorly located or designed development. While several of the historic assets in the plan area, for example Listed Buildings and Scheduled Monuments, will continue to be protected by statutory designations, without the ELJWP it is possible that these, and undesignated assets, will be adversely affected by inappropriate development. The ELJWP provides an opportunity to protect these assets (including their settings) from inappropriate waste development.

4.213 Although there is a high level of protection afforded historic sites within the NPPF and NPPW, more of an emphasis could be placed within the ELJWP

on directing waste developments away from sensitive locations and requiring them to be designed and built so as to minimise adverse effects on the county's historic environment above and below ground.

Landscape and townscape

Current baseline information

4.214 The National Character Map defines the ELJWP area as lying within National Character Areas 111 - Northern Thames Basin and Area 112 – Inner London [**See reference 139**].

4.215 The Northern Thames Basin area is more diverse mix of urban and rural landscapes. The rural and dispersed landscape adjacent to Essex becomes increasingly urban towards the centre of London. There is a mix of historic settlement patterns, with remnants of historical orchards and other communal green and farmed spaces. Urban areas have low levels of tranquillity with pockets of perceived tranquillity, as with the Inner London area. Moving eastwards in the ELJWP area, tranquillity increases as green space and Green Belt areas increase.

4.216 Within the Inner London area, there is a strong sense of place along the Thames and particularly in the wharfs and creeks of East London as well as the parks and gardens, green spaces, rivers and other natural habitats. There are strong settlement patterns, and industrial features, with good public access to heritage assets. The whole NCA scores negatively for tranquillity, but there are good pockets of perceived tranquillity in public parks and other small spaces.

Projected baseline information

4.217 Within the **Inner London NCA**, there are several drivers for change that will put pressure on landscape. These include:

- Overheating, flooding and drought cause by hotter, drier summers; warmer, wetter winters; and more frequent incidences of extreme weather;
- Change in species composition and reduction in the connectivity of habitats;
- Reduced water availability and lower oxygen levels in water bodies;
- Regeneration and development: As well as ongoing commercial and housing development pressure, Inner London will be affected by major infrastructure projects such as the Thames Tideway Tunnel and Cross Rail. Changes to the London skyline and iconic views will be affected by new building developments in the centre; and
- Development on brownfield land and urban greening have reduced pressure on London's green spaces and can bring land back into beneficial use.

4.218 Within the **Northern Thames Basin NCA**, drivers for change include:

- Continued urban expansion of settlements putting pressure on their landscape setting;
- Provision of new open space to improve health and wellbeing, which could lead to habitat fragmentation and an altered landscape character;
- Increased development of infrastructure (transport, logistics and industrial);
- Continued demand for minerals;
- Climate change will lead to increased wind erosion in hotter and drier periods and water erosion in the wetter, colder periods;
- Loss of brownfield sites in developed areas putting pressure on invertebrate habitats; and

- Decreased water availability with potential loss of specific drought intolerant species and water quality of water bodies.

4.219 The urban landscapes can be conserved by maintaining green spaces, landscaping and trees and implementing good design practices in new developments. Maintaining the rural landscape and natural landforms will be dependent on being able to preserve and conserve ancient woodlands, unimproved grasslands, protected lanes, commons and hedge-rowed field patterns, as well as the ridges and hilltops from inappropriately located or designed development, changing agricultural practices and seasonal climate change.

Implications for health

4.220 The landscape can benefit mental health and wellbeing in providing a pleasant setting and identifying and enhancing local landscape contributes to sense of place and belonging. Sensitive landscape management can also improve social and physical health by encouraging physical recreation, including providing a pleasant environment for activities such as walking and cycling, providing good public access links and helping people to feel safe and confident in navigating landscapes.

Key sustainability issues and opportunities for the ELJWP to address them

4.221 East London's varied urban and more rural landscapes are vulnerable to adverse effects from urban intensification, increasing recreational pressures and seasonal climate change. The ELJWP provides an opportunity to help to protect and enhance such areas by directing development to the most sustainable locations and ensuring the design of new waste facilities is sympathetic to the surrounding area. The ELJWP will be best placed to do so if it is able to draw on up to date evidence on landscape character and sensitivity.

Biodiversity

Current baseline information

4.222 Biodiversity net gain (BNG) is mandatory in England from 12 February 2024 [See reference 140]. The NPPF emphasises that plans should identify and pursue opportunities for securing measurable net gains for biodiversity, and plans and decisions should minimise impacts and provide net gains for biodiversity. The statutory framework aims to ensure that developments will achieve at least a 10% gain in biodiversity value. The requirement will apply to most new planning applications within each borough, whether or not the requirement is captured within their adopted local plan.

4.223 The London Environment Strategy [See reference 141] includes policies and proposals that aim to ensure that more than half of London will be green by 2050 and the city's tree canopy cover increases by 10%. The Strategy aims to achieve this by:

- making it the first National Park City (achieved in 2019 [See reference 142]);
- working with others to expand and improve London's urban forest;
- highlighting the economic value of London's natural capital, and finding new ways to fund London's green infrastructure that recognise this value;
- providing guidance and support to help people manage and create habitats for wildlife and enhance London's biodiversity;
- making maps, data and research available to help others to make a case for and identify priorities for green infrastructure in their local area;
- including policies in the new London Plan to protect the green belt and our best wildlife habitats, and to ensure that new developments include enough urban greening; and,

- supporting communities and others to improve London's greenspaces and opportunities to enjoy nature through funding programmes.

4.224 The Strategy recognises that in the past, green spaces and biodiversity in London has deteriorated in size and quality and now faces many environmental challenges. One of the challenges identified is waste. The Strategy states that waste has a big impact on the biodiversity and the environment both locally and globally. Less than half of the 7m tonnes of waste that London's homes and businesses produce each year is currently recycled, and landfill capacity is set to run out by 2026. Plastic packaging not only litters London streets, but often finds its way into waterways and oceans, releasing toxic chemicals before breaking down – a process that can take centuries. London needs to reduce, reuse and recycle more, to see waste as the valuable resource that it is, and to reduce London's increasing waste bill as the city grows.

4.225 There are three European protected wildlife sites within 5km of the four boroughs; Epping Forest Special Area of Conservation (SAC), Lee Valley Special Protection Area (SPA) and Lee Valley Ramsar. The south edge of Epping Forest crosses into the northern boundary of Redbridge. Downstream from the river Thames, which forms the southern boundary of the Plan area are Thames Estuary & Marshes Ramsar and SPA, which is within 10km of the plan area, and the Benfleet and Southend Marshes SPA.

4.226 Epping Forest is a former royal forest and one of the few remaining large-scale examples of ancient wood-pasture in lowland Britain. It is long (~19km) but relatively narrow, covering a series of semi-natural woodland and grassland blocks between Wanstead in London (near the A12) and the M25 at Epping. Approximately two-thirds of the forest is designated as an SAC.

4.227 The site supports a mosaic of high-value habitats including ancient semi-natural beech woodlands (which dominate the site), unimproved acid grasslands, wet and dry heath, as well as small rivers, streams and bogs. The woodlands primarily correspond to the NVC communities W14 (*Fagus sylvatica* – *Rubus fruticosus* woodland), W15 (*Fagus sylvatica* – *Deschampsia flexuosa* woodland) and W10 (*Quercus robur* – *Pteridium aquilinum* – *Rubus fruticosus*

woodland); the heathland habitats are primarily NVC communities M16 (*Erica tetralix* - *Sphagnum compactum* wet heath and H1 (*Calluna vulgaris* - *Festuca ovina*) heathland. The long history of grazing (formerly) and management has produced habitats (including large numbers of veteran trees) that are important for a range of associated species and species groups, including rare epiphyte communities, fungi, and saproxylic invertebrates.

4.228 The forest is London's largest open space and so is a significant resource for recreation, being used for a range of activities including walking, dog walking, running, cycling, wildlife watching and horse-riding. Indeed, the Epping Forest Act 1878 stipulates that it "*shall at all times [be kept] .as an open space for the recreation and enjoyment of the people*".

4.229 The SSSI underpinning the SAC is mostly in 'favourable' or 'unfavourable recovering' condition. The primary reasons for SSSI units being in 'unfavourable no change' or 'unfavourable recovering' condition are air pollution and public access / disturbance, although management and invasive aquatic species are also issues for some units. Accordingly, the improvement plan identifies the following pressures affecting site integrity:

- Air pollution (impact of atmospheric nitrogen (N) deposition);
- Undergrazing;
- Public access / disturbance; and
- Invasive species. Changes in species distributions (relates to tree recruitment), water level management (principally relating to groundwater levels in wet heath areas), water pollution (primarily from local road run-off), disease (principally tree diseases) and invasive species (spread of heather beetle; impact of grey squirrel on woodland regeneration; *Crassula* dominance in Speakman's Pond) are all identified as threats.

4.230 The London Borough of Redbridge and the London Borough of Newham along with Natural England, City of London, and neighbouring Planning Authorities (Responsible Bodies) have developed a joint Strategic Access Management and Monitoring Strategy for Epping Forest SAC to manage the impact of visitor pressure, identified as a likely significant effect during Plan

Making for neighbouring authorities [See reference 143]. Each impacted authority is also leading individually on work to secure Suitable Alternative Natural Greenspace and to understand and mitigate any air quality impacts on the Forest.

4.231 The Lee Valley SPA and Lee Valley Ramsar site (hereafter the 'SPA/Ramsar' unless considering specific site features) comprise a series of man-made and semi-natural waterbodies (reservoirs, lagoons and gravel pits) along the River Lea in North London. The closest units to the Newham borough area are a group of reservoirs around Walthamstow constructed in the late 19th century; the remainder of the SPA/Ramsar is located north of the M25 and substantially beyond the zone of influence of the ELJWP. Parts of the sites are managed as nature reserves.

4.232 The Walthamstow reservoirs are operated by Thames Water and are used for fishing and birdwatching, but water sports are not permitted. There are however a number of well used public paths around the reservoir margins. Other units of the SPA are used for recreational water sports.

4.233 The SSSI units underpinning the SPA and Ramsar site are currently in 'favourable' or 'unfavourable recovering' condition, and the SIP does not identify any pressures currently affecting site integrity. The improvement plan [See reference 144] identifies several threats, principally:

- Water pollution (principally related to the need for clear open water and moderately eutrophic conditions);
- Water level management (principally relating to the operation of the reservoirs for water abstraction);
- Public access / disturbance (recreational water sports (not within Walthamstow reservoirs), angling and dog-walking);
- Inappropriate scrub control (relating to reedbed management and marginal habitats);
- Fish stocking (relating to recreational angling and the need to balance this against the interest feature requirements);

- Invasive species (the wetlands are periodically colonised by Azolla);
- Inappropriate cutting / mowing (rotational management of reedbed for bittern)
- Air pollution (principally relating to potential effects on reedbeds supporting bittern, although it should be noted that for most wetland habitats eutrophication via run-off and flood water is overwhelmingly more significant than air pollution, and available Nitrogen is rarely a limiting factor in these ecosystems).

4.234 The boroughs are also important locations for various nationally and locally important habitats and species. A total of eight sites are currently designated as Sites of Special Scientific Interest (SSSI's) in Redbridge, whilst Havering contains three SSSIs.

4.235 There are 42 Sites of Importance for Nature Conservation (SINCs) within the London Borough of Newham [See reference 145]. In Barking and Dagenham, a total of 25 sites are currently designated as SINCs. These comprise three Sites of Metropolitan Importance, seven Sites of Borough Importance Grade 1, eight Sites of Borough Importance Grade 2 and seven Sites of Local Importance [See reference 146]. A total of 35 sites are currently designated as SINCs in Redbridge (five Sites of Metropolitan Importance, seven Sites of Borough Importance (Grade 1), 13 Site of Borough Importance (Grade 2) and 10 Sites of Local Importance) [See reference 147]. In Havering, there are 101 designated Sites of Importance for Nature Conservation, of which 11 are Metropolitan SINCS as well as a number of wildlife corridors. There are seven Local Nature Reserves and a number of areas of ancient woodland.

4.236 The London Borough of Barking and Dagenham does not have extensive natural assets, due to its industrial past and heritage. The borough does not have any Areas of Outstanding Natural Beauty (AONB), Ramsar sites, Special Areas of Conservation or SSSI's [See reference 148].

4.237 Endangered species and habitats are protected through the compilation and delivery of Biodiversity Action Plans (BAPs) at national, regional and local

levels. Priority Habitats and Species are regarded as the most important habitats and species that need to be conserved across the country.

Projected baseline information

4.238 At UK level, the publication of the State of Nature Report [\[See reference 149\]](#) provides an overview of the health of the country's wildlife and how human impacts are driving sweeping changes in the UK. It looks back over 50 years of monitoring to see how nature has changed since the 1970s, averaging a 13% decline in the average abundance of wildlife in the UK since the 1970s, with key drivers for change being agricultural productivity, climate change and increasing average temperatures, urbanisation and hydrological changes. The report finds that on average, metrics suggest that decline in species abundance and distribution of species has continued in the UK throughout the most recent decade. These trends are likely to continue in the absence of concerted action.

Implications for health

4.239 A strong link exists between access to nature and biodiversity and associated health and societal benefits. Considering the COVID-19 pandemic, the importance of safe, accessible and well-connected green and blue spaces for improving quality of life has also never been more pertinent.

4.240 According to the recently published World Health Organisation report 'Nature, Biodiversity and Health: An Overview of Interconnections' [\[See reference 150\]](#) increased exposure to nature has been associated with a lower risk of specific health conditions including depression, anxiety, cortisol, blood pressure, pre-term birth, low birthweight, type 2 diabetes, and reduced risk of death from all causes. There is generally positive evidence relating to the impacts of activities in natural environments on children's mental health and their cognitive, emotional and behavioural functioning. These health benefits are thought to arise through a range of pathways, including providing opportunities and safe spaces for physical activity, for restoration and relaxation, and for

socialising with friends and family. Exposure to green and blue space is also associated with higher levels of life satisfaction. Impacts appear to differ according to socio-economic status and other demographic factors such as age or gender.

Key sustainability issues and opportunities for the ELJWP to address them

4.241 The ELJWP area contains many areas of high ecological value ranging from European designated sites such as the Epping Forest SAC in Redbridge, to nationally designated Sites of Special Scientific Interest, Sites of Metropolitan Nature Conservation Importance and Sites of Importance for Nature Conservation among local green spaces and networks that provide ecological connectivity and greater biodiversity, and there is proximity to sites of national importance.

4.242 There is a need for continued preservation and long-term management of these areas within the plan area, as well as consideration of potential effects on sites outside the plan area boundary. Local Wildlife Sites in the borough are being negatively affected by actions such as inappropriate management, traffic pollution and recreational activities. If this continues, it could affect their wildlife value and contribution they make to biodiversity, landscapes and the natural environment. Biodiversity harm can occur outside of protected areas, and local wildlife corridors should also be protected, appropriately within the hierarchy of types of designations.

4.243 Without the ELJWP, important habitats and biodiversity sites will continue to receive statutory protection. However, the ELJWP presents an opportunity to manage the sensitivities of the sites and biodiversity networks, for example by locating waste development away from the most sensitive locations, providing for biodiversity net-gain in new development. The plan should also ensure that waste development does not adversely affect the current condition of sites and where possible contributes to their improvement. Harm to biodiversity can also

be avoided through the consideration of sustainable transport and the avoidance and reduction of amenity impacts.

Air, land and water quality

Soils and geology

Current baseline information

4.244 Although all four boroughs are within the large urban expanse of Greater London, there are still large areas of green space, although these are mostly in non-agricultural use. Natural England land classification maps for London and the South East [See reference 151] show that although most land is classified as 'Land predominantly in urban use' there are pockets of Good to Moderate and potentially 'Excellent' land within the ELJWP area.

4.245 Most of the ELJWP area is considered brownfield or Previously Developed Land (PDL). All four boroughs have a history of industrial land use and potential for the discovery of contaminated land requiring mediation in tandem with new development.

4.246 There are limited minerals deposits or mineral processing facilities within the ELJWP area. National policy requires that mineral resources are safeguarded for future use [See reference 152]. The recycling of soils and construction wastes on development sites is one of the main ways that use of these resources is minimised in the ELJWP area.

Projected baseline information

4.247 Soil is a finite natural resource which regenerates only over extremely long geological timescales and provides many essential services including food production, water management and support for valuable biodiversity and ecosystems. It also plays a role in preventing climate change as a larger storer of carbon.

4.248 Soils in England have degraded significantly over the last two decades due to intensive agricultural production and industrial pollution and continue to face the following threats:

- Soil erosion by wind and rain, affects the productivity of soils as well as water quality and aquatic ecosystems;
- Compaction of soil, reduces agricultural productivity and water infiltration, and increased flood risk through higher levels of runoff; and
- Organic matter decline affects the supply of nutrients in soil moisture (particularly during summer and autumn months) in the future, which is likely to affect the natural environment and landscape.

Water

Current baseline information

4.249 Water consumption rates per household are still mainly composed of flushing toilets, washing clothes or taking a bath or shower. The London Plan 2021 [See reference 153] sets water efficiency standards for new development of 105 litres or less per person per day.

4.250 Several water bodies across the four boroughs do not meet the required 'good' status, and a number of water bodies and watercourses are protected sites and sensitive to changes in water quality. In Newham, the Thames, Lea

and Roding rivers have not improved in water quality over the past few years, whilst the River Beam (from Ravensbourne to the Thames) is classified as Bad and the Lower Roding, Mayesbrook River and the Goresbrook in Barking and Dagenham all fail on Chemical quality [See reference 154].

Projected baseline information

4.251 Under predicted climate change scenarios, more frequent drought conditions are expected in London and the South East of England, along with increased demands on water resources. Future developments will create additional demand for water abstraction from surface and groundwater sources in London. At a high level, it is broadly assumed that the quality of water bodies will improve in line with national objectives. However, water quality is influenced by a wide range of internal and external factors, including climate change, geology and soils, human consumption and population change, and pollution from human activities such as industry, agriculture, contaminated runoff from roads and other built surfaces, combined sewer overflows, and nutrient enrichment from treated wastewater. Future development, particularly in areas close to water bodies, may therefore hamper efforts to improve water quality.

Air and noise pollution

Current baseline information

4.252 Air pollution associated with London's road network has exceeded statutory nitrogen dioxide levels and needs active monitoring and management. Whilst noise complaints in the London Boroughs are more commonly associated with domestic noise, Building Regulations aim to manage the impact of noise from new domestic and industrial developments through good design. Furthermore, the increasing prevalence of sustainability standards such as BREEAM will also have a positive contribution.

4.253 Development of an up-to-date local planning framework will ensure that ELJWP and development management policies seek to address the current sustainability issues (including noise). In the absence of the ELJWP, the policies in the NPPF and the Clean Air Strategy [See reference 155] would apply which support measures to improve air quality through traffic and travel management; to develop and enhance green infrastructure; and to direct new development to sustainable locations which limits the need to travel and offer a choice of transport modes.

4.254 All local authorities have an obligation to declare AQMAs, via the Environment Act 1995, and develop action plans for improvement of air quality. As set out in paragraph 3.246, each of the four boroughs has declared one AQMA that covers the whole borough.

4.255 The London Plan defines Air Quality Focus Areas (AQFA) as locations that not only exceed the EU annual mean limit value for nitrogen dioxide but are also locations with high human exposure. AQFAs are not the only areas with poor air quality but they have been defined to identify areas where currently planned national, regional and local measures to reduce air pollution may not fully resolve poor air quality issues [See reference 156]. There are currently 187 total designated AQFAs across London.

4.256 In the London Borough of Barking and Dagenham, there are three:

- Barking Town Centre;
- A13 Ripple Road; and,
- Whalebone Lane North.

4.257 In Havering there is one (Romford Town Centre).

4.258 In Newham there are five:

- Barking Road A124 from Canning Town to Wallend/Barking;
- Newham Way A13 and Prince Regent Lane;

- Canning Town Silvertown Way;
- Stratford Town Centre and Romford Road; and,
- A118 Romford Road at Manor Park between Green St and Little Ilford Lane).

4.259 In Redbridge there is one designated AQFA (Ilford A123 Ilford Road and Telford Hill) [See reference 157].

4.260 There is a risk that local air quality could be worsened by waste development, particularly through emissions from conventional fossil-fuel based transport of waste.

4.261 The London Borough of Redbridge produced an Air Quality Action Plan (AQAP) in 2020, which outlines the action the Council is taking to improve air quality in the Borough from 2020-2025 [See reference 158]. Furthermore, We Care For Our Air is a community focused project in Redbridge aiming to improve air quality in the borough and to raise awareness about the issues of air pollution. The project runs from March 2023 to March 2025, focussing on schools and GP surgeries in three areas: Loxford, Goodmayes and Newbury. Residents are encouraged to get involved in monitoring air pollution levels in their neighbourhoods. The data gathered will be used to drive action towards improving local health outcomes [See reference 159].

4.1 The ELJWP could support a spatial strategy that will facilitate an increasingly effective and efficient network of waste facilities that will reduce the frequency and miles needed to be travelled by waste. It could seek to use more sustainable alternatives to emission-generating fossil-fuel based road transport of waste. This could include switching to more sustainable modes of transport or to low and zero carbon road-based transport.

4.2 The ELJWP could also support efficient and appropriate freight routes for transporting waste by road that avoid areas with the worst rates of air pollution – namely AQMAs.

Projected baseline information

4.3 Each of the London Boroughs has declared an AQMA:

- Barking and Dagenham AQMA declared in 2008 for Nitrogen dioxide and Particulate Matter PM10.
- Havering AQMA 2006 for Nitrogen dioxide and Particulate Matter PM10.
- Newham AQMA (No.2) 2019 for Nitrogen dioxide and Particulate Matter PM10.
- Redbridge AQMA 2003 for Nitrogen dioxide and Particulate Matter PM10.

4.4 There is a possibility that air quality may worsen in the long-term because of climate change, due to a greater likelihood of prolonged periods of still, dry days, and to-date this relationship has been difficult to predict. This will need to be considered in the potential development of air quality action plans and monitoring regimes, as will the effects of major infrastructure developments.

4.5 The Mayor of London has designated a Low Emission Zone (LEZ), and an Ultra Low Emission Zone (ULEZ), in addition to the Congestion Charge zone. The LEZ covers all roads within Greater London, those at Heathrow and parts of the M1 and M4 are included, except the M25 (even where it passes within the GLA boundary). The LEZ is designed to target pollution from the heaviest polluting heavy diesel vehicles.

4.6 The ULEZ covers all London boroughs, except for the area of the M25, and applies to all cars, motorcycles, vans and specialist vehicles (up to and including 3.5 tonnes) and minibuses (up to and including 5 tonnes).

4.7 The congestion charge zone covers part of central London, outside of the ELJWP area, and is designed to discourage driving in the centre of London.

Implications for health

4.8 Air pollution is associated with several adverse health impacts and is recognised as a contributing factor in the onset of heart disease and cancer. Pollution particularly affects the most vulnerable in society such as children, the elderly, and those with existing heart and lung conditions. There is also often a strong correlation between poor air quality areas and less affluent areas.

4.9 London and the South East of England is one of the driest areas of the country and thus faces ongoing water resource challenges, growing demand, and uncertainty from climate change. In addition, poor water quality can increase the risk of water-borne disease.

Key sustainability issues and opportunities for the ELJWP to address them

Soils and geology

4.10 Without the ELJWP it is possible that development could result in unnecessary sterilisation of mineral and soil resources thereby preventing their use for future generations, if there is additional need for new or relocated waste sites. There is therefore a need to minimise the amount of development located on brownfield land or on important mineral processing facilities. In the absence of the ELJWP, the NPPF would apply. This supports the reuse of brownfield land, but the ELJWP provides an opportunity to strengthen this approach to ensure these natural assets are not lost or compromised by prioritising brownfield sites and lower quality agricultural land for development.

- Provide adequate space in new developments for waste facilities capable of accommodating general waste, recyclable waste and compostable waste;

- Ensure site allocations do not compromise the operation of nearby waste management facilities; and
- Ensure sufficient land is available in appropriate locations for new waste management facilities.

Water

4.11 There are many factors and initiatives outside of the local planning policy framework contained within the ELJWP that may impact on water quality and the use of water resources, such as land management practices and investment plans by utility bodies. However, the ELJWP has a role to play by ensuring new and expanded waste management developments will not adversely impact upon water quality and / or water quantity through securing efficient use of water resources. The ELJWP could also create a clear, positive and supportive investment environment in which opportunities to upgrade and improve the network of waste water facilities across the county are taken.

4.12 Without the ELJWP, it is possible that unplanned development for waste could be in areas that could lead to further water quality issues and risks to the natural environment. However, existing safeguards, such as the Water Framework Regulations, would help to reduce the potential for this to occur. The ELJWP provides an opportunity to ensure that development is located and designed to consider the sensitivity of the water environment and water-dependent protected sites, to plan for adequate wastewater infrastructure, to incorporate sustainable drainage systems (SuDS), and to promote water efficiency and grey water recycling.

Air and noise

4.13 Air pollution associated with London's road network has exceed statutory levels and needs active monitoring and management. Whilst noise complaints in the London Boroughs are more commonly associated with domestic noise, Building Regulations aim to manage the impact of noise from new domestic and

industrial developments through good design. Furthermore, the increasing prevalence of sustainability standards such as BREEAM will also have a positive contribution.

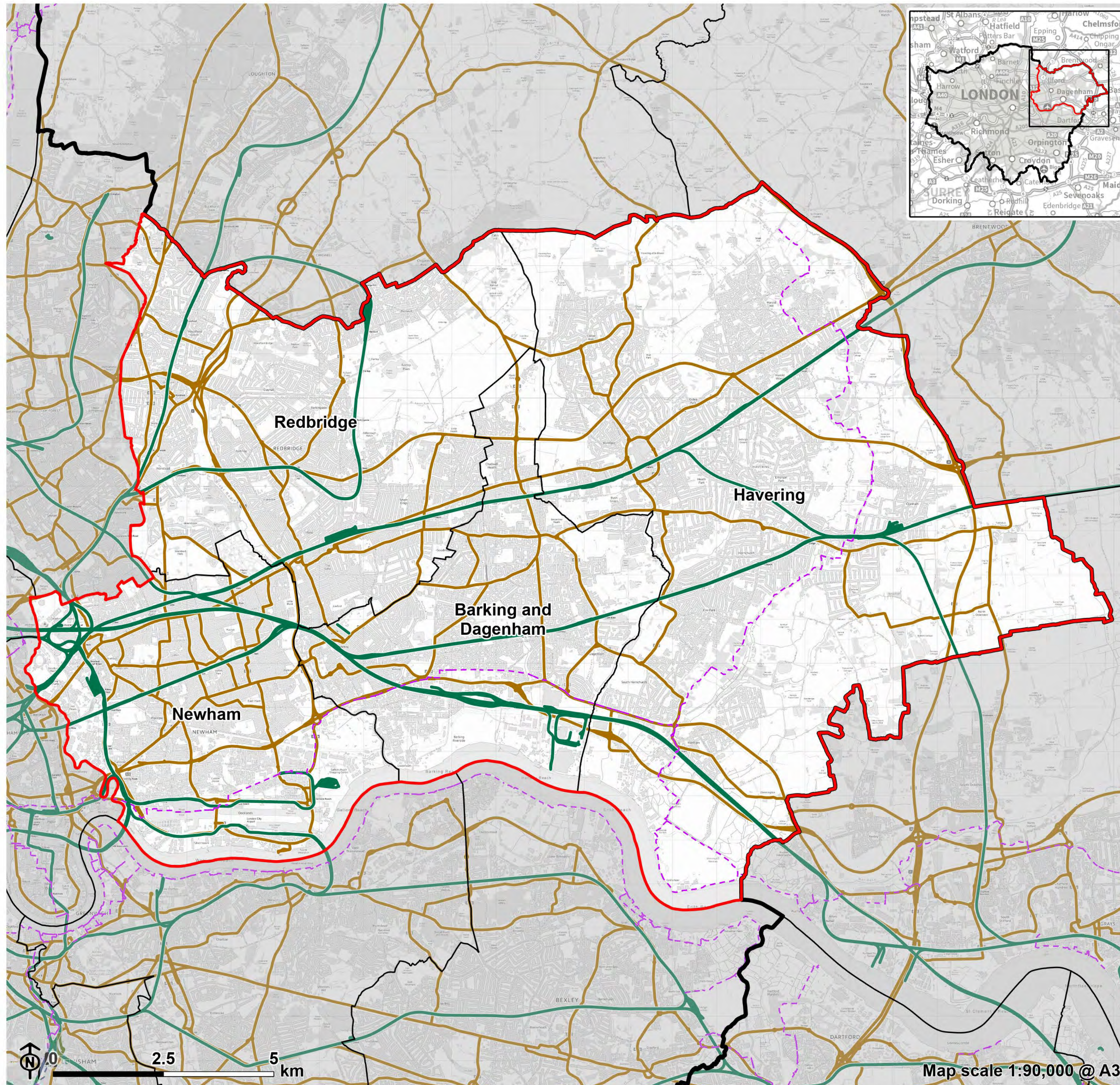
4.14 Development of an up-to-date local planning framework will ensure that ELJWP and development management policies seek to address the current sustainability issues (including noise). In the absence of the ELJWP, the policies in the NPPF and the Clean Air Strategy [See reference 160] would apply which support measures to improve air quality through traffic and travel management; to develop and enhance green infrastructure; and to direct new development to sustainable locations which limits the need to travel and offer a choice of transport modes.

4.15 All local authorities have an obligation to declare AQMAs, via the Environment Act 1995, and develop action plans for improvement of air quality. As set out in paragraph 3.246, each of the four boroughs has declared one AQMA that covers the whole borough. There is a risk that local air quality could be worsened by waste development, particularly through emissions from conventional fossil-fuel based transport of waste.

4.16 The ELJWP could support a spatial strategy that will facilitate an increasingly effective and efficient network of waste facilities that will reduce the frequency and miles needed to be travelled by waste. It could seek to use more sustainable alternatives to emission-generating fossil-fuel based road transport of waste. This could include switching to more sustainable modes of transport or to low and zero carbon road-based transport.

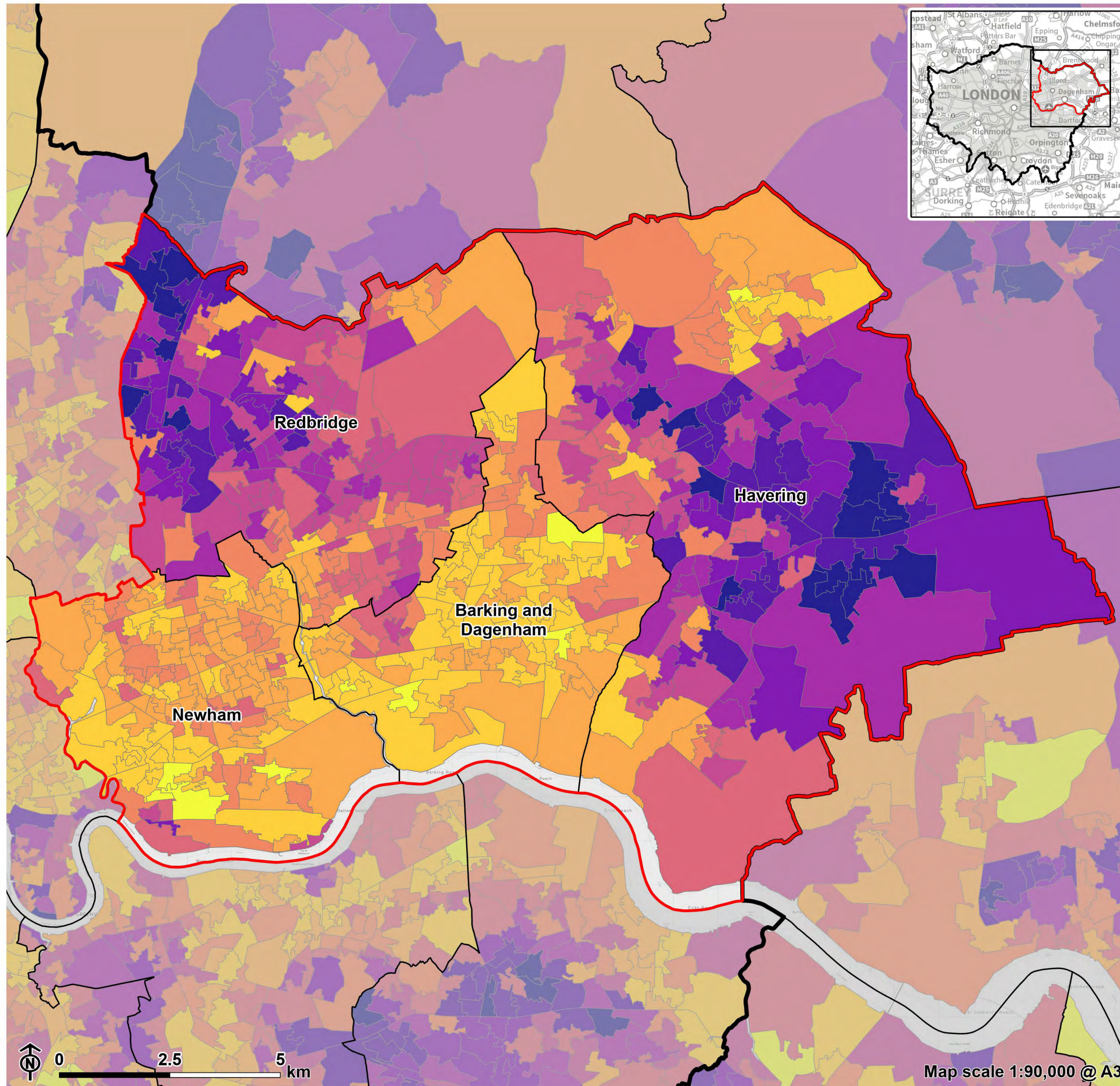
4.17 The ELJWP could also support efficient and appropriate freight routes for transporting waste by road that avoid areas with the worst rates of air pollution – namely AQMAs.

Figure 4.2: Transport Network



- Plan area
- Greater London
- Local Authority
- National Cycle Network (NCN)
- Major road
- Railway

Figure 4.3: Indices of Deprivation

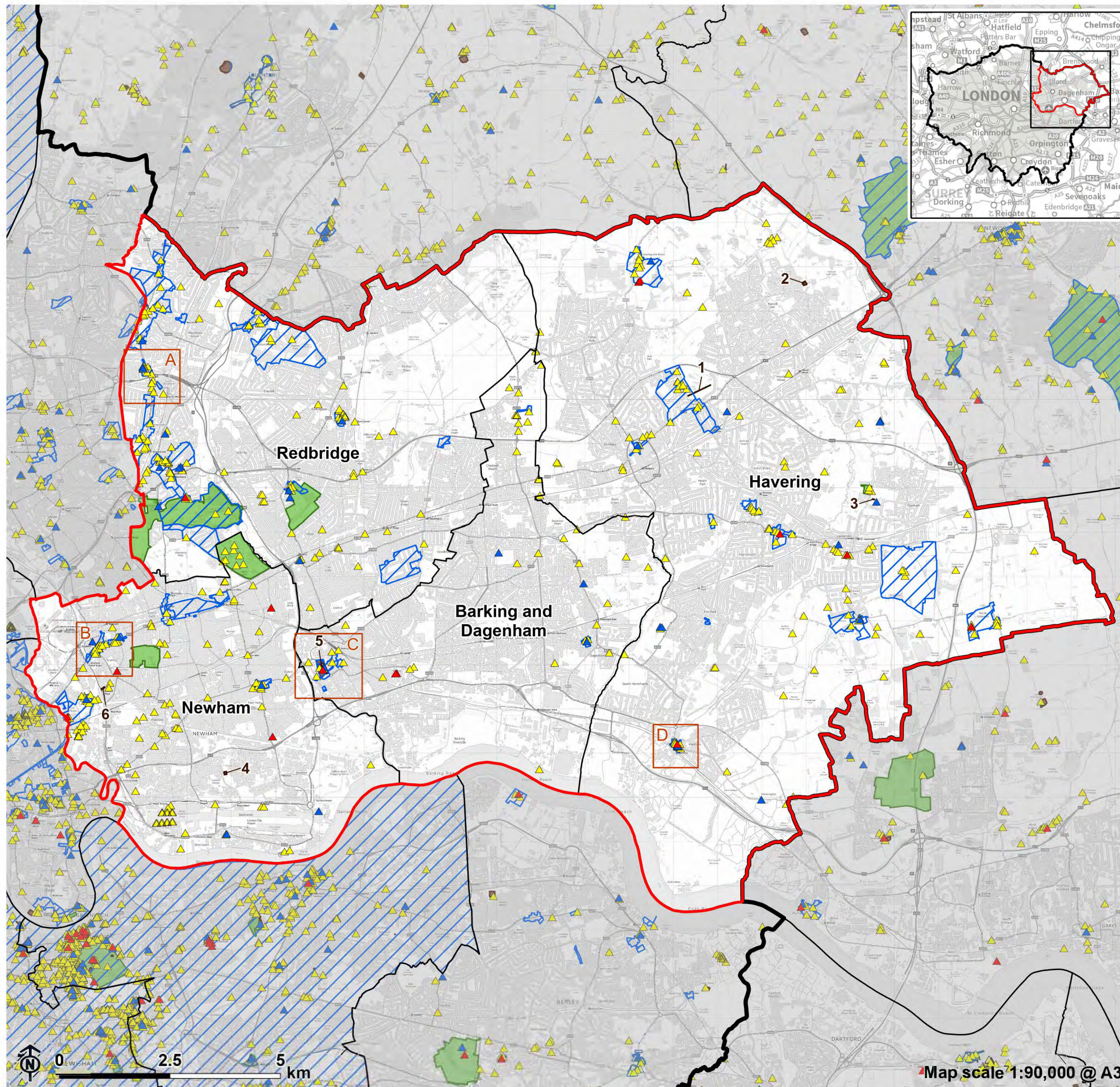


- Plan area
 - Greater London
 - Local Authority
- Indices of Multiple Deprivation**
- Most deprived
 -
 -
 -
 -
 -
 - Least deprived



Map scale 1:90,000 @ A3

Figure 4.4: Historic Environment



- Plan area
- Greater London
- Local Authority
- Listed building**
- Grade**
- ▲ I
- ▲ II*
- ▲ II
- Conservation area
- Registered parks and gardens
- Scheduled monument
- 1 - Section of Roman road on Gidea Park golf course
- 2 - Dagnam Park Farm moated site
- 3 - Medieval grange barn
- 4 - Second World War anti-aircraft gun emplacements
- 5 - Barking Abbey
- 6 - Stratford Langthorne Abbey (part of area within precincts)



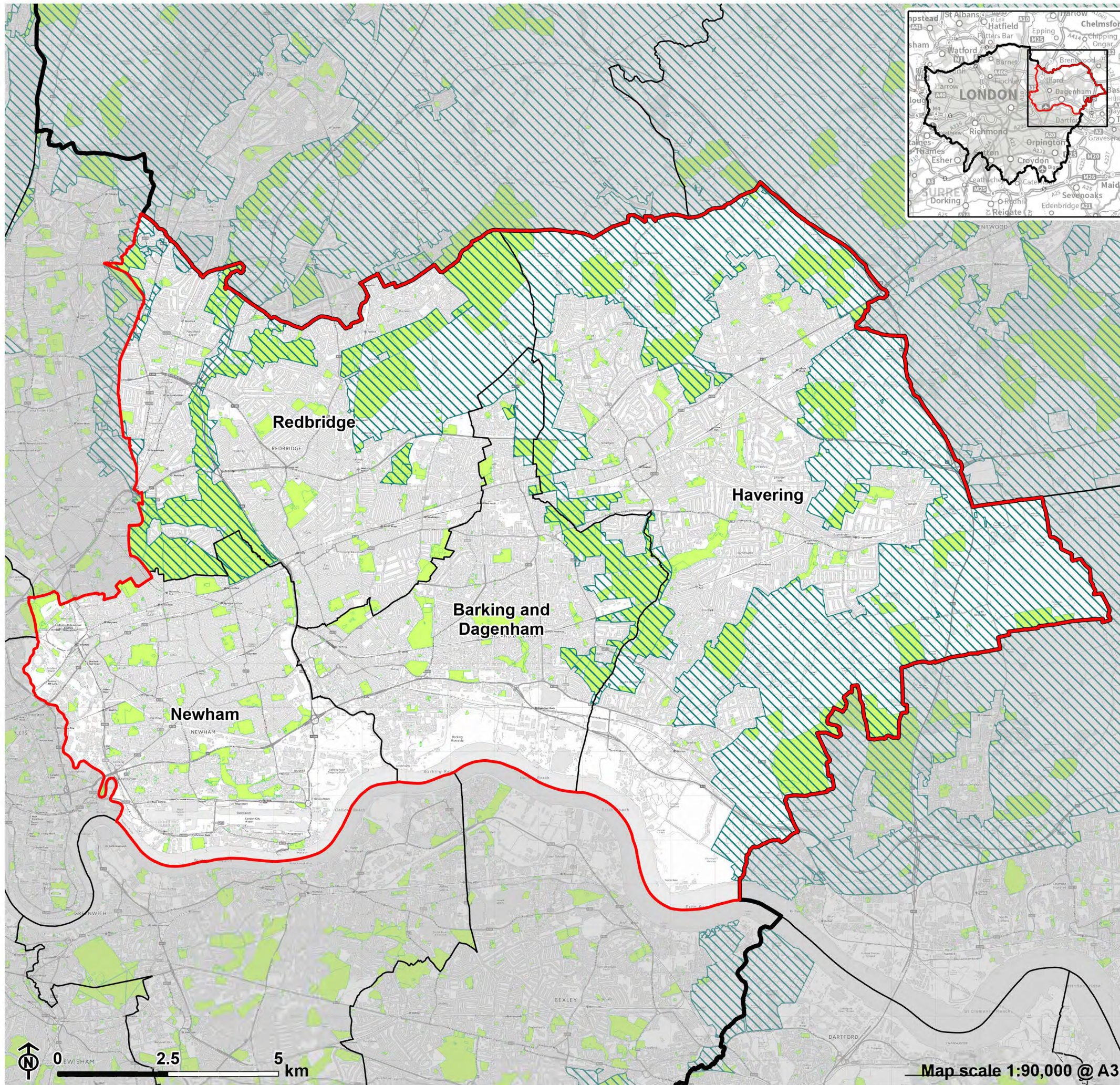
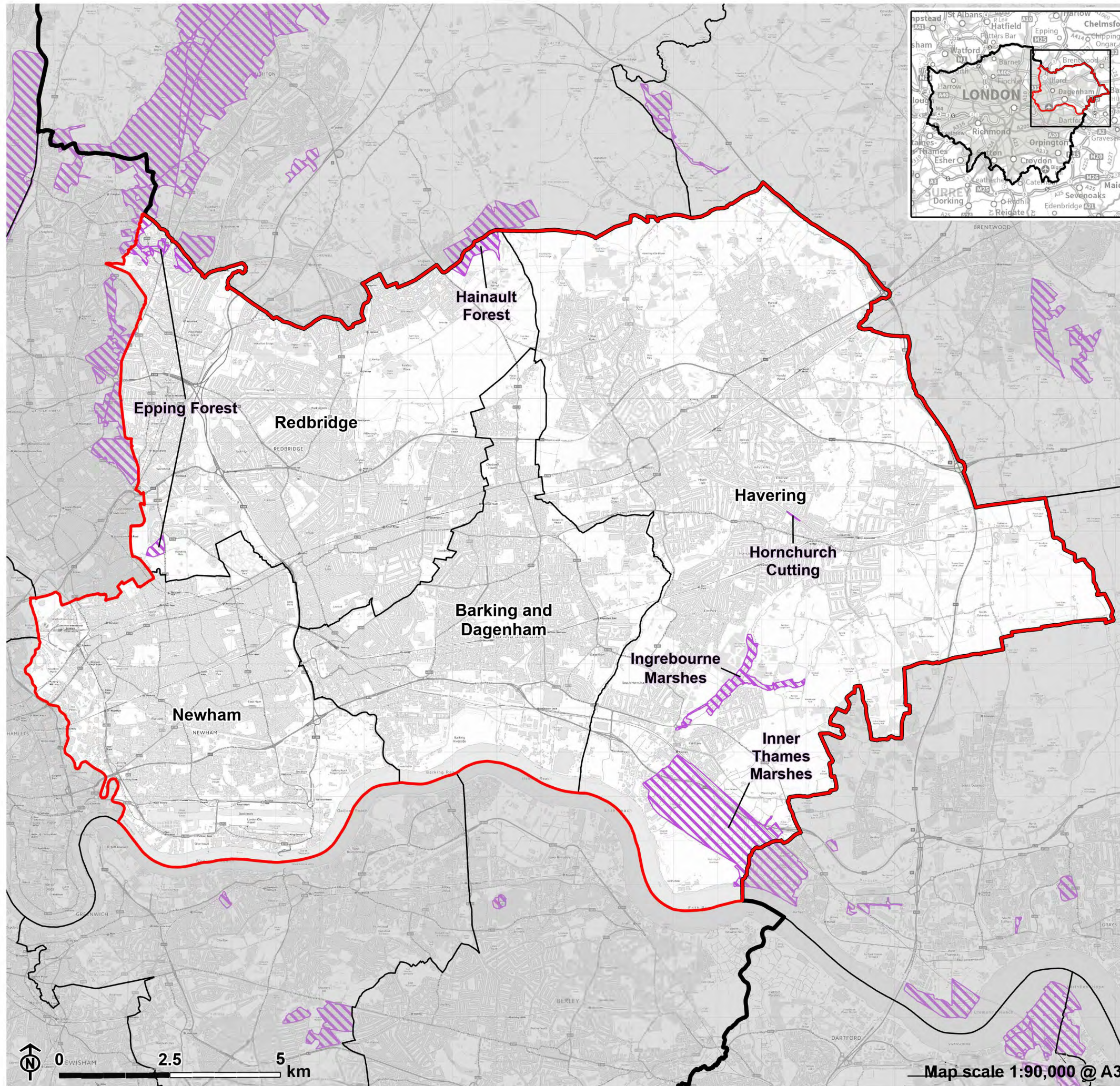


Figure 4.5: Open Space and Metropolitan Green Belt

-  Plan area
-  Greater London
-  Local Authority
-  Green Belt
-  Greenspace

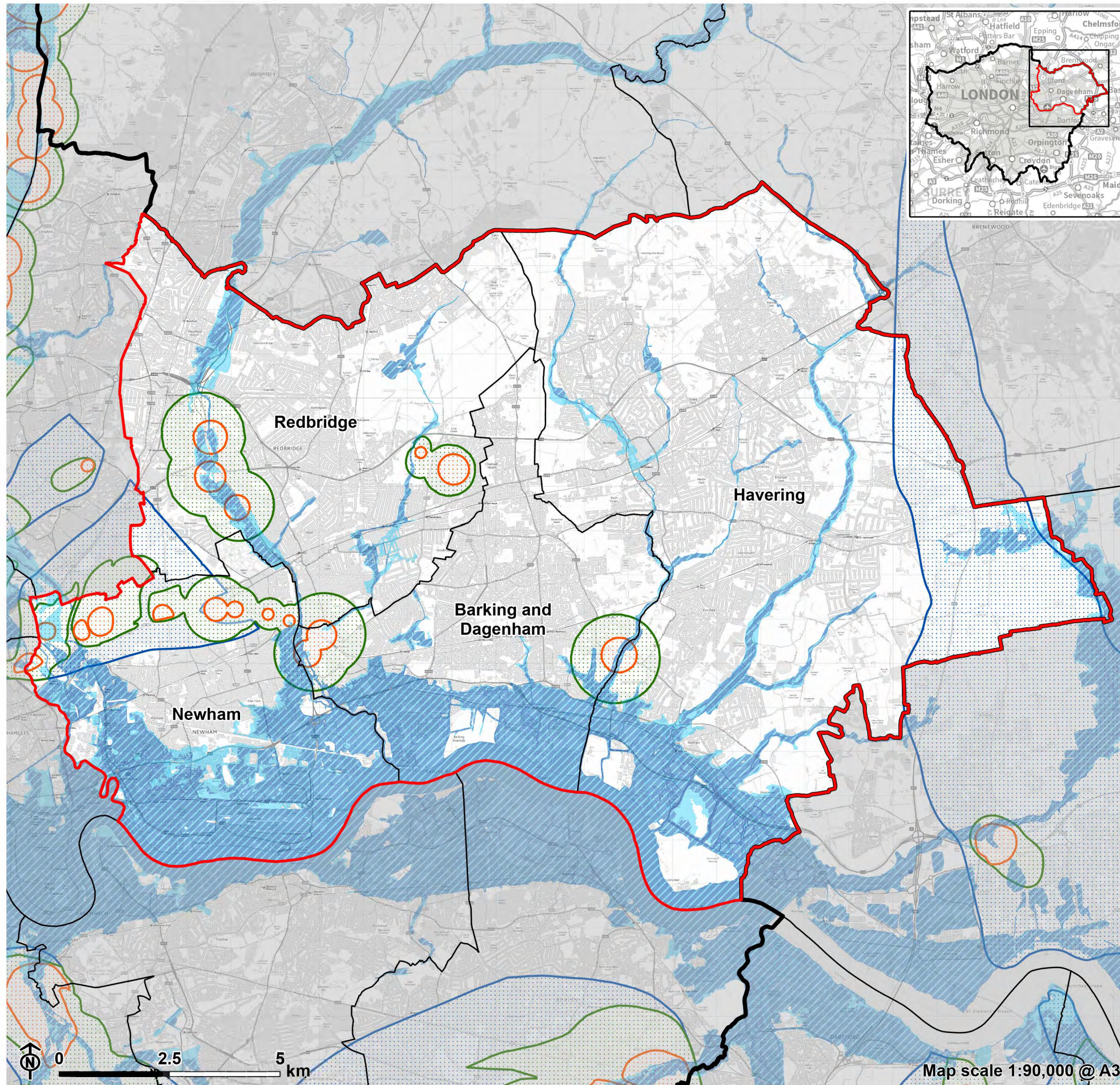
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Figure 4.6: Sites of Special Scientific Interest



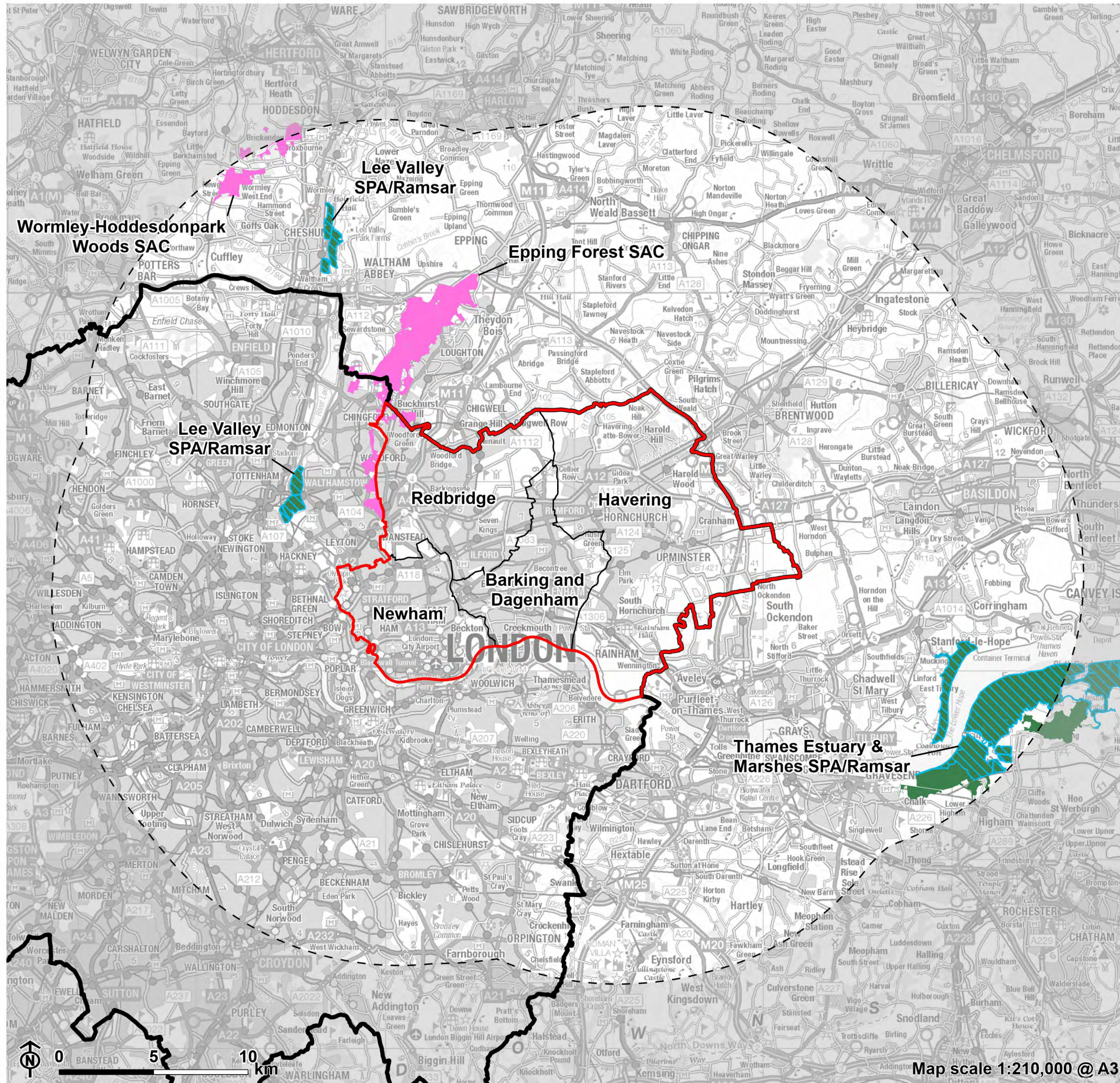
- Plan area
- Greater London
- Local Authority
- Site of Special Scientific Interest

Figure 4.7: Hydrology



- Plan area
- Greater London
- Local Authority
- Flood zone 2
- Flood zone 3
- Source Protection Zone**
- Zone I (inner protection zone)
- Zone II (outer protection zone)
- Zone III (total catchment)

Figure 4.8: Habitat Sites within 15km of the Plan Area



- Plan area
- Plan area 15km buffer
- Greater London
- London borough
- Special Area of Conservation
- Special Protection Area
- Ramsar site

Chapter 5

Integrated Impact Assessment Framework

5.1 The SEA Regulations, Schedule 2(6) require the Environmental Report to consider:

“The likely significant effects on the environment, including short, medium and long term effects, permanent and temporary effects, positive and negative effects and secondary, cumulative and synergistic effects, on issues such as (a) biodiversity, (b) population, (c) human health, (d) fauna, (e) flora, (f) soil, (g) water, (h) air, (i) climatic factors, (j) material assets, (k) cultural heritage including architectural and archaeological heritage, (l) landscape and (m) the inter-relationship between the issues referred to in sub-paragraphs (a)–(l).”

5.2 The development of a set of IIA objectives (known as the IIA framework) is a recognised way in which the likely environmental and sustainability effects of a plan can be described, analysed and compared. The formulation of the IIA Framework presented overleaf, considered the SA frameworks set out in the SA documents for each of the four London boroughs within the East London Joint Waste Plan (ELJWP) area. The frameworks have also been reviewed and updated to consider the requirements of Health Impact Assessment (HIA) and Equalities Impact Assessment (EqIA) as well as Sustainability Appraisal (SA), the latest baseline and key sustainability issues and opportunities identified for the four London boroughs, and the latest targets and objectives set out in other relevant plans, programmes and strategies. This updated IIA Framework will help to ensure that the IIA of the ELJWP reflects recent global events (such as the COVID-19 pandemic), challenges and priorities, thereby helping to deliver an ambitious ELJWP.

5.3 The IIA objectives and appraisal guidance (which provide a guide to the factors that should be considered when carrying out assessments) set out in the IIA Framework are subject to change as new information comes to light during the IIA process.

5.4 The IIA Framework for the appraisal of the ELJWP is set out below; each primary bullet point constitutes an IIA objective and the sub-bullet points set out further guidance to help guide the appraisal of each objective. The questions included in the framework are not exhaustive, and some may be more relevant to certain Plan elements than others. The framework below also highlights the most relevant SEA topics for each IIA objective, and whether each objective supports the ELJWP Health Impact Assessment and/or Equalities Impact Assessment.

IIA framework for the East London Joint Waste Plan

IIA objective 1: To minimise the East London Joint Waste Plan's contribution to climate change through a reduction of greenhouse gas emissions from managing waste.

Appraisal questions:

- Will it reduce the East London Joint Waste Plan's contribution to climate change by reducing greenhouse gas emissions from waste management activities?
- Will it utilise the waste hierarchy to ensure less waste is being managed at the most appropriate level of the hierarchy?

- Will it support development of modern waste facilities for waste that cannot be recycled or composted?
- Will it promote energy efficiency by encouraging the use of energy efficient buildings and plant, and the use of appropriate renewable or low carbon energy sources on waste sites?

Carbon emissions associated with waste transport are dealt with under IIA objective 7.

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Climatic factors;
- Air;
- Water;
- Material assets;
- Population;
- Human health;
- Equalities Impact Assessment – Equality Act 2010 all protected characteristics:
- Health Impact Assessment: Activities that generate greenhouse gas emissions often generate other pollutants that adversely affect health and wellbeing

IIA objective 2: Move treatment of waste up the Waste Hierarchy within East London.

Appraisal questions:

- Will it contribute to the aim in the London Plan of a zero-waste city by 2050?
- Will it promote a circular low carbon economy within ELJWP area, and within London?
- Will it contribute to minimising disposal of all forms of waste, across the ELJWP area and across London?
- Will it promote the re-use, recycling and recovery of waste?

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Population;
- Human health;
- Material assets;
- Equalities Impact Assessment – Equality Act 2010 all protected characteristics;
- Health Impact Assessment:
- Promoting the sustainable treatment of waste provides mental benefits of security and physical health benefits of having a healthy living environment.

IIA objective 3: Support, maintain or enhance the development of the economy of East London.

Appraisal questions:

- Will it generate employment opportunities in the waste and resource sector for local people, especially within areas of deprivation, providing opportunities to improve local skills?
- Will it minimise harm to the existing local economy, locating waste uses away from existing sensitive receptors?

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Population and human health;
- Material assets;
- Equalities Impact Assessment – all Equality Act 2010 protected characteristics;
- Health Impact Assessment: Security of employment is important for mental wellbeing

IIA objective 4: Protect and improve the health of the people of the East London Joint Waste Plan area.

Appraisal questions:

- Will it avoid or minimise adverse effects on human health and safety, especially those with protected characteristics, including mental health, and those in more deprived areas?
- Will it provide opportunities to improve health and amenity through delivery of green infrastructure, enhanced public rights of way and improved access to recreation as part of the restoration of sites, or provision of biodiversity net-gain in new sites?
- Will it avoid or minimise adverse effects on the quality and extent of existing recreational assets?
- Will it reduce the incidence of crime associated with waste (e.g. fly-tipping and illegal dumping of large amounts of waste) by ensuring a sustainable network of waste facilities across the ELJWP area, and London?

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Population;
- Human health;
- Equalities Impact Assessment – all Equality Act 2010 protected characteristics;
- Health Impact Assessment:
 - This objective directly addresses health and wellbeing;

- Ensuring access to green infrastructure means that people can meet their daily needs, ensuring both physical and mental wellbeing;
- Reducing crime, anti-social behaviour and fear of crime is important for physical and mental wellbeing;

IIA objective 5: Promote sustainable modes of transport in the East London Joint Waste Plan area by reducing road traffic, congestion and pollution.

Appraisal questions:

- Will it support an overall reduction in the distance travelled by waste, either within the ELJWP area or across the wider London area?
- Will it contribute towards a reduction in traffic congestion, particularly in designated AQMAs?
- Will it reduce reliance on road-based freight movements and support the use of rail and water where this represents a deliverable, efficient and sustainable choice?
- Will it support the transition from low to ultra-low and then zero emission vehicles for the transportation of waste by road?

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Air;
- Climatic factors;
- Population;

- Human health;
- Biodiversity;
- Equalities Impact Assessment – Equality Act 2010 all protected characteristics.
- Health Impact Assessment: Encouraging active travel, such as walking, wheeling and cycling can have a wider range of positive implications for health, including increased physical activity and opportunities for social interaction. In addition, an increase in active travel would be associated with a decrease in vehicular transport and an associated decrease in air pollutants that can be harmful to human health. Poor air quality can lead to and aggravate respiratory diseases

IIA objective 6: Protect and enhance the historic environment within East London.

Appraisal questions:

- Will allocated waste facilities conserve, protect and enhance designated and undesignated heritage assets and their settings?

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Historic environment;
- Landscape;
- Equalities Impact Assessment – Equality Act 2010 all protected characteristics
- Health Impact Assessment: The historic environment can promote wellbeing by providing a sense of place, pride in the local area, and intellectual stimulation

IIA objective 7: Protect, enhance, restore, and expand the biodiversity and geodiversity assets within the East London Joint Plan area.

Appraisal questions:

- Will it protect and enhance habitats of international, national, regional or local importance, particularly in relation to Epping Forrest?
- Will it protect and improve local populations of terrestrial species that are of international, national, regional or locally importance?
- Taking into account the impact of climate change, will it conserve and enhance designated and undesignated ecological assets and networks?
- Will it maintain and enhance wildlife corridors and minimise fragmentation of ecological areas and green spaces, enhancing biodiversity and securing the level of net-gain set out in local, regional and national policy?
- Will it protect and support enhanced knowledge and understanding of geological sites of national, regional or local importance?

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Biodiversity;
- Climatic Factors;
- Soil;
- Water;
- Equalities Impact Assessment – Equality Act 2010 all protected characteristics

- Health Impact Assessment: Well-functioning ecosystems provide a range of ecosystem services, including clean air and water, pollination of food crops and opportunities for recreation. Connection with nature can improve mental wellbeing

IIA objective 8: Protect, enhance, and restore open spaces and townscapes within the ELJWP area.

Appraisal questions:

- Will it minimise the visual intrusion of waste facilities on sensitive and/or distinct townscapes?
- Will it enhance and protect townscape features including open spaces, parks and gardens and their settings?
- Will it provide for the restoration of land to an appropriate after-use including the creation of accessible greenspaces and open spaces at former waste sites?

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Historic environment;
- Landscape;
- Equalities Impact Assessment – Equality Act 2010 all protected characteristics:
- Health Impact Assessment: The landscape and townscape can promote wellbeing by providing a sense of place, a sense of peace and beauty, interest and providing sites for recreation;

IIA objective 9: Protect and enhance the quality and quantity of watercourses and water bodies and maximise the efficient use of water within East London.

Appraisal questions:

- Will it maximise the efficient use of water?
- Will it protect the quantity of ground and surface water from over abstraction?
- Will it protect and enhance the quality of watercourses and water bodies?
- Will it take appropriate account of Source Protection Zone (SPZ) designations?

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Climatic factors;
- Water;
- Soil;
- Population;
- Human health;
- Biodiversity
- Equalities Impact Assessment – Equality Act 2010 protected characteristics:
 - Age: Children (0-4), Younger people (aged 18-24), older people (aged 60 and over);

- Disability: Disabled people, people with physical and mental impairment; and
- Pregnancy and maternity.
- Health Impact Assessment: Issues with water quality and availability can result in the spread of disease and impact on mental health.

IIA objective 10: To manage and reduce flood risk from all sources within East London.

Appraisal questions:

- Will it promote the use of SuDS, nature-based solutions or other flood resilient design measures?
- Through the appropriate allocation of waste sites, will it ensure waste developments are not at risk of flooding both presently and in the future, taking into account climate change, and will it not result in an increase in the risk of flooding elsewhere?

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Climatic factors;
- Water;
- Soil;
- Population;
- Human health;
- Biodiversity

- Equalities Impact Assessment – Equality Act 2010 protected characteristics:
 - Age: Children (0-4), Younger people (aged 18-24), older people (aged 60 and over);
 - Disability: Disabled people, people with physical and mental impairment; and
 - Pregnancy and maternity.
- Health Impact Assessment: Flooding can result in emotional and financial stress, as well as the spread of disease

IIA objective 11: Minimise noise, light and air pollution relating to waste development within East London.

Appraisal questions:

- Will it minimise pollution and impacts on amenity, including from noise and light, from activities associated with waste developments and minimise the potential for such pollution?
- Will it minimise air pollution and help achieve the objectives of Air Quality Management Plans, particularly within the designated AQMAs?

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Air;
- Climatic factors;
- Population;

- Human health;
- Biodiversity;
- Equalities Impact Assessment – Equality Act 2010 all protected characteristics.
- Health Impact Assessment: Poor air quality as well as other amenity nuisances can lead to and aggravate respiratory diseases, and impact on mental health.

IIA objective 12: Protect and enhance mineral resources and soils within East London.

Appraisal questions:

- Will it ensure the safeguarding of mineral resources from sterilisation by waste management related development?
- Will it safeguard soil quality and quantity and reduce soil contamination?
- Will it avoid the loss of the best and most versatile agricultural land by prioritising the location of waste developments to appropriately located previously developed sites?

Relevant SEA topics and coverage of Equalities and Health Impact Assessment

- Material assets;
- Climatic factors;
- Soil;
- Water;
- Biodiversity;

- Landscape;
- Equalities Impact Assessment – Equality Act 2010 all protected characteristics:
- Health Impact Assessment: Sustainable use of resources ensures that resources are available for essential infrastructure, including transport, health centres and local amenities. Optimising reuse and minimising waste also benefit the wider environment and the ecosystem services it provides. Best and most versatile land is important for food growing

Predicting and evaluating effects

5.5 The prediction and evaluation of the effects of options in the ELJWP relies heavily on the IIA Framework – every policy (and reasonable alternative) has been appraised for their likely impacts in relation to achievement of the IIA objectives. In line with the SEA Regulations, the following characteristics of effects will be predicted and evaluated:

- Probability;
- Duration, including short, medium and long-term impacts;
- Frequency;
- Reversibility;
- Cumulative and synergistic nature;
- Transboundary nature;
- Secondary nature;
- Permanent or temporary nature; and
- Positive or negative nature.

Probability

5.6 There is an inherent degree of uncertainty in carrying out an IIA. Should it be adopted, the East London Joint Waste Plan would likely be in force for several years. Over this time, currently unforeseen changes are likely to occur. These circumstances are impossible to predict. The planning system is generally robust enough to deal with such changes by re-assessing the needs of sites and communities at the time applications are made. Uncertainties are dealt with in IIA by adopting a precautionary approach, wherein a reasonable worst-case scenario is assumed unless reliable evidence suggests otherwise. This is to ensure that any potentially significant negative effects are identified, and appropriate consideration is given to how the ELJWP could help to avoid or mitigate the worst effects if such scenarios were to arise. However, it is accepted that the likelihood of many such worst-case scenarios occurring is low, particularly as the comprehensive array of policies proposed in ELJWP would help to avoid or mitigate negative impacts.

5.7 The assessment of the ELJWP includes an assessment of where uncertainties exist in relation to the effects identified.

Duration, including short, medium and long-term impacts

5.8 The temporal scope of the IIA covers the ELJWP period. For the purposes of the IIA:

- Short term covers the period for 0-5 years, or during construction (inclusive of temporary impacts);
- Medium term covers the period for 5-20 years; and
- Long term covers the period over 20 years, beyond the Plan period.

5.9 Effects can occur over multiple terms, such as arising in the short-term and residing in the long-term.

Frequency

5.10 All effects of the ELJWP are considered to occur once, unless indicated otherwise.

Reversibility

5.11 The assessment considers whether effects are reversible or irreversible. Reversible effects may be identified where a former waste site is proposed for other uses, including restoration to open space; irreversible effects may be identified where development is proposed on greenfield land thereby resulting in the loss of best and most versatile agricultural land.

Cumulative and synergistic effects

5.12 The IIA provides an appraisal of all reasonable options considered for inclusion in the ELJWP. The vision, strategic objectives, policies and site allocations of the Plan will not be adopted in isolation and therefore an evaluation of the cumulative and synergistic effects will be undertaken at each stage. Cumulative and synergistic effects are defined as follows:

- Cumulative effects arise, for instance, where several developments each have insignificant effects but together have a significant effect, or where several individual effects have a combined effect; and
- Synergistic effects interact to produce a total effect greater than the sum of the individual effects, so that the nature of the final impact is different to the nature of the individual impacts.

Transboundary effects

5.13 The geographical extent of effects will be experienced predominantly in the ELJWP area. However, where effects are likely to be discernible in neighbouring authorities or at a greater scale, this has been specified. For example, transboundary effects may be experienced in relation to waste transported across local authority boundaries, either through an increase in air pollution or an increase in waste to be dealt with outside of the plan area.

Secondary effects

5.14 The assessment process inherently includes a consideration of secondary effects. Secondary effects are defined as “effects that are not a direct result but occur away from the original effect or as a result of a complex pathway”.

Permanent or temporary

5.15 The assessment indicates whether effects are temporary or permanent in nature. Should the ELJWP be adopted, it would only be in place for the Plan period and would subsequently be replaced by a new or revised ELJWP. Many of the effects of policies in the Plan are therefore typically temporary effects. Nevertheless, several of the effects of new development on a greenfield site would be likely to be permanent.

Positive and negative effects and significance

5.16 The IIA evaluates whether the nature of effects is likely to be positive, negative, neutral or mixed. The magnitude of effects in relation to each IIA objective is defined as significant or minor. For example, a significant positive effect is identified where an option is likely to significantly contribute to the achievement of an IIA objective, whereas an adverse effect (either significant or

minor negative) is identified where the option conflicts with the IIA objective. Options which are unlikely to significantly influence whether an objective will be achieved receive a neutral rating. Mixed effects are identified where an option is expected to have both a positive and negative effect on the IIA objective.

5.17 The IIA assessments have been carried out at a high level and so the dividing line between sustainability effects is often quite small. The effect of an option on a IIA objective is significant where it is of such magnitude that it will have a noticeable and measurable effect compared with other factors that may influence the achievement of that IIA objective.

5.18 Minor effects are still identified as these assist with the identification of cumulative and synergistic effects (e.g., several minor effects can combine to become a significant effect), can help to identify opportunities for enhancements (e.g., enhancing a minor positive effect to make it significant) and better enable the Boroughs to make a more informed decision over the sustainability performance of options.

5.19 In determining the significance of the effects of the options for potential inclusion in the ELJWP, the IIA considers the plan's relationship with the other documents in the planning system such as the NPPF and other national policy approaches, and regulatory requirements, as these may provide additional safeguards or mitigation of potentially significant adverse effects.

5.20 The findings of the IIA are presented as a colour coded symbol showing a score for each option (including reasonable alternatives) against each of the IIA objectives along with a concise justification for the score given, where appropriate. The use of colour coding in the matrices allows for the magnitude of effects (both positive and negative) to be easily identified. **Table 5.1** presents the colour coded symbols and definitions that have been used to report the significance of effects of the ELJWP policies and sites and their reasonable alternatives.

Table 5.1: Effect symbols and colours used in IIA

IIA Effect	Description of Effect
++	Significant positive effect likely
++/-	Mixed significant positive and minor negative effects likely
+	Minor positive effect likely
+/-	Mixed minor effects likely
++/--	Mixed significant effects likely
-	Minor negative effect likely
--/+	Mixed significant negative and minor positive effects likely
--	Significant negative effect likely
0	No or negligible effect likely
?	Likely effect uncertain
N/A	Assessment criterion not applicable

Reasonable alternatives

5.21 The IIA must appraise not only the preferred options for inclusion in the ELJWP but also ‘reasonable alternatives’ to these options. This implies that alternatives that are not reasonable do not need to be subject to appraisal. Part (b) of Regulation 12(2) notes that reasonable alternatives will consider the objectives of the plan, as well as its geographical scope. Therefore, alternatives that do not meet the objectives of national policy or are outside the Plan area are unlikely to be reasonable.

Site assessment criteria

5.22 The ELJWP does not currently allocate new waste sites. The evidence suggests that there is a sufficient surplus in waste management capacity to consider the release of waste sites that currently enjoy policy protection for waste management uses:

- Safeguarded existing waste management sites (Schedule 1 of the ELJWP).
- Sites in locations that are identified as suitable for strategic waste management facilities (Schedule 2 of the ELJWP).

5.23 The IIA has not therefore appraised site options at this stage. Spatial assessment criteria relevant to each of the IIA objectives outlined above will be prepared at a later date if required.

Health impact assessment

5.24 The background and overall approach to HIA is set out in Chapter 1. The IIA Framework above identifies the IIA objectives that have potential to impact the health and wellbeing of the population.

Equality impact assessment

5.25 There are three main duties set out in the Equality Act 2010, which public authorities including the London boroughs must meet in exercising their functions:

- To eliminate discrimination, harassment, victimisation and other conduct that is prohibited under the Act;
- To advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share it; and

- To foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

5.26 The Equality Act 2010 identifies nine ‘protected characteristics’ and seeks to protect people from discrimination based on these characteristics:

- Protected characteristics identified in the Equality Act 2010:
 - Age: Children (0-4), Younger people (aged 18-24), older people (aged 60 and over);
 - Disability: Disabled people, people with physical and mental impairment;
 - Gender reassignment;
 - Marriage and civil partnership;
 - Pregnancy and maternity;
 - Race;
 - Religion or belief;
 - Sex; and
 - Sexual orientation.

5.27 This document sets out the baseline and projected baseline for the protected characteristics within Chapter 4. The ELJWP will therefore be assessed to consider the likely impacts of policy on each of the nine protected characteristics from the Equality Act.

Chapter 6

IIA of the Draft East London Joint Waste Plan and its Reasonable Alternatives

6.1 This chapter records the IIA findings for the Draft East London Joint Waste Plan (ELJWP) and its reasonable alternatives, produced for Regulation 18 consultation. The ELJWP will set out how and where waste will be managed and will be used to determine planning applications affecting the management of waste in the four East London boroughs that are the joint authorities preparing the plan (Barking & Dagenham, Havering, Newham and Redbridge).

6.2 The ELJWP will form part of the Development Plan for each of the boroughs, sitting alongside separate Local Plans that are concerned with other forms of development such as housing and that related other forms of employment.

6.3 The draft plan has set out a Joint Waste Plan Vision and 8 strategic objectives:

- Strategic Objective 1: Significantly Reduce Waste Production Overall;
- Strategic Objective 2: All Built Development Will Contribute to the Achievement of a Fully Functioning Circular Economy by 2041;
- Strategic Objective 3: Appropriately Locate Waste Management Capacity;
- Strategic Objective 4: Contribute to East London's Regeneration and Economic Growth;
- Strategic Objective 5: Achieve Net Zero Waste Management;
- Strategic Objective 6: Optimise Existing Waste Management Capacity;

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- Strategic Objective 7: Minimise Transportation and Establish Alternative Infrastructure; and
- Strategic Objective 8: Restrict Landfilling to Exceptional Circumstances.

6.4 There are six strategic policies set out in the draft ELJWP. In some cases there may be overlap between the policies of the Borough's Local Plans and the policies in this Plan, where this occurs the latest policy to have been adopted will take precedence.

6.5 The policies align with the strategic objectives as below:

- Strategic Objective 1: Policy JWP1: Circular Economy & Policy JWP5: Energy from Waste;
- Strategic Objective 2: Policy JWP1: Circular Economy & Policy JWP4: Design of Waste Management Facilities;
- Strategic Objective 3: Policy JWP2: Safeguarding and Provision of Waste Capacity & Policy JWP3 Prevention of Encroachment;
- Strategic Objective 4: Policy JWP2: Safeguarding and Provision of Waste Capacity & Policy JWP4: Design of Waste Management Facilities;
- Strategic Objective 5: Policy JWP1: Circular Economy, Policy JWP4: Design of Waste Management Facilities & Policy JWP6: Deposit of Waste on Land;
- Strategic Objective 6: Policy JWP5: Energy from Waste;
- Strategic Objective 7: Policy JWP4: Design of Waste Management Facilities; and
- Strategic Objective 8: Policy JWP1: Circular Economy.

Vision and strategic objectives

6.6 Section 3 of the ELJWP Regulation 18 document outlines the vision and strategic objectives for the emerging plan.

6.7 The overarching draft vision for ELJWP is:

By 2041, the principles of the circular economy will be fully integrated into all forms of development within East London, resulting in reduced waste production and increased emphasis on repair, refurbishment and reuse including that associated with built structures

A network of accessible service providers for reuse, repair, and recycling will be in place. Remaining waste will be viewed and managed as a resource, with hazardous properties virtually eliminated in construction and demolition waste. Priority will be given to using recycled materials in construction, and development projects will prioritise waste minimisation.

Sustainable waste management in East London will contribute to the area's regeneration, positioning it as a key part of London's industrial engine and a thriving economic centre. Waste management facilities will be located to protect and enhance communities and the natural environment, and be resilient to climate change. Waste will be managed efficiently by maximising existing capacity of facilities, releasing underutilised or poorly located sites, minimising transportation and using infrastructure established for alternative means of waste movement, in particular via the River Thames.

Net zero in waste management will have been achieved in East London through an understanding, and reduction, of lifecycle carbon impacts and incorporating renewable energy in waste management and transportation.

Sending waste to landfill will be a last resort, occurring only in exceptional circumstances, and any landfill in East London will be considered a strategic resource with carefully managed capacity.

6.8 Eight draft strategic objectives have been defined to support the delivery of the overarching vision:

Strategic Objective 1: Significantly Reduce Waste Production Overall

- Encourage the integration of circular economy principles and the adoption of best practice design and construction approaches, to achieve a significant reduction in waste production by 2041.

Strategic Objective 2: All Built Development Will Contribute to the Achievement of a Fully Functioning Circular Economy by 2041

- Promote the use of circular economy principles in design, construction and development in the built environment, emphasising reduced waste production and increased reuse and repair practices.
- Encourage development to consider and minimise waste during construction and operation, following the waste hierarchy in priority order.
- Enable delivery of development which will help establish a viable and easily accessible network of re-use, repair, and recycling services.
- Foster a shift in perception such that waste materials are viewed as a valuable resource, ensuring sustainable waste management is integral to the development and use of all new development.
- Encourage development that prioritises the use of reused, reusable, recycled and recyclable materials and minimises the use hazardous materials which could result in the production of hazardous waste in construction projects in East London

Strategic Objective 3: Appropriately Locate Waste Management Capacity

- Locate, construct, and operate waste management facilities while protecting and enhancing communities, health, employment, and the natural environment, and ensuring resilience to climate change.

Strategic Objective 4: Contribute to East London's Regeneration and Economic Growth

- Leverage sustainable waste management in a manner that contributes to East London's regeneration and economic growth.
- Ensure high quality restoration and aftercare of landfill sites which maximises benefits to the community and the environment.
- Ensure waste is managed using methods and in locations that contribute to measurable improvements in the natural environment, including biodiversity, of East London.

Strategic Objective 5: Achieve Net Zero Waste Management

- Attain net zero in waste management by 2041 by ensuring that whole lifecycle carbon impacts are taken into account in proposals for the management of waste.
- Provide waste management capacity that minimises greenhouse gas production and supports the development of a low carbon economy and decentralised energy.
- Promote development which allows for the exclusive use of renewable energy sources in waste management operations and transportation.

Strategic Objective 6: Optimise Existing Waste Management Capacity

- Realise the full potential of existing waste management capacity in East London, using only the minimum land necessary while ensuring the capability to manage at least the apportionment in the London Plan is maintained.

- Review and release land occupied by poorly located or under-utilised waste management facilities for other uses.

Strategic Objective 7: Minimise Transportation and Establish Alternative Infrastructure

- Minimise the transportation of waste by locating facilities as close as possible to its source
- Safeguard and establish alternative transport infrastructure, including River Thames wharves, to allow movement without reliance on fossil fuel-powered vehicles.

Strategic Objective 8: Restrict Landfilling to Exceptional Circumstances

- Ensure the disposal of waste occurs only as a last resort and in exceptional circumstances.
- Ensure any landfill capacity is reserved solely for the disposal of waste which cannot be managed by any other means.

6.9 These two components of the ELJWP Regulation 18 document were subjected to IIA. No reasonable alternatives to the vision and objectives were identified at this stage.

Likely effects of the draft vision themes, overarching vision and 10 strategic objectives

6.10 Given the clear aspirational relationship between the overarching vision and 8 strategic objectives, these two components of the ELJWP Regulation 18 document have been appraised together. **Table 6.1** below sets out the likely effects of the vision and strategic objectives. The reasoning for the identification of these likely effects is set out by IIA objective below the table.

Table 6.1: Vision and strategic objective effects

IIA Objectives	Overarching Vision	Strategic Objective 1: Significantly reduce waste production overall	Strategic Objective 2: All built development will contribute to the achievement of a fully functioning circular economy by 2041	Strategic Objective 3: Appropriately locate waste management capacity	Strategic Objective 4: Contribute to London's regeneration and economic growth	Strategic Objective 5: Achieve net zero waste management	Strategic Objective 6: Optimise existing waste management capacity	Strategic Objective 7: Minimise transportation and establish alternative infrastructure	Strategic Objective 8: Restrict landfilling to exceptional circumstances
IIA1: Climate change mitigation	++	+	+	0	0	++	0	++	+
IIA2: Treatment of waste	++	++	+	0	0	+	0	+	+
IIA3: Economy	+	0	+/-	0	++	-	0	0	0
IIA4: Health and wellbeing	+	0	0	+	+	0	0	0	0
IIA5: Sustainable transport	+	+	+	0	0	++	+	++	0
IIA6: Historic environment	+	0	0	0	0	0	0	0	0
IIA7: Biodiversity and geodiversity	+	0	0	+	+	0	0	0	0
IIA8: Open spaces and townscapes	0	0	0	0	0	0	0	0	0
IIA9: Water	+	0	0	+	+	+	0	+	0
IIA10: Flooding	+	+	0	0	0	+	0	0	0
IIA11: Noise, light and air pollution	++	+	0	0	0	0	0	+	0
IIA12: Mineral resources and Soils	+	0	0	0	0	0	+	0	+

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IIA objective 1: To minimise the East London Joint Waste Plan's contribution to climate change through a reduction of greenhouse gas emissions from managing waste

6.11 The vision is likely to have a significant positive effect against this IIA objective because it emphasises repair, refurbishment and reuse and the overall minimisation of waste across the East London area. Construction will prioritise recycled materials and the overall transportation of waste will be reviewed to use alternative infrastructure via the River Thames, thus diminishing the release of carbon emissions.

6.12 Strategic objectives 1 and 2 are likely to have minor positive effects against the IIA objective due to the emphasis on re-use, recycle and recover to minimise the amount of waste produced, resulting in fewer emissions associated with its management. Strategic objective 8 requires that landfill should only be used as an absolute last resort, positively contributing to London's reduction of greenhouse gas emissions by minimising the need to transport landfill-bound waste farther afield.

6.13 Strategic objectives 5 and 7 seek to prioritise the reduction of greenhouse gas production and unsustainable transportation and will therefore has a significant positive effect on this IIA objective.

6.14 The other strategic objectives are expected to have a negligible effect, as they are not connected to the themes of this IIA objective.

6.15 Minimising emissions from waste within the ELJWP area and contributing to a reduction in greenhouse gas emissions is expected to have a positive effect on air, climate, water, material assets, soil and biodiversity. Improvements to

the local environment will have positive benefits for the physical and mental health of local populations.

IIA objective 2: Move treatment of waste up the Waste Hierarchy within East London

6.16 The vision and strategic objective 1 are both likely to have a significant positive effect against this IIA objective as they both promote the re-use, recycling and recovery of waste and a circular low carbon economy, driving waste up the waste hierarchy.

6.17 The following strategic objectives all have a minor positive effect against this IIA objective. Strategic objective 2 because it favours circular economy principles; 5 and 7 support the development of a low carbon economy and prioritise the use alternative fuels for transport, respectively. Finally, 8 minimises the landfilling of waste, driving the remaining proportion of landfilled waste up the waste hierarchy.

6.18 The other strategic objectives are expected to have a negligible effect, as they are not connected to the themes of this IIA objective.

6.19 . Movement of waste up the waste hierarchy is expected to have a positive effect on air, climate, water, material assets, soil and biodiversity. Improvements to the local environment will have positive benefits for the physical and mental health of local populations.

IIA objective 3: Support, maintain or enhance the development of the economy of East London

6.20 The vision is likely to have a minor positive effect against this IIA objective because it states that sustainable waste management in East London will be a contributor to London's thriving economic centre.

6.21 A significant positive effect is recorded for this IIA objective for strategic objective 4, which focusses on harnessing waste management to deliver economic regeneration and growth in East London.

6.22 Strategic objective 2 has the potential to generate a mixture of minor positive and negative effects against this IIA objective as it encourages resource efficiency such as the practice of repairing, which can also generate employment opportunities within the area. However, the promotion of circular economy principles in design, construction and development may increase costs in some areas, at least in the short term until the economies are more mature. A minor negative effect is recorded for this IIA objective for Strategic Objective 5 for similar reasons, specifically the costs associated with delivering a net zero in waste management.

6.23 The other strategic objectives are expected to have a negligible effect, as they are not connected to the themes of this IIA objective. Support for the economy is expected to have a positive effect on population health and material assets. Improvements to the local economy will have positive benefits for the mental health of local populations, as well as physical health.

IIA objective 4: Protect and improve the health of the people of the East London Joint Waste Plan area

6.24 The vision is likely to have a minor positive effect against this IIA objective as it promotes the protection and enhancement of communities in the area.

6.25 Similarly, strategic objective 3 emphasises the importance of protecting and enhancing the health of communities and the natural environment and 4 prioritises restoration and aftercare of landfill sites, both of which will have a minor positive effect against this IIA objective.

6.26 The other strategic objectives are expected to have a negligible effect, as they are not connected to the themes of this IIA objective .

6.27 Support for the health of local communities is expected to have a positive effect on population health. Improvements in the local environment will have positive benefits for the mental health of local populations, as well as physical health.

IIA objective 5: Promote sustainable modes of transport in the East London Joint Waste Plan area by reducing road traffic, congestion and pollution

6.28 The vision is likely to have a minor positive effect against this IIA objective as it bolsters investigating the use of alternative means of sustainable transport, especially via the River Thames.

6.29 The vision is supported by strategic objectives 1, 2, 5, 6 and 7. Strategic objectives 5 and 7 make a significant contribution through their prioritisation of net-zero and transportation efficiencies and sustainable modes.

6.30 More minor positive effects are recorded for strategic objectives 1, 2 and 6. This recognises the strategic objectives efforts to minimise waste and/or maximise the efficient siting and capacity of facilities, which reduce the scale and need to transport waste within and outside East London .

6.31 The other strategic objectives are expected to have a negligible effect, as they are not connected to the themes of this IIA objective. Support for sustainable transport is expected to have a positive effect on population health, air, climate, material assets, water and biodiversity. Access to sustainable transport, and reduction in air pollution, will have positive benefits for the mental health of local populations, as well as physical health.

IIA objective 6: Protect and enhance the historic environment within East London

6.32 The vision is likely to have a minor positive effect on this IIA objective; as it encourages the repair and refurbishment of goods which extends to built structures.

6.33 There are no strategic objectives which explicitly contain details around the historic environment, resulting in negligible effects against this IIA objective.

6.34 The lack of focus on the historic environment within the vision and objectives is expected to have a negative outcome for material assets and population health. Negative effects on the historic environment due to waste development will have negative effects for the mental health of local populations.

Recommendation

6.35 Strategic objective 3 puts emphasis on the need to protect and enhance the natural environment. The IIA recommends that this could be extended to include the historic environment, which would then have a minor positive effect on this IIA objective.

IIA objective 7: Protect, enhance, restore, and expand the biodiversity and geodiversity assets within the East London Joint Plan area

6.36 The vision is likely to have a minor positive effect against this IIA objective as it states that the location of waste management facilities will be specifically chosen so that the natural environment can be protected and enhanced.

6.37 Strategic objectives 3 and 4 actively support the vision by emphasising the importance of protecting and enhancing the natural environment including the biodiversity within East London and are therefore recorded as having a minor positive effect against this IIA objective.

6.38 The other strategic objectives are expected to have a negligible effect, as they are not connected to the themes of this IIA objective.

6.39 Support for the biodiversity is expected to have a positive effect on biodiversity, air, pollution, material assets and population health. Improvements in biodiversity will have positive benefits for the mental health of local populations, as well as physical health.

IIA objective 8: Protect, enhance, and restore open spaces and townscapes within the ELJWP area

6.40 The vision and objectives make no specific references to open spaces or townscapes. The vision and objectives may have indirect positive or negative effects where open spaces or townscapes are protected or affected by waste development. The effect is considered to be negligible and uncertain at present.

6.41 The lack of focus on open space and townscapes within the vision and objectives is expected to have a negative outcome for material assets and population health. Negative effects on open spaces and townscape due to waste development will have negative effects for the mental health of local populations.

Recommendation

6.42 Specific reference to the protection and enhancement of open space or townscape within the vision and strategic objectives would result in positive effects on this IIA objective.

IIA objective 9: Protect and enhance the quality and quantity of watercourses and water bodies and maximise the efficient use of water within East London

6.43 The vision is likely to have a minor positive effect against this IIA objective as it states that the location of waste management facilities will be specifically chosen so that the natural environment can be protected and enhanced, including the area's water resource.

6.44 Similarly, strategic objectives 3 and 4 emphasise the importance of protecting and enhancing the natural environment and are therefore considered to have a minor positive effect on IIA9.

6.45 The other strategic objectives are expected to have a negligible effect, as they make no reference to the themes of this IIA objective.

6.46 Protecting and enhancing the quality and quantity of watercourses and water bodies and maximising the efficient use of water, is expected to have a positive effect on water, material assets, soil and biodiversity. Reducing risk of water pollution and ensuring water security will have positive benefits for the physical and mental health of local populations.

IIA objective 10: To manage and reduce flood risk from all sources within East London

6.47 Whilst there is no direct reference to flooding or SuDS and nature-based solutions, the vision emphasises waste facilities to be located to protect and enhance the natural environment and increase climate resilience. The vision therefore has a minor positive effect against this IIA objective .

6.48 Similarly, strategic objectives 3, 4 and 5 focus on protecting and enhancing the natural environment and/or ensure resilience to climate change, resulting in minor positive effects against this IIA objective.

6.49 The other strategic objectives are expected to have a negligible effect, as they are not connected to the themes of this IIA objective.

6.50 Managing and reducing flood risk from all sources is expected to have a positive effect on water, material assets, soil and biodiversity. Reducing risk from flooding will have positive benefits for the physical and mental health of local populations.

IIA objective 11: Minimise noise, light and air pollution relating to waste development within East London

6.51 Although there are no direct references to minimising pollution within East London in the vision, the vision pursues several priorities that will directly result in reductions in pollution across East London, including efficient use of waste, waste reduction, locating waste sources close to their end-use, minimising transportation and maximising sustainable travel and delivering net-zero. Therefore, a significant positive effect is recorded against this IIA objective.

6.52 A minor positive effect is recorded for strategic objective 1 against this IIA objective due to general contribution that a general reduction in waste production in East London will have on the need to process and transport it, reducing the opportunity for associated pollution. Strategic objectives 5 and 7 promote the use of low carbon technologies and sustainable transportation of waste, pursuing transport modes that do not rely on fossil fuels for power, resulting in a minor positive effect against this IIA objective.

6.53 The other strategic objectives are expected to have a negligible effect, as they make no reference to the themes of this IIA objective.

6.54 Minimising pollution and the effects of pollution from new development is expected to have a positive effect on physical and mental health, material assets, soil, water and biodiversity.

IIA objective 12: Protect and enhance mineral resources and soils within East London

6.55 The vision references waste to be managed efficiently by maximising the existing capacity of facilities but releasing underutilised and poorly located sites. This can ensure that large parts of the East London area can revert to safeguarded and undisturbed mineral resources and soils through this action. This therefore has a minor positive effect against this IIA objective.

6.56 Similarly, strategic objective 6 promotes the efficient use of land, resulting in the same minor positive effect recorded against this IIA objective as the vision.

6.57 Strategic objective 8 states that the landfilling will only be used as a last resort, which saves and prevents unnecessary contamination of mineral resources and soils within East London.

6.58 The other strategic objectives are expected to have a negligible effect, as they are not connected to the themes of this IIA objective. Protecting and enhancing mineral resources and soils is expected to have a positive effect on material assets, soil, water and biodiversity. Effective and sustainable use of land provides health environments for people.

Policies

6.59 There are six policies in the ELJWP Regulation 18 document:

- Policy JWP1: Circular Economy
- Policy JWP2: Safeguarding and Provision of Waste Capacity
- Policy JWP3 Prevention of Encroachment
- Policy JWP4: Design of Waste Management Facilities
- Policy JWP5: Energy from Waste
- Policy JWP6: Deposit of Waste on Land

6.60 Each policy is accompanied by a paragraph setting out the purpose of the policy, and supporting text to help with the implementation of the plan. The policies within the ELJWP will be applied when making decisions on the suitability of proposals for development in East London. All the policies apply to proposals relating to waste management and Policies JWP1 and JWP3 will apply to all forms of development. Parts of Policy JWP2 will apply to proposals which involve the redevelopment of existing waste management facilities.

6.61 Relevant policies included in the adopted Local Plan of the Borough within which the proposal is located will also be applied. Such policies may relate to wider issues concerning the protection and enhancement of communities and the natural environment. Where there is overlap between the policies of the Borough's Local Plans and the policies in this Plan, the latest policy to have been adopted will take precedence.

Likely effects of the policies

6.62 The likely sustainable effects of the policies are set out in **Table 6.3** and described below.

Table 6.1: Policy effects

IIA Objectives	Policy JWP1: Circular Economy	Policy JWP2: Safeguarding and Provision of Waste Capacity	Policy JWP3: Prevention of Encroachment	Policy JWP4: Design of Waste Management Facilities	Policy JWP5: Energy from Waste	Policy JWP6: Deposit of Waste on Land
IIA1: Climate Change	+	+	0	++	++	+
IIA2: Treatment of waste	++	+	+	+	+	+
IIA3: Economy	++	++	+	+/-	0	+
IIA4: Health and wellbeing	+	+/-?	+?	++/-?	+	+?
IIA5: Sustainable transport	+	+	0	+	+	0
IIA6: Historic environment	?	?	0	?	0	?
IIA7: Biodiversity and geodiversity	+?	+/-?	0	+/-?	0	+/-
IIA8: Open spaces and townscapes	+?	+/-?	0	+/-?	0	+/-
IIA9: Water	+	+/-?	0	+/-?	0?	+?
IIA10: Flooding	0	0	0	++	0	0
IIA11: Noise, light and air pollution	0	-?	++?	+	+	+
IIA12: Mineral resources and soils	0	+?	0	+	0	+

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6.63 The reasoning for the identification of these likely effects is set out by IIA objective below.

IIA objective 1: To minimise the East London Joint Waste Plan's contribution to climate change through a reduction of greenhouse gas emissions from managing waste

6.64 Policy JWP 1 promotes the circular economy, minimising the production of waste, providing adequate treatment facilities, and also makes provision for education facilities within new waste development. The policy is expected to have a minor positive effect on IIA1, as it promotes the minimisation of waste, as well as the appropriate treatment of waste, thereby minimising the overall volume of emissions from waste treatment.

6.65 Policy JWP2 safeguards waste sites and ensures there is adequate waste capacity within the plan area. The policy is expected to have a minor positive effect on IIA1, as maintaining an adequate network of waste sites within the plan area will minimise the distance waste needs to travel, minimising emissions from transport.

6.66 Policy JWP3 seeks to prevent the encroachment of development on existing waste facilities and as such will have a negligible effect on this IIA objective.

6.67 Policy JWP4 seeks to minimise greenhouse gas as far as practicable and ensure the implementation of climate adaptation measures. As such, a significant positive effect is expected in relation to IIA1.

6.68 Policy JWP5 Energy from Waste is expected to have a significant positive effect in relation to IIA1 as it states that any energy from waste facilities will only

be permitted where the release of carbon emissions will be minimised, and that facilities will operate as combined heat and energy plants.

6.69 Policy JWP6 seeks to minimise fugitive emissions of landfill gas whilst maximising energy recovery. These provisions will benefit a reduction of greenhouse gas emissions and as such, a minor positive is expected in relation to IIA1.

Policy recommendations

6.70 Although the ELJWP is broadly positive in terms of IIA Objective 1, the plan could consider the inclusion of specific targets in relation to reduction in carbon emissions or reuse of materials associated with waste management facilities and transfer operations.

IIA objective 2: Move treatment of waste up the Waste Hierarchy within East London

6.71 As set out above, policy JWP1 requires the minimisation of waste and appropriate treatment within the waste hierarchy. As such, this policy is expected to have significant positive effects against IIA2.

6.72 Policy JWP2 requires the safeguarding of existing facilities and the provision of appropriate waste capacity within the plan area. The policy states that proposals for new facilities should be refused unless they result in waste being dealt with further up the waste hierarchy or consolidate existing facilities in order to improve their efficiency. Therefore a minor positive effect is recorded on this IIA objective.

6.73 Policy JWP3 is expected to have a minor positive effect in relation to IIA2 as it prevents any future development from impeding on the functioning of existing waste management facilities. It is therefore contributing to London's

goal of becoming a zero-waste city and promoting a low carbon economy through correct waste disposal at existing waste sites.

6.74 Policy JWP4 promotes recycling as a climate adaption measure, which will minimise the disposal of waste in the plan area. As such, a minor positive effect is expected in relation to IIA2.

6.75 Policy JWP5 is expected to have a minor positive effect in relation to IIA2 as it states that any waste to be used as fuel is waste which cannot be reused, recycled or composted (as detailed within a Waste Hierarchy Statement). This therefore promotes waste up the waste hierarchy and contributes towards London's aim of becoming a zero-waste city by minimising the disposal of all waste across the ELJWP area.

6.76 Policy JWP6 makes provision for the re-use of waste prior to its disposal to land, including requirements for proposals for land to be used as waste to demonstrate that waste cannot be practically managed by other means further up the waste hierarchy. As such, a minor positive effect is expected in relation to IIA2, given the proportion of waste that currently goes to landfill and the general declining trend.

Policy recommendations

6.77 Most policies are considered to have positive effects in relation to IIA2. The plan could consider the inclusion of specific targets in relation to reduction of waste to landfill.

IIA objective 3: Support, maintain or enhance the development of the economy of East London

6.78 Policy JWP 1 supports the circular economy within East London. This provides support for existing businesses as well as for new or expanded

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businesses that may come forward that minimise the use of waste and maximise the prevention and re-use of materials. This policy is expected to have a significant positive effect on IIA3.

6.79 Policy JWP2 provides support for existing waste sites and existing waste capacity within East London. As such, the policy is expected to have a significant positive effect on this IIA objective.

6.80 Policy JWP3 seeks to prevent encroachment on existing waste sites from incompatible new development. This provides protection for existing waste sites and is therefore expected to have a minor positive effect on IIA3.

6.81 Policy JWP4 seeks to ensure that employment opportunities are created for residents of the respective Borough from major development at both construction and operational stages. This will benefit the local economy, and as such, a minor positive effect is expected in relation to IIA3. Conversely, the long list of measures required in policy JWP4 to improve the sustainable development and management of waste in East London will require considerable investment, which may influence the profitability and viability of certain waste management practices with minor adverse effects against this objective.

6.82 Policy JWP5 is concerned with the operation of new energy from waste facilities and will have a negligible effect on this IIA objective.

6.83 Policy JWP6 is concerned with controlling the deposit of waste to land, and promotes positive afteruses on landfill sites. By ensuring that landfill is controlled appropriately, this policy will prevent negative effects on existing businesses. Beneficial afteruses on landfill sites will have positive effects for the local economy. As such, this policy is expected to have a minor positive effect on IIA3.

Policy recommendations

6.84 There are no police recommendations in relation to JWP3.

IIA objective 4: Protect and improve the health of the people of the East London Joint Waste Plan area

6.85 Policy JWP1 requires that there is sufficient storage space for the collection and treatment of recyclable materials. This should minimise negative effects on the community, by ensuring materials are stored appropriately. This policy is considered to have a minor positive effect on this objective.

6.86 Policy JWP2 requires that existing sites are safeguarded and there is adequate waste capacity within East London. By ensuring adequate provision for the collection and treatment of wastes within the plan area, this policy should minimise unauthorised waste treatment or fly tipping, which will have a minor positive effect on this IIA objective. However, in addition, the policy offers scope to permit waste management uses on safeguarded waste sites where they avoid undue amenity impacts, offering scope for some minor adverse effects to this objective within their immediate vicinity. Therefore an uncertain mixed minor positive and minor negative effect is recorded against this IIA objective overall.

6.87 Policy JWP3 is expected to have a minor positive effect in relation to IIA4 as the policy seeks to prohibit future incompatible development from encroaching existing waste facilities. This should diminish the consequential impacts on human health and safety as a result of residing in close proximity to waste sites, most commonly from noise or odour. This policy is therefore expected to have a minor positive effect on this IIA objective; however, in the absence of precautionary distance buffers, this is uncertain until such time as the specific sensitivities of receptors and pathways to and from them are known.

6.88 Policy JWP4 employs a wide range of measures to avoid adverse impacts from development, including those that compromise the health and wellbeing of local communities. However, the policy states that only ‘unacceptable’ adverse impacts on health and well-being should be avoided, offering scope for some minor adverse effects. As such, a significant positive effect is recorded, mixed with the potential for some uncertain minor adverse effects in relation to IIA4.

6.89 Policy JWP5 Energy from Waste is expected to have a minor positive effect in relation to IIA4 as the release of non-biogenic gaseous carbon emissions will be minimised thus minimising the adverse effects on human health across the ELJWP area.

6.90 Policy JWP6 intends to ensure that restoration and aftercare of sites are of high quality with benefits to local communities. Whilst this is not directly stated in the policy, this suggests that sites will be restored as a benefit to the health of local communities. As such, an uncertain but minor positive effect is expected in relation to IIA4.

Policy recommendations

6.91 Policy JWP6 references the restoration of sites to a high quality with benefits to local communities. The policy should consider expanding these benefits in more detail, for example, benefits to recreation, health or the economy. Most policies are considered to have positive effects in relation to IIA4.

IIA objective 5: Promote sustainable modes of transport in the East London Joint Waste Plan area by reducing road traffic, congestion and pollution

6.92 Policy JWP1 provides for a network of sites to enable the minimisation of waste and maximisation of the circular economy. This network of sites should reduce the amount of waste on the road network and the distance that waste has to travel, and have a minor positive effect on this objective. This will depend on sites coming forward within the plan period, and therefore the effect is considered to be uncertain.

6.93 Policy JWP2 safeguards existing sites and requires the plan to provide adequate waste capacity within the plan area. Ensuring the plan area provides sufficient capacity for the treatment of waste will help minimise the distance waste has to travel. The policy is therefore expected to have a minor positive effect on this objective.

6.94 Policy JWP3 is concerned with preventing existing waste sites being affected by new incompatible development in close proximity. The policy has no direct relationship with this objective, and is therefore expected to have a negligible effect on IIA5.

6.95 Policy JWP4 gives preference to non-road transport where practicable and additionally promotes low emission vehicles, seeks to utilise vehicle charging points and incorporates scheduling and management of vehicle routing. As such, a minor positive effect is expected in relation to IIA5.

6.96 Policy JWP5 Energy from Waste is expected to have a minor positive effect in relation to **IIA5** as the policy will be consistent with the proximity principle limiting long distance vehicle movements and therefore reducing the distance travelled and traffic congestion.

6.97 Policy JWP6 will have a negligible effect on this IIA objective.

Policy recommendations

6.98 Policy JWP4 references a preference towards 'non-road transport' in the design of waste management facilities. The policy should consider identifying what forms of transport this would be, including reference towards the promotion of active travel if applicable. Currently, this element of the policy is ambiguous.

IIA objective 6: Protect and enhance the historic environment within East London

6.99 IIA6 is expected to receive an uncertain effect in relation to policies JWP1, 2, 4 and 6 as there is no specific mention of the historic environment where waste management sites and/or activities could have an adverse effect on the historic environment.

6.100 A negligible effect is recorded for policy JWP3 and 5, which are concerned with the evaluation of specific proposals and/or scenarios rather than their impacts on the historic environment .

Policy recommendations

6.101 Policy JWP4 does not currently address the historic environment as a consideration regarding proposals for new waste management uses.

6.102 Policy JWP6 does not currently address the historic environment as a consideration regarding proposals for new land to be used for the disposal of waste.

6.103 The policies should consider including provision for safeguarding and enhancing the historic environment where relevant.

IIA objective 7: Protect, enhance, restore, and expand the biodiversity and geodiversity assets within the East London Joint Plan area

6.104 By providing an adequate network of waste facilities, policy JWP1 will help to prevent fly tipping and other uncontrolled waste uses. This could have a minor positive effect on IIA7, by ensuring waste sites are protected from waste development. This effect is considered to be uncertain as the policy does not specifically address the natural environment, and the effects are dependent on the development sites that come forward in the plan area.

6.105 Policy JWP2 protects existing waste sites, and does not actively promote new sites for waste development. While there may be no negative effects of new sites on the natural environment, the policy does not address the potential negative effects of existing waste sites, where there may be issues with negative effects on the natural environment. The overall effect of this policy on IIA7 is considered to be mixed minor positive and minor negative, with uncertainty due to the effects being dependent on the active sites within the plan period.

6.106 Policy JWP3 is considered to have a negligible effect on this IIA objective.

6.107 Policy JWP4 seeks contributions to green and blue infrastructure and biodiversity enhancement where net gain is required. This will contribute towards improving local biodiversity in the plan area and as such, a minor positive effect is expected in relation to IIA7. However, the policy states that only 'unacceptable' adverse impacts on the environment should be avoided, offering scope for some minor adverse effects, albeit uncertain ones.

6.108 Policy JWP5 does not address the location of energy from waste facilities and as such, is expected to have a negligible effect on this IIA objective.

6.109 Policy JWP6 intends to ensure that the restoration and aftercare of sites demonstrate benefits to the environment, whilst requiring a management system to demonstrate the management of leachate whilst the site is in operation. However, the initial use of land for waste may result in land degradation if not properly managed, which may lead to negative impacts on local biodiversity. As such, a mixed minor positive and minor negative effect is expected in relation to IIA7.

Policy recommendations

6.110 Consideration could be given to outlining measures for monitoring and improving the ongoing management of potential adverse environmental effects from operational allocated waste sites.

IIA objective 8: Protect, enhance, and restore open spaces and townscapes within the ELJWP area

6.111 Policy JWP1 provides for a network of waste facilities within the plan area. This could ensure that waste facilities are appropriately planned for and may reduce impacts on the open space and townscapes within the plan area. This minor positive effect is considered to be uncertain, as it will depend on the locations of the sites that come forward within the plan period.

6.112 As discussed above, Policy JWP2 protects existing waste sites, and does not actively promote new sites for waste development. The effects on IIA8 are similar to the effects of policy JWP2 on IIA7. There may be no negative effects of new sites on open space and townscape, however the policy does not address the potential negative effects of existing waste sites, where there may

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be existing negative effects. As is the case with IIA7, the overall effect of this policy on IIA8 is considered to be mixed minor positive and minor negative, with uncertainty due to the effects being dependent on the active sites within the plan period.

6.113 Policy JWP3 is expected to have a negligible effect on IIA8.

6.114 Policy JWP4 promotes open space design as a climate adaption measure, which will contribute towards the protection and/or enhancement of open spaces in the plan area. As such, a minor positive effect is expected in relation to IIA8. However, the policy states that only 'unacceptable' adverse impacts on the environment should be avoided, offering scope for some minor adverse effects, albeit uncertain ones.

6.115 As with IIA7, Policy JWP5 does not address the location of energy from waste facilities and as such, is expected to have a negligible effect on IIA8.

6.116 As with IIA7, Policy JWP6 intends to ensure that the restoration and aftercare of sites demonstrate benefits to the community. However, the initial use of land for waste may result in negative effects if not properly managed, which may lead to negative impacts on local communities. As such, a mixed minor positive and minor negative effect is expected in relation to IIA8, Policy JWP5 does not address the location of energy from waste facilities and as such, is expected to have a negligible effect on IIA8.

6.117 As with IIA7, Policy JWP6 intends to ensure that the restoration and aftercare of sites demonstrate benefits to the community. However, the initial use of land for waste may result in negative effects if not properly managed, which may lead to negative impacts on local communities. As such, a mixed minor positive and minor negative effect is expected in relation to IIA7.

Policy recommendations

6.118 Consideration could be given to outlining measures for monitoring and improving the ongoing management of potential adverse environmental effects from operational allocated waste sites

IIA objective 9: Protect and enhance the quality and quantity of watercourses and water bodies and maximise the efficient use of water within East London

6.119 Policy JWP1 will have a negligible impact on IIA9.

6.120 The overall effect of JWP2 on IIA8 is considered to be mixed minor positive and minor negative, with uncertainty due to the effects being dependent on the active sites within the plan period. The policy protects existing waste sites, and does not actively promote new sites for waste development. The effects on IIA9 are similar to the effects of policy JWP2 on IIA7 and IIA8. There may be no potential negative effects of new sites on waterbodies in the plan area, however the policy does not address the potential negative effects of existing waste sites, where there may be existing negative effects.

6.121 Policy JWP3 will have a negligible impact on IIA9 as it relates to the impacts of new development on existing waste sites.

6.122 Policy JWP4 promotes the efficient use of water and drought-resistant landscaping. This will contribute towards increased water efficiency in the plan area and as such, a minor positive effect is expected in relation to IIA9. However, the policy states that only 'unacceptable' adverse impacts on the environment should be avoided, offering scope for some minor adverse effects, albeit uncertain ones.

6.123 Policy JWP5 focusses on energy from waste. Although the reduction in carbon emissions could have a positive effect on water bodies within the plan area, the effect is considered to be negligible and uncertain.

6.124 Policy JWP6 includes provision for minimising the effects of existing landfill, as well as requiring after uses that are positive for the environment and community. It is considered likely that this policy will have a minor positive effect on water bodies, however this is uncertain as it will depend on the location of the landfill and appropriate after uses coming forward within the plan period.

Policy recommendations

6.125 Only policy JWP4 directly addresses water quality. The plan could consider additional wording in relation to water for each of the other policies. The requirement for additional wording may be covered elsewhere as other policies within the development plan will apply. This includes the London Plan and the local plans for each of the Boroughs within East London. Consideration could also be given to outlining measures for monitoring and improving the ongoing management of potential adverse environmental effects from operational allocated waste sites.

IIA objective 10: To manage and reduce flood risk from all sources within East London

6.126 JWP Policies 1, 2, 3, 4 and 6 are considered to have a negligible impact on IIA10.

6.127 Policy JWP4 promotes the use of sustainable drainage systems and other methods of flood resistance, including green roofs. This will contribute towards better managed flood risk in the plan area and as such, a significant positive effect is expected in relation to IIA10.

Policy recommendations

6.128 The ELJWP could further consider the flooding implications of JWP5: Energy from Waste and JWP6: Landfill. The requirement for additional wording may be covered elsewhere as other policies within the development plan will apply. This includes the London Plan and the local plans for each of the Boroughs within East London.

IIA objective 11: Minimise noise, light and air pollution relating to waste development within East London

6.129 Policy JWP1 sets out criteria for the provision of a network of waste facilities within the plan area. This may have an effect on the impacts of waste development in relation to noise, light and air pollution, but this is considered to be negligible, given the general goal of reducing waste generation and maximising the efficiency of existing and safeguarded sites across East London.

6.130 The overall effect JWP2 on IIA11 is considered to minor negative, with uncertainty due to the effects being dependent on the active sites within the plan period. The policy protects existing waste sites, and does not actively promote new sites for waste development. The policy does not address the potential negative effects of existing waste sites, where there may be existing negative effects.

6.131 Policy JWP3 Prevention of Encroachment is expected to have a significant positive effect in relation to IIA11 as the restricted distance between a new non-waste development and existing waste management facilities minimises the potential impacts of pollution on new sensitive receptors; however, in the absence of precautionary distance buffers, this is uncertain until such time as the specific sensitivities of receptors and pathways to and from them are known.

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6.132 Policy JWP4 seeks to minimise adverse impacts arising from multiple sources of pollution, including those relevant to this IIA objective such as noise, light and air. As such, a minor positive effect is expected in relation to IIA11.

6.133 Policy JWP5 Energy from Waste is expected to have a minor positive effect in relation to IIA11 as the policy states that any release of non-biogenic carbon emissions will be minimised along with mechanisms in place for carbon capture.

6.134 Policy JWP6 will control the effects of landfill and as such will have a minor positive effect on IIA11.

Policy recommendations

6.135 There are no policy recommendations in relation to IIA11.

IIA objective 12: Protect and enhance mineral resources and soils within East London

6.136 Policies JWP1, JWP3 and JWP5 are considered to have a negligible effect on IIA12.

6.137 By safeguarding existing waste sites and capacity, Policy JWP2 helps to reduce the need for new waste sites within East London. This will have a minor positive effect on IIA12, but the effect is uncertain as it depends on the sites that are active or come forward during the plan period.

6.138 Policy JWP4 seeks to protect the best and most versatile agricultural land and soil quality, which will contribute towards the protection of soil resources in the plan area. As such, a minor positive effect is expected in relation to IIA12.

6.139 Policy JWP6 seeks to ensure that proposals for the permanent deposit of inert waste on land demonstrate the waste will be deposited for a beneficial purpose, such as restoring mineral workings. It further states that if the waste is intended for use in an engineering operation it must be demonstrated that there is no local demand for its use in mineral working restoration. These provisions will enhance mineral resources in the plan area. As such, a minor positive effect is expected in relation to IIA12.

Policy recommendations

6.140 There are no policy recommendations in relation to IIA12.

Reasonable Alternatives

6.141 Given the strategic and high-level nature of the visions and objectives, it was considered that there are no reasonable alternatives to appraise within the IIA. There are a number of reasonable alternatives to the draft policies within the ELJWP Regulation 18 document as set out in the paragraphs below.

6.142 The reasonable alternatives were considered against the IIA objectives. Differences in the appraisal outcomes are set out in **Tables 6.2** to **6.7** below.

Reasonable alternatives to JWP Policy 1

6.143 One reasonable alternative to Policy JWP1 has been identified (Alternative 1). This involves applying the London Plan threshold for the size of development required to provide Circular Economy Statements, i.e. referable development rather than all major development. This would result in fewer applications for development preparing circular economy statements. Although this alternative could result in major development applicants providing less detail with regards to the circular economy, the other criteria within policy JWP1 still encourage all development to follow the principles of the circular economy.

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Therefore, this alternative would likely reduce the sustainability of the ELJWP in relation to IIA1 and IIA2, but not significantly enough to alter the IIA score overall.

6.144 The preferred policy has been selected over the reasonable alternative because applying a lower threshold than the London Plan for the size of development required to provide Circular Economy Statements will result in more applications for development considering and planning for the circular economy across East London.

Table 6.2: Effects of JWP Policy 1 and its reasonable alternative

IIA objective	JWP Policy 1	Alternative 1
IIA1: Climate Change	+	+
IIA2: Treatment of waste	++	++
IIA3: Economy	++	++
IIA4: Health and wellbeing	+	+
IIA5: Sustainable transport	+	+
IIA6: Historic environment	?	?
IIA7: Biodiversity and geodiversity	+?	+?
IIA8: Open spaces and townscapes	+?	+?
IIA9: Water	+	+
IIA10: Flooding	0	0
IIA11: Noise, light and air pollution	0	0
IIA12: Mineral resources and Soils	0	0

Reasonable alternatives to JWP Policy 2

6.145 In terms of 'need', one reasonable alternative to Policy JWP2 was identified (Need Alternative 1). This involves making provision for further additional waste management capacity above the London Plan apportionment. It is likely that this option would result in waste travelling further, if the sites were to deal with waste from outside of the plan area. This option could also have negative effects on all IIA objectives, where East London's environment and communities would be under additional pressure to allocate and/or identify less suitable sites for waste development to come forward.

6.146 In terms of safeguarding, no reasonable alternatives were identified. JWP Policy 2 safeguards existing waste sites in accordance with national waste policy and policies within the London Plan. Safeguarded wastes sites included in the previous East London Joint Waste Plan have only been removed where they have since been allocated for alternative uses in adopted local plans (and plans that have reached a late stage of examination) as a baseline update exercise.

6.147 Two reasonable alternatives to Policy JWP2 were identified in relation to location of allocated development. In the first instance, the policy could identify specific existing waste sites that are suitable for intensification (Location Alternative 1). This could increase the positive effects of the policy in relation to IIA objectives relating to the environment, by providing certainty of locations for development, as well as reducing the overall likelihood of the development of new or expansion of existing waste sites, and their local impacts. The positive effects are balanced by the potential increase in negative effects in relation to IIA4 and IIA5, as waste may need to travel further, and environmental impacts may be greater than at smaller, less intensive waste sites.

6.148 As a second location alternative option (Location Alternative 2), the policy could require any new or existing waste site to be located within areas identified for industrial activity within local plans, without expressly including criteria within the East London Waste Plan. This option would remove the potential for policies to be misaligned with the adopted local plan, and allow for more bespoke policy

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criteria within each Borough. This option would also remove consistency of the approach to waste sites in industrial locations across the East London waste plan area and increase uncertainty in its application given it would be reliant on Local Plans, resulting a general increase in uncertainty to IIA objectives 2, 3, 4 and 5.

6.149 There are a number of location specific criteria which could be applied to identifying land for new waste sites, such as land at a lower risk of flooding, or where there are negative effects on the natural environment will be avoided, minimised or mitigated. These locational criteria are already set out in national policy, the London Plan, and other adopted local plans. Any proposed development would need to meet these criteria, and as such, they have not been considered as reasonable alternatives within this IIA.

6.150 The preferred policy has been selected over the reasonable alternatives because East London has established through its emerging evidence base that the plan area has more capacity than required for its needs and the additional needs of its neighbours. The preferred policy allows for the intensification of sites and for new sites to come forward within industrial locations, if that is appropriate at the time of an application. The alternative policies could increase the likelihood of meeting the target of net-self-sufficiency within the London Plan; however, the extent to which London is already net-self-sufficient is uncertain.

Table 6.3: Effects of Policy JWP2 and its reasonable alternatives

IIA objective	JWP Policy 2	Need Alternative 1	Location Alternative 1	Location Alternative 2
IIA1: Climate Change	+	+/-?	+	+
IIA2: Treatment of waste	+	+	+	++?
IIA3: Economy	++	++/-?	++	+++?

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IIA objective	JWP Policy 2	Need Alternative 1	Location Alternative 1	Location Alternative 2
IIA4: Health and wellbeing	+/-?	+/-?	+/-?	+?
IIA5: Sustainable transport	+	+/-?	+/-	+?
IIA6: Historic environment	?	?	?	?
IIA7: Biodiversity and geodiversity	+/-?	+/-?	+?	+/-?
IIA8: Open spaces and townscapes	+/-?	+/-?	+?	+/-?
IIA9: Water	+/-?	+/-?	+?	+/-?
IIA10: Flooding	0	0	0	0
IIA11: Noise, light and air pollution	-?	--	-	-
IIA12: Mineral resources and Soils	+?	+/-?	+?	+/-?

Reasonable alternatives to JWP Policy 3

6.151 One reasonable alternative was identified for ELJWP Policy 3 (Alternative 1). The policy within the Regulation 18 draft does not include a specified distance where the policy would apply. The alternative option could provide a set distance where the policy would apply. Although the effects from waste development are likely to differ due to the nature of the waste activity and the proposed new use within proximity to the existing waste site, a precautionary distance buffer would remove uncertainty around the implementation of the policy. It may be appropriate to include more than one buffer dependant on the scale of development and the type of waste. This could more effectively minimise the potential for adverse effects of ELJWP Policy 3 on the IIA objectives, and improve the sustainability of the ELJWP.

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6.152 The preferred policy has been selected over the reasonable alternatives because specified distances may not be appropriate in avoiding and mitigating impacts. Impacts depend on pathways and the specific sensitivities of receptors and not proximity, and the criteria would be difficult to define and manage over time, given the wide variation in waste uses and the environment across the plan area.

Table 6.4: Effects of Policy JWP 3 and its reasonable alternative

IIA Objectives	JWP Policy 3	Alternative 1
IIA1: Climate Change	0	0
IIA2: Treatment of waste	+	+
IIA3: Economy	+	+
IIA4: Health and wellbeing	+?	+
IIA5: Sustainable transport	0	0
IIA6: Historic environment	0	0
IIA7: Biodiversity and geodiversity	0	0
IIA8: Open spaces and townscapes	0	0
IIA9: Water	0	0
IIA10: Flooding	0	0
IIA11: Noise, light and air pollution	++?	++
IIA12: Mineral resources and Soils	0	0

Reasonable alternatives to JWP Policy 4

6.153 The only reasonable alternative identified for this policy is to rely on the more general development management policies within the London Plan and the adopted local plans within East London instead. This is likely to result in additional negative effects on the IIA objectives where there are gaps in policy within the development plan of particular relevance to waste management, and reduce certainty and consistency for waste development within East London.

6.154 The preferred policy has been selected over the reasonable alternatives because the policy wording within the ELJWP provides a specialist policy framework for waste development. Alternative policy options could result in additional negative effects, where existing policies within the wider development plan do not address the potential impacts of waste development.

Table 6.5: Effects of Policy JWP 4 and its reasonable alternative

IIA Objectives	JWP Policy 4	Alternative 1
IIA1: Climate Change	++	++
IIA2: Treatment of waste	+	+
IIA3: Economy	+/-	+/-
IIA4: Health and wellbeing	++/-?	++/-?
IIA5: Sustainable transport	+	+
IIA6: Historic environment	?	-?
IIA7: Biodiversity and geodiversity	+/-?	--/+
IIA8: Open spaces and townscapes	+/-?	--/+
IIA9: Water	+/-?	+/-?
IIA10: Flooding	++	++

IIA Objectives	JWP Policy 4	Alternative 1
IIA11: Noise, light and air pollution	+	+/-
IIA12: Mineral resources and Soils	+	+

Reasonable alternatives to JWP Policy 5

6.155 The only reasonable alternative identified for policy JWP5 is to rely on policies within the London Plan and the adopted local plans within East London (Alternative 1). This is likely to result in additional negative effects on the IIA objectives, and reduce certainty for development on energy from waste facilities within East London where appropriate.

6.156 The preferred policy has been selected over the reasonable alternatives because, as with the preferred option of JWP4, JWP5 provides specialist policy criteria to address the specific effects of energy from waste facilities.

Table 6.6: Effects of Policy JWP 5 and its reasonable alternative

IIA Objectives	JWP Policy 5	Alternative 1
IIA1: Climate Change	++	++?
IIA2: Treatment of waste	+	+/-?
IIA3: Economy	0	0
IIA4: Health and wellbeing	+	+/-?
IIA5: Sustainable transport	+	+/-?
IIA6: Historic environment	?	?
IIA7: Biodiversity and geodiversity	0	0

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IIA Objectives	JWP Policy 5	Alternative 1
IIA8: Open spaces and townscapes	0	0
IIA9: Water	0?	0?
IIA10: Flooding	0	0
IIA11: Noise, light and air pollution	+	+/-?
IIA12: Mineral resources and Soils	0	0

Reasonable alternatives to JWP Policy 6

6.157 The only reasonable alternative identified in relation to Policy JWP6 is to explicitly require a target of zero biodegradable waste to landfill by either 2026 or 2030 (Alternative 1). The alternative option is considered to be more ambitious than the draft policy wording, which does not contain any target for the reduction of biodegradable waste to landfill. The effect on the IIA objectives would be positive as it would be more likely that more waste would be diverted from landfill up the waste hierarchy. This option of zero waste by 2030 is consistent with national policy, but a less stringent requirement than the target of zero biodegradable waste to landfill by 2026 within the Mayor of London's Environment Strategy. Either the 2026 or 2030 target could be implemented within the ELJWP, and either option could increase the sustainable treatment of waste within East London.

6.158 The preferred policy has been selected over the reasonable alternatives because it offers flexibility in the timescales for reducing biodegradable waste to landfill. This is considered to be less sustainable than the alternative option and the IIA recommends that a target could be included within JWP6 to improve the sustainability of the plan.

Table 6.7: Effects of Policy JWP 6 and its reasonable alternative

IIA Objectives	JWP Policy 6	Alternative 1
IIA1: Climate Change	++	++
IIA2: Treatment of waste	+	++
IIA3: Economy	0	0
IIA4: Health and wellbeing	+	+
IIA5: Sustainable transport	+	+
IIA6: Historic environment	0	0
IIA7: Biodiversity and geodiversity	0	0
IIA8: Open spaces and townscapes	0	0
IIA9: Water	0?	0?
IIA10: Flooding	0	0
IIA11: Noise, light and air pollution	+	+
IIA12: Mineral resources and Soils	0	0

Equalities Impact Assessment, Health Impact Assessment and Strategic Environmental Assessment

6.159 The EqIA and HIA criteria are embedded within the IIA objectives used to appraise the ELJWP.

6.160 With regards to the equality, the vision, strategic objectives and policies for the ELJWP are likely to have a negligible effect on protected characteristics given their strategic nature, their focus on waste management issues, and as the plan does not allocate land for development. However, the ELJWP does

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indirectly give consideration to the potential effects of waste development on specific groups, where there may be increased vulnerability to the effects of waste management facilities and processes, including air pollution, climate change, employment opportunities and social deprivation.

6.161 With regards to HIA and SEA, the following paragraphs provide commentary relevant to health outcomes and each IIA objective.

IIA objective 1: To minimise the East London Joint Waste Plan's contribution to climate change through a reduction of greenhouse gas emissions from managing waste

6.162 Minimising emissions from waste within the ELJWP area and contributing to a reduction in greenhouse gas emissions is expected to have a positive effect on air, climate, water, material assets, soil and biodiversity.

6.163 Similar reductions will also avoid adverse effects on the physical and mental health of local populations.

IIA objective 2: Move treatment of waste up the Waste Hierarchy within East London

6.164 Movement of waste up the waste hierarchy is expected to have a positive effect on air, climate, water, material assets, soil and biodiversity.

6.165 Reductions in the quantities of waste and the more effective and efficient management of waste will help to avoid adverse effects on the physical and mental health of local populations.

IIA objective 3: Support, maintain or enhance the development of the economy of East London

6.166 Support for the economy is expected to have a positive effect on population health and material assets.

6.167 Investment in waste management will have benefits for the local economy, which will in turn have positive benefits for the mental health of local populations, as well as physical health.

IIA objective 4: Protect and improve the health of the people of the East London Joint Waste Plan area

6.168 Support for the health of local communities is expected to have a positive effect on population health.

6.169 Measures to improve and protect the local environment and sensitive receptors within it will avoid adverse effects on and have positive benefits for the mental health of local populations, as well as physical health.

IIA objective 5: Promote sustainable modes of transport in the East London Joint Waste Plan area by reducing road traffic, congestion and pollution

6.170 Support for sustainable transport is expected to have a positive effect on population health, air, climate, material assets, water and biodiversity.

6.171 Access to sustainable transport, and reduction in air pollution associated with the effective management of traffic associated with waste management, will avoid adverse effects on and have positive benefits for the mental health of local populations, as well as physical health.

IIA objective 6: Protect and enhance the historic environment within East London

6.172 The lack of focus on the historic environment within the vision and objectives is expected to have a negligible outcome for material assets and population health.

IIA objective 7: Protect, enhance, restore, and expand the biodiversity and geodiversity assets within the East London Joint Plan area

6.173 Support for the biodiversity is expected to have a positive effect on biodiversity, air pollution, material assets and population health.

6.174 Measures to protect, conserve and enhance the natural environment in East London will avoid adverse effects on and have positive benefits for the mental health of local populations, as well as physical health.

IIA objective 8: Protect, enhance, and restore open spaces and townscapes within the ELJWP area

6.175 The lack of focus on open space and townscapes within the vision and objectives is expected to have a negligible effect for material assets and population health.

IIA objective 9: Protect and enhance the quality and quantity of watercourses and water bodies and maximise the efficient use of water within East London

6.176 Protecting and enhancing the quality and quantity of watercourses and water bodies and maximising the efficient use of water, is expected to have a positive effect on water, material assets, soil and biodiversity.

6.177 Reducing risk of water pollution and ensuring water security will avoid adverse effects on and have positive benefits for the physical and mental health of local populations

IIA objective 10: To manage and reduce flood risk from all sources within East London

6.178 Managing and reducing flood risk from all sources is expected to have a positive effect on water, material assets, soil and biodiversity.

6.179 Reducing risk from flooding will avoid adverse effects on and have positive benefits for the physical and mental health of local populations.

IIA objective 11: Minimise noise, light and air pollution relating to waste development within East London

6.180 Minimising pollution and the effects of pollution from new development is expected to avoid adverse effects on and have a positive effect on physical and mental health, material assets, soil, water and biodiversity

IIA objective 12: Protect and enhance mineral resources and soils within East London

6.181 Protecting and enhancing mineral resources and soils is expected to have a positive effect on material assets, soil, water and biodiversity.

6.182 Effective, efficient and sustainable use of land provides healthier environments for people.

Cumulative effects

6.183 Cumulative effects of plan should be considered both in terms of the plan as a whole, and in relation to other plans or development in the plan area, and potentially outside of the plan area, depending on the potential impacts.

Cumulative effects of the ELJWP

6.184 This section summarises the cumulative effects of the vision, objectives and policies, building on the appraisals set out earlier in this chapter. A summary of the cumulative effects against each IIA objectives follows the table below, which sets out the summary scores for the vision, objectives and each of the six policies.

Table 6.8: Cumulative effects of the ELJWP

IIA Objectives	Cumulative effect
IIA1: Climate Change	++
IIA2: Treatment of waste	++
IIA3: Economy	++/-

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IIA Objectives	Cumulative effect
IIA4: Health and wellbeing	+/-?
IIA5: Sustainable transport	++
IIA6: Historic environment	0?
IIA7: Biodiversity and geodiversity	+/-?
IIA8: Open spaces and townscapes	+/-?
IIA9: Water	+/-?
IIA10: Flooding	+
IIA11: Noise, light and air pollution	++/-?
IIA12: Mineral resources and Soils	+

IIA objective 1: To minimise the East London Joint Waste Plan’s contribution to climate change through a reduction of greenhouse gas emissions from managing waste

6.185 Where an effect has been identified, the vision, policies and objectives of the ELJWP have a mixture of significant and minor positive effects on this objective. This is in recognition of the ELJWP’s consistent focus on pursuing the sustainable location and management of waste in East London, minimising carbon emissions through on-site operations and the sustainable transportation of waste within and beyond the city. Therefore, overall, a significant positive effect is recorded for this objective.

IIA objective 2: Move treatment of waste up the Waste Hierarchy within East London

6.186 Where an effect has been identified, the vision, policies and objectives of the ELJWP have a mixture of significant and minor positive effects on this objective. This is in recognition of the ELJWP's consistent focus on moving waste up the waste hierarchy. Therefore, overall, a significant positive effect is recorded for this objective.

IIA objective 3: Support, maintain or enhance the development of the economy of East London

6.187 Where effects have been identified, the effects on the ELJWP's visions, objectives and policies on IIA3 range from minor negative (SO5) to significant positive (JWP1 and JWP2). There is a mixed minor positive and minor negative effect for SO2. On balance, the ELJWP is considered to have a mixed significant positive and minor negative effect on IIA3, in recognition of the plan's efforts to maintain and improve the efficiency of the waste management industry in East London, but also the potential for its requirements to increase the long term cost of waste management in East London, potentially affecting the viability and profitability of some facilities.

IIA objective 4: Protect and improve the health of the people of the East London Joint Waste Plan area

6.188 The majority of the strategic objectives will have a negligible effect on IIA4. Where effects have been identified, the vision and objectives will have a minor positive effect. The majority of the policies have a minor positive effect in relation to IIA4. This effect is uncertain in relation to JWP3 and JWP6. The effects in relation to JWP4 are considered to be mixed significant positive and minor negative, although this effect is uncertain. The effects recognise the Plan's focus on avoiding and minimising adverse effects on East Londoners. On

balance, an uncertain mixed minor positive and minor negative effect is recognised overall in acknowledgement of safeguards put in place, but also acknowledging that some adverse effects may be permitted in some circumstances.

IIA objective 5: Promote sustainable modes of transport in the East London Joint Waste Plan area by reducing road traffic, congestion and pollution

6.189 Where effects have been identified, the majority of the policies and objectives have minor positive effects on IIA5. SO5 and SO7 have significant positive effects on this objective. This is in recognition of the ELJWP's consistent focus on pursuing the sustainable location and management of waste in East London, minimising travel through the consistent implementation of the proximity principle encouraging the sustainable transportation of waste within and beyond the city. Therefore, overall, a significant positive effect is recorded for this objective.

IIA objective 6: Protect and enhance the historic environment within East London

6.190 The vision will have a minor positive effect on IIA6. All of the objectives will have a negligible effect on the historic environment. The policies are generally considered to have an uncertain effect on IIA6 as any effects. This is generally to the notable absence of any reference to the safeguarding, conservation and enhancement of the historic environment, both directly and indirectly. Consequently, overall, the ELJWP is considered to have an uncertain negligible effect on IIA6.

IIA objective 7: Protect, enhance, restore, and expand the biodiversity and geodiversity assets within the East London Joint Plan area

6.191 The vision and strategic objectives SO3 and SO4 have minor positive effects on IIA7. Three of the six policies have uncertain mixed minor positive and minor negative effects, and one policy has an uncertain minor positive effects. These effects recognise the efforts of the ELJWP to protect East London's natural environment; however, the nature of waste management means that all adverse effects on biodiversity cannot be ruled out. Consequently, on balance, the ELJWP is considered to have an uncertain mixed minor positive and minor negative effect.

IIA objective 8: Protect, enhance, and restore open spaces and townscapes within the ELJWP area

6.192 The vision and objectives have a negligible effect on IIA8. JWP1 has a minor positive effect, and JWP2, JWP4 and JWP6 have an uncertain mixed minor positive and minor negative effect. These effects acknowledge the measures put in place within the policies to simultaneously maximise the efficient use of land within East London and conserve the city's character; however, the nature of waste management means that all adverse effects on open spaces and the city's character cannot be ruled out. Consequently, on balance, the ELJWP is considered to have an uncertain mixed minor positive and minor negative effect.

IIA objective 9: Protect and enhance the quality and quantity of watercourses and water bodies and maximise the efficient use of water within East London

6.193 Where an effect has been identified, the vision and objectives have minor positive effect on IIA9. Where effects are identified in relation to the policies, the

effects are generally minor positive, although Policy JWP2 is considered to have the potential for a more uncertain and mixed minor positive and minor negative. These effects recognise the efforts of the ELJWP to maximise the efficient use of water in waste management and protect the quality of East London's water resources; however, the nature of waste management means that all adverse effects on water quality cannot be ruled out. Consequently, on balance, the ELJWP is considered to have an uncertain and mixed minor positive and minor negative effect.

IIA objective 10: To manage and reduce flood risk from all sources within East London

6.194 The vision and strategic objectives SO1 and SO5 have a minor positive effects on this objective. Most policies have a negligible effect on this objective, with the exception of JWP4, which has a significant positive effect in isolation. These effects recognise the appropriate efforts of the ELJWP to reduce flood risk through flood resilience in design as well as promoting reductions in the extent of impermeable surfaces on waste sites across East London. On balance, given the scale and density of London, and the relative small footprint of East London's waste management facilities, the ELJWP is considered to have a minor positive effect on this objective.

IIA objective 11: Minimise noise, light and air pollution relating to waste development within East London

6.195 The vision has a significant positive effect in relation to IIA11. The strategic objectives generally have a negligible effect on IIA11, with the exception of SO1 and SO7, which are expected to have a minor positive effect. Three policies are considered to have minor positive effects, and policy JWP2 is recorded as having the potential for uncertain minor negative effects. Conversely, policy JWP4 is recorded as having the potential for uncertain significant positive effects on this objective. The effects recognise the Plan's, particularly policy JWP4's, focus on avoiding and minimising pollution generated

by waste management in East London. However, on balance, an uncertain mixed significant positive and minor negative effect is recognised overall in acknowledgement of safeguards put in place. It is also acknowledged that some pollution may be permitted which may have a minor adverse effect in some circumstances.

IIA objective 12: Protect and enhance mineral resources and soils within East London

6.196 The vision, SO6 and SO8 are considered to have minor positive effects on IIA12. Three policies have minor positive effects on the objective, with these positive effects being recorded as more uncertain for policy JWP2. These effects acknowledge the measures put in place within the policies to maximise the efficient use of land within East London and use waste as a resource wherever possible. Consequently, the ELJWP is considered to have a minor positive effect overall.

Cumulative effects of the ELJWP in combination with other plans

6.197 Development proposed in the ELJWP will not be delivered in isolation from development proposals in other plans and projects covering East London and the surrounding area. This section outlines the development proposed by nationally significant infrastructure projects, plans covering London as a whole, and the Local Plans of the neighbouring authorities which may combine with the ELJWP to produce additional effects in combination.

Nationally significant infrastructure projects

6.198 There are eight NSIP projects within London currently on the National Infrastructure Planning website :

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- Expansion of Heathrow (third runway)
- Heathrow West
- North London (Electricity Line) Reinforcement
- North London Heat and Power Project
- Riverside Energy Park
- Silvertown Tunnel
- Teddington Direct River Abstraction
- Thames Tideway Tunnel

Potential for cumulative effects with Nationally significant infrastructure projects

6.199 There is uncertainty around the potential cumulative effects of NSIP projects across London in relation to the ELJWP, given the lack of proximity and the relatively small-scale nature of the development being managed within the ELJWP. There are potential cumulative effects in relation to NSIPs such as flood risk and water quality in the Thames; air quality, including from increased road traffic on the major arterial roads, or roads within impact zones for Epping Forest; noise and vibration; biodiversity; and landscape and visual amenity.

The London Plan and other London strategies

6.200 The London Plan 2021 provides the regional planning framework for London. The relevant plans and strategies in relation to the ELJWP are set out in Chapter 3 and Chapter 4.

Potential for cumulative effects with the London Plan

6.201 The ELJWP could result in in-combination effects with the London Plan where the specific location and type of development proposed in the ELJWP, although at a relatively small scale, could combine to result in more significant effects. Given that many of the development growth areas within London are large scale, and there are no proposals for additional waste allocations within the ELJWP, it is likely that any in-combination effects will be minimal.

6.202 The London Transport Plan is designed to deliver the transport solutions required to support development delivered through Borough Local Plans in London, while also addressing existing transport challenges and issues, including improving the public transport network, to improve use of public transport and to reduce air pollution. The small level of development likely to arise from the ELJWP is likely to result in a negligible effect when combined with the large-scale projects within the London Transport Plan.

East London Local Plans and neighbouring Local Plans

6.203 Each of the boroughs within the ELJWP area has an adopted local plan. The main development proposed by their respective Local Plans is summarised set out in Chapter 4.

- Barking and Dagenham aim to deliver more than 40,000 dwellings between 2024 and 2037 (subject to approval by full council in July 2024)
- Havering aim to deliver a minimum of 18,930 dwellings between 2016 to 2031.
- Newham aim to deliver 43,000 dwelling across the plan area between 2017 and 2033
- Redbridge aims to deliver a minimum of 16,845 new dwellings between 2015 and 2030.

6.204 The ELJWP area is adjoined by the neighbouring local authorities of Tower Hamlets, Hackney, and Waltham Forest within London. Epping Forest, Brentwood and Thurrock form the boundaries to the East of the plan area. Although parts of the areas within Essex are more rural, all of these local plan areas are expected to see high levels of housing growth, employment growth and to benefit from strategic transport infrastructure improvements.

6.205 The Boroughs within the ELJWP area and the authorities surrounding the ELJWP area range from the intensely urban areas of central London to the rural areas in Essex.

6.206 All of the local plans identified above whether adopted or in the process of preparation, provide for both increases in housing supply as well as job creation. The increased level of development in East London and neighbouring authorities will in combination with the ELJWP to lead to increased traffic, which in turn have the potential to increase air pollution, and carbon emissions. To mitigate this, the Local Plans aim to support sustainable transport modes and energy efficiency in built development. Many of the in combination effects at a sub-regional scale are likely to be concentrated within and around major development areas and along the strategic transport corridors. In addition, a number of the locations targeted for large-scale growth by neighbouring plans are close to the border of the plan area, increasing the potential for more localised in combination effects. There may be localised impacts in relation to health, noise, air quality, water resources and flooding, and transport.

6.207 Given the lack of allocations within the ELJWP for new or improved facilities over the plan period, and the lack of need for additional waste management capacity, it is likely that the cumulative effect of the ELJWP with other local plans will be relatively minor.

Habitats Regulations Assessment

6.208 The HRA has been undertaken separately but the findings have been taken into account in the IIA where relevant (for example to inform judgements about the likely effects of potential development locations on biodiversity).

6.209 The first stage of HRA is to screen for likely significant effects. Following the HRA screening, likely significant effects could not be ruled out in relation to:

- Physical damage and loss of habitat: Epping Forest (directly or via functionally linked habitats) – ELJWP alone.
- Air pollution - dust: Epping Forest SAC (direct impacts only) – ELJWP alone.
- Air pollution – industrial emissions: Epping Forest SAC (direct impacts only), Lee Valley SPA and Ramsar site (direct impacts only), and Thames Estuary & Marshes SPA and Ramsar site (direct impacts only) – ELJWP alone or in-combination with other plans / projects.
- Air pollution – vehicle emissions: Epping Forest SAC (direct impacts only) and Lee Valley SPA and Ramsar site (direct impacts only) – ELJWP alone or in-combination with other plans / projects.
- Pests and vermin: Epping Forest (directly or via functionally linked habitats) – ELJWP alone.
- Water quality and quantity – abstraction: Lee Valley SPA/Ramsar (direct impacts only) – ELJWP alone or in-combination with other plans / projects.

6.210 Non-physical disturbance and wastewater have been screened out as there are no impact pathways.

6.211 These impacts would arise from three of the ELJWP's policies: JWP2, JWP5 and JWP6. However, the Appropriate Assessment concluded that, with safeguards provided by Policy JWP4 along with environmental permitting requirements for industrial emissions and water abstraction, adverse effects on the integrity of Habitats Sites will be avoided.

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6.212 The HRA will be published alongside the ELJWP Regulation 18 consultation. Following the consultation, the plan will be updated as necessary and will include confirmation of the existing waste sites to be removed from safeguarding. The HRA will then be updated to reflect any changes to the ELJWP and in response to any relevant Regulation 18 consultations, for example if received from Natural England.

Chapter 7

Monitoring

7.1 This section sets out recommendations for indicators to monitor the effects of implementing the ELJWP, taking into account monitoring indicators included within the ELJWP Regulation 18 draft.

7.2 The SEA Regulations require that "the responsible authority shall monitor the significant environmental effects of the implementation of each plan or programme with the purpose of identifying unforeseen adverse effects at an early stage and being able to undertake appropriate remedial action" and that the environmental report should provide information on "a description of the measures envisaged concerning monitoring". Monitoring proposals should be designed to provide information that can be used to highlight specific issues and significant effects, and which could help decision-making.

7.3 Although national Planning Practice Guidance states that monitoring should be focused on the significant environmental effects of implementing the Local Plan, the reason for this is to enable local planning authorities to identify unforeseen adverse effects at an early stage and to enable appropriate remedial actions. Since effects which the IIA expects to be minor may become significant and vice versa, monitoring measures have been proposed in this IIA Report in relation to all of the IIA objectives in the IIA Framework. As the ELJWP is implemented and the likely significant effects become more certain, the Councils may wish to narrow down the monitoring framework to focus on those effects of the ELJWP that are likely to be significantly adverse.

7.4 The remainder of this chapter sets out a number of suggested indicators for monitoring the potential sustainability effects of implementing the ELJWP. The data used for monitoring in many cases will be provided by outside bodies, for example the Environment Agency. It is therefore recommended that the Boroughs remains in dialogue with statutory environmental consultees and other stakeholders and work with them to agree the relevant sustainability

effects to be monitored and to obtain information that is appropriate, up to date and reliable.

IIA objective 1: To minimise the East London Joint Waste Plan's contribution to climate change through a reduction of greenhouse gas emissions from managing waste

- CO2 emissions per capita
- Total energy consumption of waste facilities
- Total energy generation from renewable and low carbon sources linked to waste facilities
- Climate change assessments submitted with applications/applications permitted
- Reduction in carbon emissions from existing/re-configured waste sites committed to in climate change assessments
- Landfill gas production and related energy production

IIA objective 2: Move treatment of waste up the Waste Hierarchy within East London

- Waste stream quantities
- Landfill rates
- Recycling rates

- Number of re-use facilities within the plan area

IIA objective 3: Support, maintain or enhance the development of the economy of East London

- Unemployment rate, compared to rest of London.
- Jobs generated through waste development

IIA objective 4: Protect and improve the health of the people of the East London Joint Waste Plan area

- Percentage change in life expectancy and levels of deprivation (Indices of Multiple Deprivation)
- Air quality exceedances and number of new Air Quality Management Areas declared

IIA objective 5: Promote sustainable modes of transport in the East London Joint Waste Plan area by reducing road traffic, congestion and pollution

- Percentage of trips to work, school, leisure using public transport, walking and cycling
- Peak traffic flow

- Travel times
- Investment in road infrastructure
- Number of electric vehicle charging devices

IIA objective 6: Protect and enhance the historic environment within East London

- Number of entries on the Heritage at Risk Register
- Number of entries removed from the Heritage at Risk Register
- Number of waste planning applications approved contrary to Historic England and/or Conservation Officer advice
- Number of designated and non-designated heritage assets

IIA objective 7: Protect, enhance, restore, and expand the biodiversity and geodiversity assets within the East London Joint Plan area

- Net loss/gain of designated wildlife habitats
- Number and hectares of SSSIs
- Percentage of District's SSSI in a favourable and unfavourable condition
- Hectares of Local Nature Reserves, Local Wildlife Sites/Sites of Nature Conservation Importance, Ancient Woodland and Priority Habitats

IIA objective 8: Protect, enhance, and restore open spaces and townscapes within the ELJWP area

- Hectares of brownfield/previously developed land
- Loss and gains of public open space and Local Green Space
- Green Infrastructure secured through development of waste sites

IIA objective 9: Protect and enhance the quality and quantity of watercourses and water bodies and maximise the efficient use of water within East London

- Water availability/consumption ratios
- Ecological/chemical status of water bodies
- Average commercial water consumption
- Water pollution incidents recorded by the Environment Agency

IIA objective 10: To manage and reduce flood risk from all sources within East London.

- .Waste development permitted contrary to advice by the Environment Agency on flood risk

- Waste sites delivered within Flood Zones 2 and 3

IIA objective 11: Minimise noise, light and air pollution relating to waste development within East London

- Air quality exceedances and number of new Air Quality Management Areas declared
- Complaints received relating to the operations of existing waste sites

IIA objective 12: Protect and enhance mineral resources and soils within East London

- Number of waste planning applications approved within Minerals Consultation Areas
- Percentage of new waste development on brownfield/previously developed land

Chapter 8

Next steps

8.1 This IIA Report will be available for consultation alongside the ELJWP (Regulation 18) draft plan document in July and August 2024.

8.2 Following this consultation, the Boroughs will consider the findings of the IIA, representations received from stakeholders of the Draft ELJWP and IIA Report and additional, emerging evidence in order to prepare a revised version of the ELJWP for Regulation 19 consultation. That consultation will be on the version of the ELJWP that the Council proposes to submit to the Secretary of State for examination and will be accompanied by an updated and amended IIA report.

8.3 Following the above periods of public consultation, the ELJWP will be independently examined by a Government appointed Planning Inspector appointed by the Secretary of State, who will consider and challenge its content and any objections to it and reach a decision on its overall 'soundness' before it can proceed to be adopted.

LUC

May 2024

Appendix A

Review of relevant plans, policies and programmes

International

IPCC AR6 Synthesis Report on Climate Change 2023

Key objectives:

- To limit/or reduce all greenhouse gas emissions which contribute to climate change.

Key targets/indicators:

- None
- Implications for Waste local Plan
- Plan should support reduction in emissions of greenhouse gases.

Implications for IIA

- Include sustainability objectives to support reduction in emissions of greenhouse gases.

Johannesburg declaration on Sustainable Development 2002

Key objectives relevant to the Waste Local Plan

- Commitment to building a humane, equitable and caring global society aware of the need for human dignity for all.

Areas of focus include:

- Sustainable consumption and production patterns.
- Accelerate shift towards sustainable consumption and production – 10-year framework of programmed of action.
- Reverse trend in loss of natural resources.
- Renewable energy and energy efficiency.
- Urgently and substantially increase Global share of renewable energy.
- Significantly reduce the rate of biodiversity loss by 2010.

Key targets and indicators relevant to the Waste Local Plan

- To promote greater resource efficiency, increase energy efficiency and develop new technology for renewable energy.

Implications for the Waste Local Plan

- Allocate sites and develop policies that take account of the Declaration.

Implications for the IIA

- Include sustainability objectives to enhance the natural environment and promote renewable energy and energy/resource efficiency

Aarhus Convention 1998

Key objectives relevant to the Waste Local Plan

- Established a number of rights of the public with regard to the environment.

Local authorities should provide for:

- The right of everyone to receive environmental information.
- The right to participate from an early stage in environmental decision making.
- The right to challenge in a court of law public decisions that have been made without respecting the two rights above or environmental law in general.

A.1 Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Allocate sites and develop policies that take account of the Convention.

Implications for the IIA

- Ensure that the public are involved and consulted at all relevant stages of IIA production.

Bern Convention 1979

Key objectives relevant to the Waste Local Plan

- The Convention on the Conservation of European Wildlife and Natural Habitats (the Bern Convention) was adopted in Bern, Switzerland in 1979, and came into force in 1982.
- The principal aims of the Convention are to ensure conservation and protection of wild plant and animal species and their natural habitats (listed in Appendices I and II of the Convention), to increase cooperation between contracting parties, and to regulate the exploitation of those species (including migratory species) listed in Appendix III.
- To this end the Convention imposes legal obligations on contracting parties, protecting over 500 wild plant species and more than 1,000 wild animal species.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Allocate sites and develop policies that take account of the Convention.

Implications for the IIA

- Include sustainability objectives to protect and enhance biodiversity.

Ramsar convention 1971

Key objectives relevant to the Waste Local Plan

- To promote the conservation and wise use of all wetlands through local, regional and national actions and international co-operation, as a contribution towards achieving sustainable development throughout the world.

Key targets and indicators relevant to the Waste Local Plan

- The number of Ramsar sites being designated in the UK.

Implications for the Waste Local Plan

- Plan should promote the conservation and make wise use of all wetland areas.

Implications for the IIA

- Consider inclusion of objectives which aim to promote conservation and wise use of wetland areas.

UN Paris Climate Change Agreement (2015)

Key objectives relevant to the Waste Local Plan

- International agreement to keep global temperature rise this century well below 2 degrees Celsius above pre-industrial levels.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Allocate sites and develop policies that take account of the Agreement.

Implications for the IIA

- Consider climate change.

National

NPPF (2023)

Key objectives relevant to the Waste Local Plan

Economic objective:

- To help build a strong, responsive and competitive economy
- By ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity
- By identifying and coordinating the provision of infrastructure.

Social objective:

- To support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations
- By fostering well-designed, beautiful and safe places, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being.

Environmental objective:

- To protect and enhance our natural, built and historic environment; including making effective use of land, improving biodiversity, using natural resources prudently, minimising waste and pollution
- Mitigating and adapting to climate change, including moving to a low carbon economy.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

Economic objective:

- Plan should make adequate provision for waste management infrastructure to ensure the growth of the waste economy.

Social objective:

- Plan should include policies and objectives to promote a circular economy and the delivery of green infrastructure, enhanced public rights of way or improved access to recreation as part of the development and restoration of waste sites.

Environmental objective:

- Plan should include policies and objectives to address the causes and impacts of climate change relating to waste development activity, including using opportunities arising from waste operations and reclamation activity to mitigate and adapt to climate change and to leave a positive legacy.

Implications for the IIA

Economic objective:

- Include a sustainability objective relating to strengthening the economy.

Social objective:

- Include a sustainability objective relating to health and well-being.

Environmental objective:

- Include a sustainability objective relating to climate change mitigation and adaptation, conservation of historic features, conservation and enhancement of the natural environment.

NPPW (2015)

Key objectives relevant to the Waste Local Plan

- The National Planning Policy for Waste was adopted in October 2014 and sets out the need for local authorities to:
 - Prepare local plans using a robust proportionate evidence base
 - Identify need for waste management facilities
 - Identify suitable sites and areas
 - Determine planning applications
 - Monitor and report
 - Take up in allocated sites and areas
 - Existing stock and changes in the stock of waste management facilities.
 - The amount of waste recycled, recovered or going for disposal

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Allocate sites and develop policies that take account of the National Planning Policy for Waste.

Implications for the IIA

- Include a sustainability objective relating to sustainable waste management.

DEFRA (2021): National Waste Management Plan for England

Key objectives relevant to the Waste Local Plan

- Provides an analysis of the current waste management situation in England and evaluates how it will support implementation of the objectives and provisions of the revised Waste Framework Directive.
- At the local authority level, the Waste Management Plan notes that waste planning authorities (county and unitary authorities in England) are responsible for producing local waste management plans that cover the land use planning aspect of waste management for their areas.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Allocate sites and develop policies that take account of the National Waste Management Plan.

Implications for the IIA

- Include a sustainability objective relating to sustainable waste management.

Resources and Waste Strategy for England (2018)

Key objectives relevant to the Waste Local Plan

- Sets out how to preserve material resources by minimising waste, promoting resource efficiency and moving towards a circular economy in England.
- It identifies five strategic ambitions:
 - To work towards all plastic packaging placed on the market being recyclable, reusable or compostable by 2025;
 - To work towards eliminating food waste to landfill by 2030;
 - To eliminate avoidable plastic waste over the lifetime of the 25 Year Environment Plan;
 - To double resource productivity by 2050; and

- To eliminate avoidable waste of all kinds by 2050.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Allocate sites and develop policies in line with the Resources and Waste Strategy.

Implications for the IIA

- Include a sustainability objective relating to sustainable waste management.

DCLG (2015): Planning Practice Guidance on Waste

Key objectives relevant to the Waste Local Plan

- Provides further information in support of the implementation of waste planning policy.
- At the local authority level, the Guidance outlines who is responsible for waste developments and which matters come within the scope of 'waste development'.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Allocate sites and develop policies that take account of the Planning Practice Guidance on Waste.

Implications for the IIA

- Include a sustainability objective relating to sustainable waste management.

MHCLG Planning Practice Guidance (2021)

Key objectives relevant to the Waste Local Plan

- The PPG documents provide guidance on the interpretation and implementation of the NPPF.
- Of particular relevance are:
 - Planning Practice Guidance on air quality
 - Planning Practice Guidance on climate change
 - Planning Practice Guidance on conserving and enhancing the historic environment
 - Planning Practice Guidance on ensuring the vitality of town centre
 - Planning Practice Guidance on flood risk and coastal change
 - Planning Practice Guidance on health and wellbeing

Appendix A Review of relevant plans, policies and programmes

- Planning Practice Guidance on local plans
- Planning Practice Guidance on the natural environment
- Planning Practice Guidance on noise
- Planning Practice Guidance on light pollution
- Planning Practice Guidance on open space, sports and recreation facilities, public rights of way and local green space
- Planning Practice Guidance on rural housing
- DCLG Planning Practice Guidance on renewable and low carbon energy
- Planning Practice Guidance on water supply, wastewater and water quality
- Planning Practice Guidance on Waste

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Plan needs to be produced in accordance with the guidance outline in the NPPG.

Implications for the IIA

- The SA should be prepared in line with the NPPG.

DEFRA (2012): National Policy Statement for Waste Water

Key objectives relevant to the Waste Local Plan

- Sets out the proposed policy framework to inform planning decisions on applications for large waste water infrastructure projects.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Allocate sites and develop policies that take account of the National Policy Statement for Waste Water.

Implications for the IIA

- Include IIA objectives that relate to sustainable waste management and the protection of water quality.

DEFRA (2013): National Policy Statement for Hazardous Waste

Key objectives relevant to the Waste Local Plan

- Sets out the strategic need and justification of Government policy for the provision of national significant infrastructure for the management of hazardous waste.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Allocate sites and develop policies that take account of the National Policy Statement for Hazardous Waste.

Implications for the IIA

- Include IIA objectives that relate to sustainable waste management which will include hazardous waste.

HM Government (2013) Waste prevention programme for England: Prevention is better

than cure – The role of waste prevention in moving to a more resource efficient economy

Key objectives relevant to the Waste Local Plan

- The aim of the Programme is to:
 - Improve the environment and protect human health by supporting a resource efficient economy, reducing the quantity and impact of waste produced whilst promoting sustainable economic growth.
 - Encourage businesses to contribute to a more sustainable economy by building waste reduction into design, offering alternative business models and delivering new and improved products and services.
 - Encourage a culture of valuing resources by making it easier for people and businesses to find out how to reduce their waste, to use products for longer, repair broken items, and enable reuse of items by others.
 - Help businesses recognise and act upon potential savings through better resource efficiency and preventing waste, to realise opportunities for growth.
 - Support action by central and local government, businesses and civil society to capitalise on these opportunities.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Policies should take account of the strategic measures in the Programme.

Implications for the IIA

- Include IIA objectives which seek to promote waste prevention.

HM Government (2009): The UK Low Carbon Transition Plan

Key objectives relevant to the Waste Local Plan

- The Plan plots how the UK will meet the 34 percent cut in emissions on 1990 levels by 2020.
- The Plan shows how reductions in the power sector and heavy industry; transport; homes and communities; workplaces and jobs; and farming, land and waste sectors could enable carbon budgets to 2022 to be met.

Key targets and indicators relevant to the Waste Local Plan

- The plan includes a 5-point Action Plan covering the following areas:
 - Protecting the public from immediate risk;
 - Preparing for the future;
 - Limiting the severity of future climate change through a new international climate agreement;
 - Building a low carbon UK;
 - Supporting individuals, communities and businesses to play their part.

Implications for the Waste Local Plan

- Plan should include policies that contribute towards achieving lower carbon emissions.

Implications for the IIA

- Objectives should reflect the aims set in the UK Low Carbon Transition Plan to reduce carbon emissions.

HM Government (2011): The Carbon Plan: Delivering our low carbon future

Key objectives relevant to the Waste Local Plan

- The Carbon Plan is a Government wide plan of action on climate change, including domestic and international activity.

Key targets and indicators relevant to the Waste Local Plan

- The plan includes a range of sectorial plans and targets including low carbon industry.

Implications for the Waste Local Plan

- Plan should include policies that contribute towards achieving lower carbon emissions such as:
 - Diverting waste from landfill by driving it up the waste hierarchy.
 - Using alternate or low emission transport options where viable.

Implications for the IIA

- Include a sustainability objective relating to reducing carbon emissions.

DECC (2009): The UK Renewable Energy Strategy

Key objectives relevant to the Waste Local Plan

- Increase our use of renewable electricity, heat and transport, and help tackle climate change.
- Build the UK low-carbon economy, promote energy security and take action against climate change.

Key targets and indicators relevant to the Waste Local Plan

- 15% of energy from renewable sources by 2020.
- Reducing UK CO2 emissions by 750 million tonnes by 2030.

Implications for the Waste Local Plan

- Ensure that site allocations and policies will support renewable energy provision including electricity, heat and transport.

Implications for the IIA

- Include a sustainability objective relating to increasing energy provided from renewable sources.

HM Government (2017) The Clean Growth Strategy

Key objectives relevant to the Waste Local Plan

- Under the Climate Change Act, the Government is required to publish a set of policies and proposals that will enable the legally binding carbon budgets, on track to the 2050 target, to be met.
- The Clean Growth Strategy sets out a range of policies and proposals, as well as possible long-term pathways for UK emissions in two ways – by decreasing emissions and by increasing economic growth.

Key targets and indicators relevant to the Waste Local Plan

- The strategy covers the fourth and fifth carbon budgets, spanning 2023-2027 and 2028-2032, by when the UK must cut its greenhouse gas emissions to 57% below 1990 levels.

Implications for the Waste Local Plan

- Plan should support renewable energy provision including electricity, heat and transport.

Implications for the IIA

- Include a sustainability objective relating to promoting energy efficiency and the use of appropriate renewable or lower carbon energy sources on site.

DEFRA (2018): The National Adaptation Programme and the Third Strategy for Climate Adaptation Reporting– Making the Country Resilient to a Changing Climate

DEFRA (2013): Underground, Under threat – Groundwater Protection: Policy and Practice (GP3)

Environment Agency (2022): The National Flood and Coastal Erosion Risk Management Strategy for England

Key objectives relevant to the Waste Local Plan

- This Strategy sets out the national framework for managing the risk of flooding and coastal erosion. It sets out the roles for risk management authorities and communities to help them understand their responsibilities.
- The strategic aims and objectives of the Strategy are to:
 - “manage the risk to people and their property;
 - Facilitate decision-making and action at the appropriate level – individual, community or local authority, river catchment, coastal cell or national;
 - Achieve environmental, social and economic benefits, consistent with the principles of sustainable development”.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Policies should seek to reduce and manage the risk of all types of flooding.

Implications for the IIA

- The IIA framework should include objectives which seek to reduce the risk and manage flooding sustainably.

DEFRA (2008) Future Water: The Government's Water Strategy for England

Key objectives relevant to the Waste Local Plan

- Sets out how the Government want the water sector to look by 2030 and an outline of the steps which need to be taken to get there.
- The vision for 2030 is one where we, as a country have:
 - “improved the quality of our water environment and the ecology it supports, and continue to maintain high standards of drinking water quality from taps;
 - Sustainably managed risks from flooding and coastal erosion, with greater understanding and more effective management of surface water;
 - Ensure a sustainable use of water resources, and implement fair, affordable and cost-reflective water charges;

- Cut greenhouse gas emissions; and
- Embed continuous adaptation to climate change and other pressures across the water industry and water users”.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Policies should aim to contribute to the vision set out in this Strategy.

Implications for the IIA

- Include IIA objectives which seek to protect, manage and enhance the water environment and promote water management and efficiency.

Environment Agency (2009): Water for People and the Environment: Water Resources Strategy for England and Wales

Key objectives relevant to the Waste Local Plan

- The Strategy vision for water resource “is for there to be enough water for people and the environment, meeting legitimate needs”.
- Its aims include:
 - To manage water resource and protect the water environment from climate change.

Appendix A Review of relevant plans, policies and programmes

- Restore, protect, improve and value species and habitats that depend on water.
- To contribute to sustainable development through good water management.
- People to understand how water and the water environment contribute to their quality of life.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Policies should reflect the aims of the strategy where relevant.

Implications for the IIA

- Include IIA objective which seeks to promote water management and efficiency.

DEFRA (2009) Safeguarding our Soils: A Strategy for England

Key objectives relevant to the Waste Local Plan

- The vision is “by 2030, all England’s soils will be managed sustainably and degradation threats tackled successfully. This will improve the quality of England’s soils and safeguard their ability to provide essential services for future generations”.

- The Strategy highlights the areas for priority including:
 - Better protection for agricultural soils.
 - Protecting and enhancing stores of soil carbon.
 - Building the resilience of soils to a changing climate.
 - Preventing soil pollution.
 - Effective soil protection during construction and development.
 - Dealing with our legacy of contaminated land.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Ensure that site allocations and policies will help protect and enhance the quality of soils and seek to sustainably manage their quality for future generations.

Implications for the IIA

- Include IIA objective which seeks to safeguard and enhance the quality of soil.

DEFRA (2007): The Air Quality Strategy for England, Scotland, Wales and Northern Ireland

Key objectives relevant to the Waste Local Plan

- Make sure that everyone can enjoy a level of ambient air quality in public spaces, which poses no significant risk to health or quality of life.
- Render polluting emissions harmless.

Key targets and indicators relevant to the Waste Local Plan

- Sets air quality standards for 13 air pollutants.

Implications for the Waste Local Plan

- Develop policies that aim to meet the standards.

Implications for the IIA

- Include sustainability objectives to reduce pollution and protect and improve air quality.

DEFRA Clean Air Strategy 2019

Key objectives relevant to the Waste Local Plan

- The Clean Air Strategy 2019 sets out actions to improve air quality by reducing pollution from a wide range of sources. The Clean Air Strategy informs the detailed National Air Pollution Control Programme.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Ensure that site allocations and policies will contribute to maintaining and improving air quality.

Implications for the IIA

- Include sustainability objectives to protect and improve air quality.

DEFRA and DfT (2017): UK plan for tackling roadside nitrogen dioxide concentrations

Key objectives relevant to the Waste Local Plan

- The strategy aims to help local authorities by setting up a £225 million implementation fund, establishing a clear air fund and £100 million for retrofitting and new low emission buses.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Ensure that site allocations and policies will contribute to maintaining and improving air quality.

Implications for the IIA

- Include sustainability objectives to protect and improve air quality.

DEFRA (2011) Biodiversity 2020: A strategy for England's wildlife and ecosystem services

Key objectives relevant to the Waste Local Plan

- The strategy aims to guide conservation efforts in England up to 2020 and move from a net biodiversity loss to gain. The strategy includes 22 priorities which include actions for the following sectors:
 - Agriculture;
 - Forestry;
 - Planning and Development;
 - Water Management;
 - Marine Management;
 - Fisheries;
 - Air Pollution; and
 - Invasive Non-Native Species.

Key targets and indicators relevant to the Waste Local Plan

- The strategy develops ambitious yet achievable goals for 2020 and 2050, based on Aichi Targets set at the Nagoya UN Biodiversity Summit in October 2010.

Implications for the Waste Local Plan

- Develop policies that promote conservation and enhancements of biodiversity and ensure that site allocations take account of the aims of the strategy.

Implications for the IIA

- Include sustainability objective that relates to biodiversity.

DoH (2010): Healthy Lives, Healthy People: our Strategy for public health in England

Key objectives relevant to the Waste Local Plan

- Protect the population from serious health threats; helping people live longer, healthier and more fulfilling lives; and improving the health of the poorest, fastest.
- Prioritise public health funding from within the overall NHS budget.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Ensure that site allocations and policies reflect the objectives of the strategy.

Implications for the IIA

- Include a sustainability objective relating to health and well-being.

DECC (2014): Community Energy Strategy

Key objectives relevant to the Waste Local Plan

- Sets out plans to promote and facilitate the planning and development of decentralised community energy initiatives in four main types of energy activity:
 - Generating energy (electricity or heat)
 - Reducing energy use (saving energy through energy efficiency and behaviour change)
 - Managing energy (balancing supply and demand)
 - Purchasing energy (collective purchasing or switching to save money on energy)

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Ensure that site allocations and policies will support community low carbon and renewable energy provision including electricity, heat and transport.

Implications for the IIA

- Include a sustainability objective relating to increasing energy provided from decentralised low carbon and renewable sources.

HM Government (2018) A Green Future: Our 25 Year Plan to Improve the Environment

Key objectives relevant to the Waste Local Plan

- The 25 Year Environment Plan sets out government action to tackle a wide range of environmental pressures.
- The 25 Year Environment Plan identifies six areas around which action will be focused. These include:
 - Using and managing land sustainably.
 - Recovering nature and enhancing the beauty of landscapes.
 - Connecting people with the environment to improve health and wellbeing.
 - Increasing resource efficiency and reducing pollution and waste.
 - Securing clean, productive and biologically diverse seas and oceans.
 - Protecting and improving the global environment.

Key targets and indicators relevant to the Waste Local Plan

- The 25 Year Environment sets out ambitious goals to manage pressures on the environment in the UK, based on England's 159 National Character Areas and monitoring indicators.

Implications for the Waste Local Plan

- Develop policies that promote conservation and enhancements of the natural environment and ensure that site allocations take account of the goals of the Environment Plan.

Implications for the IIA

- Include sustainability objective that relates to the protection of the natural environment.

HM Government (2018) Our Waste, Our Resources: A strategy for England

Key objectives relevant to the Waste Local Plan

- The Strategy sets out how the Government will preserve stocks of material resources by minimising waste, promoting resource efficiency and moving towards a circular economy.
- The strategy is framed by natural capital thinking and guided by two overarching objectives:
 - To maximise the value of resource use; and;
 - To minimise waste and its impact on the environment.

Key targets and indicators relevant to the Waste Local Plan

- The Strategy seeks to contribute to the delivery of five strategic ambitions:
 - To work towards all plastic packaging placed on the market being recyclable, reusable or compostable by 2025;
 - To work towards eliminating food waste to landfill by 2030;
 - To eliminate avoidable 15 plastic waste over the lifetime of the 25 Year Environment Plan;
 - To double resource productivity by 2050; and
 - To eliminate avoidable waste of all kinds by 2050.

Implications for the Waste Local Plan

- Develop policies that promote conservation and enhancements of the natural environment and ensure that site allocations take account of the goals of the Strategy.

Implications for the IIA

- Include sustainability objective that relates to the efficient use of resources.

British Energy Security Strategy (2022)

Key objectives relevant to the Waste Local Plan

- The Strategy sets out long-term targets for offshore wind, solar, hydrogen, and nuclear energy following the onset of conflict in Ukraine.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Ensure that site allocations and policies will support community low carbon and renewable energy provision.

Implications for the IIA

- Include sustainability objective that relates to renewable energy.

DLHC (2022) Flood risk and coastal change

Key objectives relevant to the Waste Local Plan

- This report advises how to take account of and address the risks associated with flooding and coastal change in the planning process.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Ensure that site allocations and policies will mitigate against flood risk.

Implications for the IIA

- Include sustainability objective that relates to mitigating and managing flood risk.

Environment Agency (2022) National Flood and Coastal Erosion Risk Management Strategy for England

Key objectives relevant to the Waste Local Plan

- The strategy outlines a series of measures risk management authorities must undertake to manage flood and coastal erosion risk.

Key targets and indicators relevant to the Waste Local Plan

- No targets or indicators.

Implications for the Waste Local Plan

- Ensure that site allocations and policies will mitigate against flood risk.

Implications for the IIA

- Include a sustainability objective that relates to mitigating and managing flood risk.

London

The London Plan (2021)

Key objectives relevant to the Waste Local Plan

- This spatial development strategy for London sets out an integrated economic, environmental, transport and social framework for London's development. As such it has a number of key objectives (policies) it seeks to achieve on waste:
 - To reduce waste as part of establishing a circular economy.
 - To achieve and maintain sufficient waste capacity such that London achieves self-sufficiency on waste management.
 - To safeguard and retain waste sites for waste management.

Key targets and indicators relevant to the Waste Local Plan

- The three objectives (representing three distinct policies within the London Plan) contain a number of commitments for the Mayor, Mayoral Development Corporations and Local Authorities. Key targets amongst these are:
 - ensure that there is zero biodegradable or recyclable waste to landfill by 2026.
 - meet or exceed the municipal waste recycling target of 65 per cent by 2030.
 - meet or exceed the targets for each of the following waste and material streams:
 - a) construction and demolition – 95 per cent reuse/recycling/recovery

b) excavation – 95 per cent beneficial use

- the equivalent of 100 per cent of London’s waste should be managed within London (i.e. net self-sufficiency) by 2026.

Implications for the Waste Local Plan

- Include objectives for new and existing waste sites to promote circular economy practices as well as for circular economy practices to be supported through other activities that support resource conservation, re-use and recycling and reductions in waste going for disposal.
- Include objectives for full net self-sufficiency for waste management for the affected area.
- Include objectives to identify compensatory waste capacity where the loss of waste sites is possible

Implications for the IIA

- The London Plan sets out a series of intentions for waste management policy, the design and operation of waste sites and the design and operation of all built developments in London. As such, it has a number of implications for the IIA on environmental, social and economic factors to be assessed. In particular, key implications from policies specifically aimed at waste policy and waste sites are to:
 - Include objectives and site assessment criteria for waste facilities to be integrated with non-waste related development and provide other local benefits.
 - Include objectives for achieving circular economy principles.
 - Include objectives for renewable energy generation.
 - Include objectives for greenhouse gas savings.
 - Include objectives for reducing impact on amenity in surrounding areas to waste sites.

- Include objectives that support waste minimisation
- Include objectives and site assessment criteria to ensure waste sites are developed in accessible locations.

London Environment Strategy (2022)

Key objectives relevant to the Waste Local Plan

- This strategy of the Greater London Authority has a range of environmental objectives including for London to become a ‘zero waste city’. This means that by 2026 no biodegradable or recyclable waste will be sent to landfill, and by 2030 65 per cent of London’s municipal waste will be recycled. It also aims for London boroughs, businesses and the waste industry to increase the availability of recycling facilities and services.

Key targets and indicators relevant to the Waste Local Plan

- By 2026 no biodegradable or recyclable waste will be sent to landfill.
- By 2030 65 per cent of London’s municipal waste will be recycled.
- By 2030 75 per cent minimum target for business waste recycling.

Implications for the Waste Local Plan

- Ensure a net zero waste capacity.
- Develop policies that support the creation of recycling facilities.
- Develop policies in relation to waste sites that support households and commercial entities to recycle (including reuse, repair, and remanufacturing services).

Implications for the IIA

- Include objectives and sites criteria that prioritise the movement of waste up the waste hierarchy and away from landfill

Climate Action Strategy 2020-2027 (2020)

Key objectives relevant to the Waste Local Plan

- The main objective of the Climate Action Strategy is for London to become a zero-carbon city by 2050. This requires zero emissions from all transport and buildings, and any residual emissions in London to be offset.

Key targets and indicators relevant to the Waste Local Plan

- The London wide actions are:
 - 40% reduction in CO2 between 2018 and 2022
 - 50% reduction in CO2 between 2023 and 2027
 - Zero waste to landfill in 2026
 - 15% of demand for energy will be met by renewable and district heating sources
 - 60% reduction in CO2 between 2028 and 2032

Implications for the Waste Local Plan

- Consideration of policy to meet the requirement of zero waste to landfill across London by 2026.
- Consideration of policy to reduce emissions across the plan period.

Implications for the IIA

- Inclusion of a sustainability objective and site assessment criteria in relation to the reduction of CO2 and the complete diversion of waste from landfill by 2026

Local Nature Recovery Strategy (*Upcoming*)

8.4 The Greater London Authority is currently preparing a Local Nature Recovery Strategy for London. This is a new system of spatial biodiversity strategies that will involve all 33 of the London boroughs as well as its six neighbouring counties, including Essex. It will provide a statement of London's strategic biodiversity priorities and a fully updated and comprehensive spatial habitat map.

8.5 The strategy is intended to be completed in 2025.

Accessible London: Achieving an Inclusive Environment Supplementary Planning Guidance (2014)

Key objectives relevant to the Waste Local Plan

- The document makes reference to the separate Housing SPG for London which requires new housing developments to make communal facilities and any storage facilities for waste and recycling to be accessible to all residents, including children and wheelchair users.

Key targets and indicators relevant to the Waste Local Plan

- No indicators or targets above those in the London Plan.

Implications for the Waste Local Plan

- Consider the inclusion of policy in relation to accessible spaces

Implications for the IIA

- Inclusion of a sustainability objective and site assessment criteria for waste sites and their accessibility.

Optimising Site Capacity: A Design-led Approach LPG (2023)

Key objectives relevant to the Waste Local Plan

- The LPG provides guidance on delivering the requirements of London Plan policies:
 - Policy D1 London's form, character and capacity for growth – Part (B3)
 - Policy D3 Optimising site capacity through the design-led approach Policy
 - D4 Delivering good design
- The design capacity approach applies to all existing site allocations as well as any new sites that come forward for development.

Key targets and indicators relevant to the Waste Local Plan

- Use of the 'Indicative Capacity Toolkit'
- Indicators within the toolkit provide additional detail in relation to the London Plan, and do not set further targets.

Implications for the Waste Local Plan

- Consideration of policy and site allocations through use of the toolkit to determine suitable capacity of development on allocated waste sites and other new waste development.

Implications for the IIA

- Inclusion of objectives relating to site capacity, green infrastructure, SuDS, accessibility and heritage

Characterisation and Growth Strategy (2023)

Key objectives relevant to the Waste Local Plan

- The Characterisation and Growth Strategy guidance provides information on how to carry out a borough or neighbourhood-wide character assessment (or study). This assessment should be used to inform a borough or neighbourhoods growth strategy, setting out how an area will change in the future. This includes identifying if and where there are locations where tall buildings may be appropriate.

Key targets and indicators relevant to the Waste Local Plan

- The Characterisation and Growth Strategy guidance relates to the implementation of London Plan polices:
 - Policy D1 London's form, character and capacity for growth
 - Policy D2 Infrastructure requirements for sustainable densities
 - Policy D3 Optimising site capacity through the design-led approach
 - Policy D9 Tall buildings
 - Policy HC1 Heritage conservation and growth
 - Policy SD9 (Part B) Town centres: Local partnerships and implementation

Implications for the Waste Local Plan

- Consideration of the location of waste sites in relation to the relevant Characterisation and Growth Study for each borough or neighbourhood.

Implications for the IIA

- Inclusion of objectives and site assessment criteria in relation to local characterisation and growth studies

Mayor of London, Air Quality Positive (2023)

Key objectives relevant to the Waste Local Plan

- The Air Quality Positive approach is a process of identifying and implementing ways to push development beyond compliance with both the

Air Quality Neutral benchmarks and the minimum requirements of an air quality assessment.

Key targets and indicators relevant to the Waste Local Plan

- Maximising improvements to air quality through consideration of design and layout, transport and energy.

Implications for the Waste Local Plan

- Consideration of policy to demonstrate a holistic approach to the improvement of air quality.

Implications for the IIA

- Inclusion of objectives and site assessment criteria to minimise effects on air quality.
- Inclusion of 'in combination' assessment in relation to effects on air quality.

Greater London Authority, Air Quality Neutral (2023)

Key objectives relevant to the Waste Local Plan

- To improve air quality by a reduction in emissions from the built environment.

Key targets and indicators relevant to the Waste Local Plan

- The document sets out a range of targets in relation to the emissions from heating or cooling buildings, and the effects of any trip rates associated with an individual development proposal.

Implications for the Waste Local Plan

- Consideration of site allocations in locations where trip rates will be reduced
- Consideration of policy in relation to energy from waste

Implications for the IIA

- Inclusion of objectives and site assessment criteria in relation to the reduction of emissions from waste facilities.
- Inclusion of objectives and site assessment criteria in relation to sustainable transport.

Mayor of London, 'Be Seen' energy monitoring guidance (2023)

Key objectives relevant to the Waste Local Plan

8.6 The Be Seen energy monitoring guidance sets out a process of monitoring energy performance in development from planning through to 'as built' stages.

Key targets and indicators relevant to the Waste Local Plan

- Policy SI 2 of the London Plan.

Implications for the Waste Local Plan

- Consideration of policy to implement the requirement of new waste facilities to demonstrate energy performance.

Implications for the IIA

- Inclusion of objectives in relation to energy use and reduction in emissions

Circular Economy Statements (2022)

Key objectives relevant to the Waste Local Plan

- This document provides guidance for developers on producing Circular Economy Statements for new developments in London. Developers must produce statements on waste management from development and operational waste management plans should be produced as part of the Circular Economy Statements, satisfying the London Plan and London Environment Strategy (see above)

Key targets and indicators relevant to the Waste Local Plan

- As a guidance document for producing statements that show conformity with the London Plan Policy SI7 on Circular Economy and the London Plan and London Environment Strategy (see above) more broadly, it does not contain new targets or indicators to meet.

Implications for the Waste Local Plan

- Consideration of policy in relation to the requirements and outputs of Circular Economy Statements.
- Consider the requirements of new types of waste facilities to meet demands in relation to the circular economy.

Implications for the IIA

- Inclusion of objectives in relation to the circular economy and waste minimisation.
- Inclusion of site assessment criteria in relation to waste sites needed to support the circular economy.

Energy Planning Guidance (2022)

Key objectives relevant to the Waste Local Plan

- This document provides Greater London Authority guidance on preparing energy assessments as part of planning applications. It provides some guidance for waste facilities that intend to produce fuel on maximising heat and power opportunities. The updated guidance confirms that all major developments in London must continue to meet the London Plan net zero carbon target by following the energy hierarchy (Policy SI 2), the heating hierarchy (Policy SI 3) and by maximising on-site carbon reductions.

Key targets and indicators relevant to the Waste Local Plan

- As a guidance document for producing statements that show conformity with the London Plan Policy SI7 on Circular Economy and the London

Plan and London Environment Strategy (see above) more broadly, it does not contain new targets or indicators to meet.

Implications for the Waste Local Plan

- Major non-residential development is included within the scope of the guidance, including the requirement for non-carbon heating.
- Possible opportunities and demand for energy from waste facilities

Implications for the IIA

- Inclusion of objectives that take account of the requirement for carbon reduction within new waste developments

The Control of Dust and Emissions During Construction and Demolition (2014)

Key objectives relevant to the Waste Local Plan

- This document provides guidance on the control of dust and emissions during construction and demolition, responding to the requirements of the London Plan 2011. As such it does not provide new objectives relevant to the Waste Local Plan.

Key targets and indicators relevant to the Waste Local Plan

- This document provides guidance on the control of dust and emissions during construction and demolition, responding to the requirements of the London Plan 2011. As such it does not provide additional objectives relevant to the Waste Local Plan.

Implications for the Waste Local Plan

- Implications for all sites producing construction and demolitions wastes which may have an impact on waste streams

Implications for the IIA

- Include objectives for new or existing waste sites in relation to dust suppression and reduction of emissions

Whole Life-Cycle Carbon Assessments (2022)

Key objectives relevant to the Waste Local Plan

- This document provides guidance for explains how to prepare a Whole Life-Cycle Carbon (WLC) assessment in line with Policy SI2F of the London Plan 2021. As such it does not provide new objectives relevant to the Waste Local Plan.

Key targets and indicators relevant to the Waste Local Plan

- This document provides guidance for explains how to prepare a WLC assessment in line with Policy SI2F of the London Plan 2021. As such it does not provide new targets relevant to the Waste Local Plan.

Implications for the Waste Local Plan

- Consideration of WLC in relation to new or expanded waste sites.

Implications for the IIA

- Inclusion of WLC in objectives relating to climate change.

Sustainable Transport, Walking and Cycling LPG (2022)

Key objectives relevant to the Waste Local Plan

- This document provides guidance for plan-makers and developers on transport, walking and cycling in London, including the protection of planned schemes.

Key targets and indicators relevant to the Waste Local Plan

- None above the requirements of the London Plan.

Implications for the Waste Local Plan

- Consideration of the location new or expanded waste sites in relation to the effects on sustainable transport networks.

Implications for the IIA

- Inclusion of objectives and site assessment criteria relating to the impacts of waste sites on sustainable transport networks.

Urban Greening Factor (2023)

Key objectives relevant to the Waste Local Plan

- The Urban Greening Factor is a tool used to evaluate the quality and quantity of natural features proposed as part of a development application, such as planting, waterbodies, and green roofs, collectively referred to as urban greening. This document advises developers on how to meet these requirements under London Plan Policy G5 Urban Greening.

Key targets and indicators relevant to the Waste Local Plan

- The Urban Greening Factor tool sets out design considerations in relation to the natural and built environment and provides a score in terms of meeting the aims of policy G5 of the London Plan.

Implications for the Waste Local Plan

- Consideration of the location of waste sites in relation to Sites of Importance for Nature Conservation (SINC), the Public Realm and Sustainable Drainage Systems (SuDS), as well as the potential opportunities for biodiversity in relation to roofs and facades of buildings.

Implications for the IIA

- Inclusion of objectives and site assessment criteria relating to SINCs, SuDS, and biodiversity gain.

London Sustainable Drainage Action Plan (2015)

Key objectives relevant to the Waste Local Plan

- This document is a long-term plan to coordinate the development of 'sustainable drainage' systems across London. The plan has been developed by the Drain London Programme, a partnership of the Mayor of London, Environment Agency, London Councils and Thames Water. It sets out a range of actions for each major land-use sector including major utilities. As such, it makes very brief mention of some waste management sites likely being able to deliver SuDS cost-effectively.

Key targets and indicators relevant to the Waste Local Plan

- To achieve a 1% reduction in surface water flows in the sewer network each year for 25 years, resulting in a 25% reduction in flows by 2040.

Implications for the Waste Local Plan

- Consideration of policy and site allocations in relation to sustainable drainage within a London wide context.

Implications for the IIA

- Inclusion of objectives and site assessment criteria in relation to urban drainage

Thames Estuary 2100 Plan

Key objectives relevant to the Waste Local Plan

- This document is a long-term plan to ensure the management of flood risk from the Thames. The plan has been developed by the Environment Agency in partnership with others. It sets out a range of actions for landowners, regulators, developers and policy makers.

Key targets and indicators relevant to the Waste Local Plan

- Ensuring there is no inappropriate development in tidal flood risk areas

Implications for the Waste Local Plan

- Consideration of policy and site allocations in relation to minimising flood risk and contributing to flood defences along the Thames. Ensuring landowners or developers to raise or adapt flood defences as part of any planned development.

Implications for the IIA

Inclusion of objectives and site assessment criteria in relation to flood risk

River Thames Scheme (2021)

Key objectives relevant to the Waste Local Plan

- This document is a long-term plan to ensure the management of flood risk from the Thames, in Surrey and West London. The plan has been

developed by the Environment Agency in partnership with others. It sets out a range of actions for landowners, regulators, developers and policy makers.

Key targets and indicators relevant to the Waste Local Plan

- Ensuring there is no inappropriate development in tidal flood risk areas within East London.

Implications for the Waste Local Plan

- Consideration of policy and site allocations in relation to minimising flood risk and contributing to flood defences along the Thames. Ensuring landowners or developers to raise or adapt flood defences as part of any planned development.

Implications for the IIA

- Inclusion of objectives and site assessment criteria in relation to flood risk

Appendix B

Responses from Statutory Consultees to the ELJWP Scoping Report

B.1 The following table summarises the comments received from the Environment Agency and the actions taken in response. No responses were received from Historic England or Natural England within the consultation period. The organisations will be consulted on this IIA document, and any future comments will be addressed in later stages of the IIA .

Table B.1: Responses and actions to comments received on the ELJWP Scoping Report – Natural England

Subject	Comment detail	LUC response
Epping Forest	Paragraph 3.225 mentions the Epping Forest Strategic Solution and an interim position – a finalised Governance Agreement was signed by the LPAs in January 2024 which secures a package of SAMM measures for the site moving away from the previous interim tariff.	The report has been updated to refer to and take account of the Epping Forest Governance Agreement.
Site Assessment	We agree with the comments that the potential impacts on designated sites should be considered as part of a site evaluation process	The IIA has taken account of the assessments within the Habitats Regulations Assessment.

Appendix B Responses from Statutory Consultees to the ELJWP Scoping Report

Table B.2: Responses and actions to comments received on the ELJWP Scoping Report - Environment Agency

Subject	Comment details	LUC response
Lower Thames Flood Risk Management Strategy (LTFRMS).	The document does not mention the LTFRMS.	The LTFRMS (now the River Thames Scheme) has been reviewed and included in Appendix A.
Outdated Strategic Flood Risk Assessments (SFRAs).	SRFAs cited in the document are from 2017 and do not account for the changes in the National Planning Policy Guidance (NPPG).	The ELJWP will be prepared in accordance with the NPPF, including the latest changes in relation to flood risk. The IIA will be updated to include the most recent SFRA documents as the plan progresses.
Classification of waste treatment facilities.	The plan correctly identifies waste treatment facilities as less vulnerable and suitable for all flood zones except 3b (functional floodplain).	No action required.
Differentiation between waste treatment and hazardous waste facilities.	The document distinguishes between waste treatment and hazardous waste facilities, with the latter considered more vulnerable and suitable for Flood Zones 1 and 2, possibly 3a, subject to the exception test per NPPF.	No action required.
Definition of functional floodplain.	The EA suggest defining the functional floodplain as the 1 in 30-year floodplain, aligning with the Planning Policy Guidance (PPG) issued in 2022.	The IIA will refer to the latest national guidance as appropriate.
Lack of mention of Source Protection Zones (SPZs).	The document does not address SPZs for groundwater protection. It's emphasised that considering SPZs is crucial, particularly for opposing waste activities in SPZ1, such as landfills.	The IIA objectives have been updated to refer to SPZs.
Consideration of waste transport impacts.	It's noted that the East London Waste Disposal Authority (ELWA) will soon	The Boroughs are communicating with ELWA in relation to changes to the

Appendix B Responses from Statutory Consultees to the ELJWP Scoping Report

Subject	Comment details	LUC response
	replace its long-term waste management contract. Emphasis is placed on the importance of considering impacts from waste transport in shaping future waste management systems.	contract. The IIA considers the impacts of waste transport within the baseline, IIA objectives and appraisals.
Sharing of surplus waste management capacity.	The document suggests that the sharing of surplus waste management capacity under the GLA's apportionment system could play a significant role in waste plans in other parts of London. Early dialogue with other Boroughs and involvement of relevant authorities are encouraged in managing and recording this sharing.	The Boroughs are undertaking a series of Duty to Cooperate activities to ensure there is appropriate communication with the GLA, other waste planning authorities and other relevant stakeholders.
Minimising health risks from waste management facilities.	The focus is on reducing health risks from waste facilities through adherence to the 'agents of change' principle outlined in the London Plan. Concerns arise about the document's failure to integrate waste site considerations with nearby housing developments. Encouragement is given for engagement with housing developers and early collaboration with waste facility operators to implement mitigative measures.	The ELJWP primarily deals with new waste development, or new waste activity. The Agent of Change principle is one mechanism to help in minimising the effects of waste development on housing development. The ELJWP does not currently propose any new waste sites, and there are criteria within the policies to guide development towards suitable locations, such as industrial sites identified within local plans. JWP4 provides additional criteria to mitigate impacts on amenity.
Incorporation of Sustainable Urban Drainage Systems (SuDS.).	SuDS are mandated in schemes to prevent development from increasing flood risk elsewhere, as outlined in paragraph 173 of the National Planning Policy Framework (NPPF). However, caution is advised regarding contamination mobilisation, requiring a risk assessment before SuDS implementation if previous site use has led to pollution of controlled waters.	The comments is noted.

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Subject	Comment details	LUC response
Reference to Thames Tidal Defence system.	Uncertainty exists regarding the reference to the Thames Tidal Defence system, necessitating clarification whether it pertains to the Thames Barrier and Tidal Walls or other elements (we presume Thames Barrier). Additionally, new waste sites must maintain setbacks from tidal and fluvial flood defences, with provisions for accessing and raising defences as per the Thames Estuary 2100 plan.	The reference to the Thames Tidal Defence system has been updated. A reference to the Thames Estuary 2100 plan has been included and the document has been reviewed in Appendix A.
Identification of main flood risks.	The document appropriately identifies the primary flooding risks for each borough, encompassing surface water flooding.	No action required.
Utilisation of ELJWP to address climate change effects.	Acknowledgment is made of the ELJWP's potential to mitigate climate change effects by locating developments in low flood risk areas, aligning with the requirements of the Planning Policy Guidance (PPG) and National Planning Policy Framework (NPPF).	No action required.
Consideration of residual risk and facility safety.	The plan acknowledges residual risk and emphasises the necessity of ensuring facility safety without exacerbating flood risk elsewhere. However, it's suggested that this aspect should be explicitly addressed beyond being an objective in the Integrated Impact Assessment (IIA) framework.	Noted.
Assessment of additional sustainability issues.	Inquiry is raised regarding the inclusion of other pertinent sustainability issues in Chapter 3 of the ELJWP – no comments raised from the Environment Agency.	No action required.

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Subject	Comment details	LUC response
Appropriateness of the Integrated Impact Assessment (IIA) framework and objectives.	Evaluation is needed on whether the IIA framework in Chapter 4 adequately covers relevant objectives within the Waste Plan's scope.	The IIA framework aligns with the London Plan, and the scope of the ELJWP.
Lack of mention of mitigation or resilience for developments in Flood Zone 3.	Although IIA Objective 10 implies ensuring safety throughout the facilities' lifetime amid climate change considerations, there's no explicit mention of mitigation or resilience strategies for developments in Flood Zone 3, contingent upon the Exception test and permissible development.	Any sites that come forward for development would be subject to the sequential tests within national policy for flood risk.

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Habitats Regulations Assessment of the East London Joint Waste Plan HRA Report

London Boroughs of Barking & Dagenham, Havering, Newham, and Redbridge

Final report
Prepared by LUC
May 2024

Version	Status	Prepared	Checked	Approved	Date
1	Draft Regulation 18 HRA	C Codd K Sydney	K Sydney	J Allen	01.05.24
2	Final Regulation 18 HRA	K Sydney	K Sydney	J Allen	17.05.25



Land Use Consultants Limited

Registered in England. Registered number 2549296. Registered office: 250 Waterloo Road, London SE1 8RD. Printed on 100% recycled paper

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Chapter 1

Introduction

1.1 LUC has been commissioned to carry out a Habitats Regulations Assessment (HRA) of the emerging East London Joint Waste Plan (ELJWP). The ELJWP is a joint plan for the London Borough of Barking and Dagenham, London Borough of Havering, London Borough of Newham, and the London Borough of Redbridge.

1.2 The purpose of the HRA is to determine whether the ELJWP policies or development within site allocations is likely to have significant effects on, or adverse effects on the integrity of, any sites designated as Special Protection Areas (SPAs), Special Areas of Conservation (SACs), or Ramsar sites.

Context of the new East London Joint Waste Plan

1.3 The ELJWP area is consistent with the geography for the East London Waste Authority [**See reference 1**] formed by the four most easterly London Boroughs north of the Thames: London Borough of Barking and Dagenham, London Borough of Havering, London Borough of Newham, and the London Borough of Redbridge. The ELJWP also includes the area covered by the London Legacy Development Corporation (LLDC) within the London Borough of Newham. The LLDC does not have a separate waste apportionment within the London Plan 2021, and therefore waste is planned for by the London Borough of Newham.

1.4 The current version of the ELJWP was adopted in 2012 [**See reference 2**] and set out to meet the requirements of the national policy and the London Plan at that time, to plan effectively for waste across the four London Boroughs. There have been four iterations of the London Plan since 2011: the London

Plan (2016), the Revised Early Minor Alterations to the London Plan (2013) to align within the NPPF, the Further Alterations to the London Plan (2015), and the current adopted London Plan (2021).

1.5 The new ELJWP will provide the local planning policy framework for all waste planning matters across London Borough of Barking and Dagenham, London Borough of Havering, London Borough of Newham, and London Borough of Redbridge. The LLDC will transfer planning powers back to LBN by the end of 2024.

1.6 This HRA assesses the draft ELJWP which has been prepared for 'Regulation 18' consultation.

Previous HRA work

1.7 The 2012 ELJWP was subject to HRA but, as there are likely to have been significant changes to both the environmental baseline and there have been changes to how HRA is undertaken (see 'case law' section of Chapter 3), this 2024 HRA of the emerging new ELJWP does not rely on the previous HRA assumptions or findings.

1.8 However, where relevant, the HRA will make use of evidence gathered as part of the HRA of other plans in the region.

The requirement to undertake Habitats Regulations Assessment of development plans

1.9 The requirement to undertake HRA of development plans was confirmed by the amendments to the Habitats Regulations published for England and Wales in 2007 [**See reference 3**]; which is now known as the Habitats Regulations

2017 (as amended) [See reference 4]. When preparing the development plans, the joint authorities therefore required by law to carry out an HRA. The joint authorities can commission consultants to undertake HRA work on its behalf and this (the work documented in this report) is then reported to and considered by the joint authorities as the 'competent authority'. They will consider this work and would usually only progress the ELJWP if they consider that the ELJWP will not adversely affect the integrity [See reference 5] of any of the 'Habitats Sites, as defined below (the exception to this would be where 'imperative reasons of overriding public interest' can be demonstrated). The requirement for authorities to comply with the Habitats Regulations when preparing a development plan is also noted in the Government's online Planning Practice Guidance (PPG) [See reference 6].

1.10 HRA refers to the assessment of the potential effects of a development plan on one or more sites afforded the highest level of protection in the UK: Special Protected Areas (SPAs) and Special Areas of Conservation (SACs). These were classified under European Union (EU) legislation but since 1 January 2021 are protected in the UK by the Habitats Regulations 2017 (as amended) [See reference 7]. Although the EU Directives from which the UK's Habitats Regulations originally derived are no longer binding, the Regulations still make reference to the lists of habitats and species that the sites were designated for, which are listed in annexes to the EU Directives:

- SACs are designated for particular habitat types (specified in Annex 1 of the EU Habitats Directive [See reference 8]) and species (Annex II). The listed habitat types and species (excluding birds) are those considered to be most in need of conservation at a European level. Designation of SACs also has regard to the threats of degradation or destruction to which the sites are exposed and, before EU exit day, to the coherence of the 'Natura 2000' network of 'European sites'. After EU exit day, regard is had to the importance of such sites for the coherence of the UK's 'National Site Network'.
- SPAs are classified for rare and vulnerable birds (Annex I of the EU Birds Directive [See reference 9]), and for regularly occurring migratory species not listed in Annex I.

1.11 The term ‘European Sites’ was previously commonly used in HRA to refer to ‘Natura 2000’ sites [See reference 10] and Ramsar sites (international designated under the Ramsar Convention). However, a Government Policy Paper [See reference 11] on changes to the Habitats Regulations 2017 post-Brexit states that:

- Any references to Natura 2000 in the 2017 Regulations and in guidance now refer to the new ‘National Site Network’;
- The National Site Network includes existing SACs and SPAs; and new SACs and SPAs designated under these Regulations; and
- Designated Wetlands of International Importance (known as Ramsar sites) do not form part of the national site network. Many Ramsar sites overlap with SACs and SPAs and may be designated for the same or different species and habitats.

1.12 Although Ramsar sites do not form part of the new National Site Network, Government guidance [See reference 12] states that:

Any proposals affecting the following sites would also require an HRA because these are protected by government policy:

- proposed SACs
- potential SPAs
- Ramsar sites – wetlands of international importance (both listed and proposed)
- areas secured as sites compensating for damage to a European site.”

1.13 Furthermore, the NPPF [See reference 13] and practice guidance [See reference 14] currently state that competent authorities responsible for carrying out HRA should treat Ramsar sites in the same way as SACs and SPAs. The legislative requirement for HRA does not apply to other nationally designated wildlife sites such as Sites of Special Scientific Interest or National Nature Reserves.

1.14 For simplicity, and in line with common usage, this report uses the term 'Habitats Site' to refer to all types of designated site within the 'National Site Network' for which Government guidance [See reference 15] requires an HRA.

1.15 The overall purpose of an HRA is to conclude whether or not a proposal or policy, or a whole development plan would adversely affect the integrity of the Habitats Site in question. This is judged in terms of the implications of the plan for a site's 'qualifying features' (i.e. those Annex I habitats, Annex II species, and Annex I bird populations for which it has been designated). Significantly, HRA is based on the precautionary principle. Where uncertainty or doubt remains, an adverse effect should be assumed.

Structure of this report

1.16 This chapter (**Chapter 1**) has introduced the requirement to undertake HRA of the ELJWP. The remainder of the report is structured as follows:

- **Chapter 2** summarises the content of the ELJWP, which is the subject of this report, as relevant to the HRA.
- **Chapter 3** describes the proposed approach to the HRA, taking into account the requirements of the Habitats Regulations and relevant case law.
- **Chapter 4** describes the findings of the screening stage of the HRA.
- **Chapter 5:** describes the findings of the Appropriate Assessment stage of the HRA.
- **Chapter 6:** Summarises the HRA conclusions and describes the next steps to be undertaken.

1.17 The information in the main body of the report is supported by the following appendices:

- **Appendix A** presents the attributes of Habitats Sites screened into the HRA.

- **Appendix B** presents the HRA screening of the policies of the Regulation 18 ELJWP.

Chapter 2

East London Joint Waste Plan

2.1 The ELJWP will set out how and where waste will be managed and will be used to determine planning applications affecting the management of waste in the four East London boroughs that are the joint authorities preparing the plan (Barking & Dagenham, Havering, Newham and Redbridge).

2.2 The ELJWP will form part of the Development Plan for each of the boroughs, sitting alongside separate Local Plans that are concerned with other forms of development such as housing and that related other forms of employment.

2.3 The draft plan has set out a Joint Waste Plan Vision and 8 strategic objectives:

- Strategic Objective 1: Significantly Reduce Waste Production Overall;
- Strategic Objective 2: All Built Development Will Contribute to the Achievement of a Fully Functioning Circular Economy by 2041;
- Strategic Objective 3: Appropriately Locate Waste Management Capacity;
- Strategic Objective 4: Contribute to East London's Regeneration and Economic Growth;
- Strategic Objective 5: Achieve Net Zero Waste Management;
- Strategic Objective 6: Optimise Existing Waste Management Capacity;
- Strategic Objective 7: Minimise Transportation and Establish Alternative Infrastructure; and
- Strategic Objective 8: Restrict Landfilling to Exceptional Circumstances.

2.4 There are six strategic policies set out in the draft ELJWP. In some cases there may be overlap between the policies of the Borough's Local Plans and the

policies in this Plan, where this occurs the latest policy to have been adopted will take precedence.

2.5 The policies align with the strategic objectives as below:

- Strategic Objective 1: Policy JWP1: Circular Economy & Policy JWP5: Energy from Waste;
- Strategic Objective 2: Policy JWP1: Circular Economy & Policy JWP4: Design of Waste Management Facilities;
- Strategic Objective 3: Policy JWP2: Safeguarding and Provision of Waste Capacity & Policy JWP 3 Prevention of Encroachment;
- Strategic Objective 4: Policy JWP2: Safeguarding and Provision of Waste Capacity & Policy JWP4: Design of Waste Management Facilities;
- Strategic Objective 5: Policy JWP1: Circular Economy, Policy JWP4: Design of Waste Management Facilities & Policy JWP6: Deposit of Waste on Land;
- Strategic Objective 6: Policy JWP5: Energy from Waste;
- Strategic Objective 7: Policy JWP4: Design of Waste Management Facilities; and
- Strategic Objective 8: Policy JWP1: Circular Economy.

2.6 It is estimated that there is currently 2,570,000tpa of waste management capacity in East London which is more than sufficient to manage the London Plan apportioned forecast arisings to 2041. The draft plan states there is sufficient waste management capacity in East London to meet requirements over the plan period. In light of this, the ELJWP does not allocate specific areas of land for the development of additional waste management facilities. This means the status of the sites allocated for the development of waste management capacity in the current East London Waste Plan would fall away.

2.7 Through the plan-making process, a number of existing waste sites have been identified as being surplus to requirements whose re-development will achieve wider planning objectives (i.e. have been identified for other uses either

in borough Local Plans or through planning consents) and so are no longer safeguarded for waste use; however all other existing waste sites are safeguarded, as listed in Appendices 1 & 2 of the ELJWP.

2.8 For the purposes of this HRA of the Draft ELJWP, it is currently assumed that waste activities could occur at any existing safeguarded waste site, until such time as the list of sites earmarked for release from safeguarding status is finalised. As there will be no additional waste capacity resulting from the ELJWP, development in new locations would not be expected to provide additional waste management capacity, but is more likely to replace existing capacity lost elsewhere. Within existing waste sites, changes arising from the plan that are relevant to the HRA are those that will result in changes in operation (e.g. changes in waste management process and/or vehicles trips to a site) that alter impact pathways or scale of impact.

Chapter 3

Approach to HRA

3.1 This chapter describes the approach that will be taken to the HRA of the ELJWP throughout its development.

Stages of HRA

3.2 The HRA of development plans is undertaken in stages (as described below) and should conclude whether or not a proposal would adversely affect the integrity of the Habitats Site/s in question.

3.3 The outputs will be reported to and considered by the joint authorities, as the competent authority, before adopting the Plan.

3.4 The HRA also requires close working with Natural England as the statutory nature conservation body [See reference 16] in order to obtain the necessary information, agree the process, outcomes and mitigation proposals. Non-statutory consultees may also be in a strong position to provide advice and information throughout the process; for example the Environment Agency, as it is required to undertake HRA for its existing licences and future licensing of activities. Chapter 6 provides further information on anticipated consultation and next steps.

Requirements of the Habitats Regulations

3.5 In assessing the effects of a development plan in accordance with Regulation 105 of the Conservation of Habitats and Species Regulations 2017 (as amended) (the 'Habitats Regulations'), there are potentially two tests to be applied by the competent authority: a 'Significance Test', followed if necessary

by an Appropriate Assessment which would inform the 'Integrity Test'. The relevant sequence of questions is as follows:

- Step 1: Under Reg. 105(1)(b), consider whether the plan is directly connected with or necessary to the management of the sites. If not, proceed to Step 2.
- Step 2: Under Reg. 105(1)(a), consider whether the plan is likely to have a significant effect on a Habitats Site, either alone or in combination with other plans or projects (the 'Significance Test'). If yes, proceed to Step 3.

3.1 [Steps 1 and 2 are undertaken as part of Stage 1: HRA Screening.]

- Step 3: Under Reg. 105(1), make an Appropriate Assessment of the implications for the Habitats Site in view of its current conservation objectives (the 'Integrity Test'). In so doing, it is mandatory under Reg. 105(2) to consult Natural England, and optional under Reg. 105(3) to take the opinion of the general public.

3.2 [This step is undertaken during Stage 2: Appropriate Assessment.]

- Step 4: In accordance with Reg. 105(4), but subject to Reg. 107, give effect to the land use plan only after having ascertained that the plan would not adversely affect the integrity of a Habitats Site.

3.3 [This step follows Stage 2 where a finding of 'no adverse effect' is concluded. If it cannot be it proceeds to Step 5 as part of Stage 3 of the HRA process].

- Step 5: Under Reg. 107, if Step 4 is unable to rule out adverse effects on the integrity of a Habitats Site and no alternative solutions exist then the competent authority may nevertheless agree to the plan or project if it must be carried out for 'imperative reasons of overriding public interest' (IROPI).

3.4 [This step is undertaken during Stage 3: Assessment where no alternatives exist, and adverse impacts remain taking into account mitigation].

Typical stages

The following sections summarise the stages and associated tasks and outcomes typically involved in carrying out a full HRA of a development plan, based on various guidance documents [See reference 17] [See reference 18] [See reference 19]. This report presents the outputs of the first tasks outlined below, under Stage 1: HRA Screening and presents the outputs of Stage 2: Appropriate Assessment.

Stage 1: HRA screening

Task

- Description of the development plan and confirmation that it is not directly connected with or necessary to the management of Habitats Sites.
- Identification of potentially affected Habitats Sites and their conservation objectives [See reference 20].
- Assessment of likely significant effects of the development plan alone or in combination with other plans and projects (without consideration of avoidance or reduction ('mitigation') measures) [See reference 21].

Outcome

- Where effects are unlikely, prepare a 'finding of no significant effect report'.
- Where effects judged likely, or lack of information to prove otherwise, proceed to Stage 2.

Stage 2: Appropriate Assessment (where Stage 1 does not rule out likely significant effects)

Task

- Information gathering (development plan and Habitats Sites) [See reference 22].
- Impact prediction.
- Evaluation of development plan impacts in view of conservation objectives of Habitats Sites.
- Where impacts are considered to directly or indirectly affect qualifying features of Habitats Sites, identify how these effects will be avoided or reduced ('mitigation').

Outcome

- Appropriate assessment report describing the plan, Habitats Site baseline conditions, the adverse effects of the plan on the Habitats Site, how these effects will be avoided or reduced, including the mechanisms and timescale for these mitigation measures.
- If effects remain after all alternatives and mitigation measures have been considered proceed to Stage 3.

Stage 3: Assessment where no alternatives exist and adverse impacts remain taking into account mitigation

Task

- Identify 'imperative reasons of overriding public interest' (IROPI).

- Demonstrate no alternatives exist.
- Identify potential compensatory measures.

Outcome

- This stage should be avoided if at all possible. The test of IROPI and the requirements for compensation are extremely onerous.

3.5 It is normally anticipated that an emphasis on Stages 1 and 2 of this process will, through a series of iterations, help ensure that potential adverse effects are identified and eliminated through the inclusion of mitigation measures designed to avoid or reduce effects. The need to consider alternatives could imply more onerous changes to a plan document. It is generally understood that so called ‘imperative reasons of overriding public interest’ (IROPI) are likely to be justified only very occasionally and would involve engagement with the Government.

Case law

3.6 This HRA is prepared in accordance with relevant case law, including most notably the ‘*People over Wind*’ and ‘*Holohan*’ rulings from the Court of Justice for the European Union (CJEU).

3.7 The *People over Wind, Peter Sweetman v Coillte Teoranta* (April 2018) judgment ruled that Article 6(3) of the Habitats Directive should be interpreted as meaning that mitigation measures should be assessed as part of an Appropriate Assessment and should not be taken into account at the screening stage. The precise wording of the ruling is as follows:

“Article 6(3)must be interpreted as meaning that, in order to determine whether it is necessary to carry out, subsequently, an appropriate assessment of the implications, for a site concerned, of a plan or project, it is not appropriate, at the screening stage, to take account of

measures intended to avoid or reduce the harmful effects of the plan or project on that site.”

3.8 In light of the above, the HRA screening stage does not rely upon avoidance or mitigation measures to draw conclusions as to whether the ELJWP could result in likely significant effects on Habitats Sites, with any such measures being considered at the Appropriate Assessment stage as relevant.

3.9 This HRA is also be undertaken in line with the *Holohan v An Bord Pleanala* (November 2018) judgment which stated that:

“Article 6(3) of Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora must be interpreted as meaning that an ‘appropriate assessment’ must, on the one hand, catalogue the entirety of habitat types and species for which a site is protected, and, on the other, identify and examine both the implications of the proposed project for the species present on that site, and for which that site has not been listed, and the implications for habitat types and species to be found outside the boundaries of that site, provided that those implications are liable to affect the conservation objectives of the site.”

3.10 In undertaking HRA, LUC considers the potential for effects on species and habitats, including those not listed as qualifying features, to result in secondary effects upon the qualifying features of Habitats Sites, including the potential for complex interactions and dependencies. In addition, the potential for offsite impacts, such as through impacts to functionally linked land, and or species and habitats located beyond the boundaries of Habitats Sites, but which may be important in supporting the ecological processes of the qualifying features, is considered.

3.11 Similarly, effects on both qualifying and supporting habitats and species on functionally linked land (FLL) or habitat are considered, in line with the High

Court judgment in *RSPB and others v Secretary of State and London Ashford Airport Ltd* [2014 EWHC 1523 Admin] (paragraph 27), which stated that:

“There is no authority on the significance of the non-statutory status of the FLL. However, the fact that the FLL was not within a protected site does not mean that the effect which a deterioration in its quality or function could have on a protected site is to be ignored. The indirect effect was still protected. Although the question of its legal status was mooted, I am satisfied that while no particular legal status attaches to FLL, the fact that land is functionally linked to protected land means that the indirectly adverse effects on a protected site, produced by effects on FLL, are scrutinised in the same legal framework just as are the direct effects of acts carried out on the protected site itself. That is the only sensible and purposive approach where a species or effect is not confined by a line on a map or boundary fence. This is particularly important where the boundaries of designated sites are drawn tightly as may be the UK practice”.

3.12 In addition to this, HRA takes into consideration the ‘*Wealden*’ judgment from the CJEU.

3.13 *Wealden District Council v Secretary of State for Communities and Local Government, Lewes District Council and South Downs National Park Authority* (2017) ruled that it was not appropriate to scope out the need for a detailed assessment for an individual plan or project based on the annual average daily traffic (AADT) figures detailed in the Design Manual for Roads and Bridges or the critical loads used by Defra or Environmental Agency without considering the in-combination impacts with other plans and projects.

3.14 In light of this judgment, the HRA will therefore consider traffic growth based on the effects of development from the ELJWP in combination with other drivers of growth such as development proposed in neighbouring boroughs and demographic change.

3.15 The HRA will also take into account the *Grace and Sweetman* (July 2018) judgment from the CJEU which stated that:

“there is a distinction to be drawn between protective measures forming part of a project and intended to avoid or reduce any direct adverse effects that may be caused by the project in order to ensure that the project does not adversely affect the integrity of the area, which are covered by Article 6(3), and measures which, in accordance with Article 6(4), are aimed at compensating for the negative effects of the project on a protected area and cannot be taken into account in the assessment of the implications of the project.”

“As a general rule, any positive effects of the future creation of a new habitat, which is aimed at compensating for the loss of area and quality of that habitat type in a protected area, are highly difficult to forecast with any degree of certainty or will be visible only in the future.”

“A mitigation strategy may only be taken into account at AA (a.6(3)) where the competent authority is “sufficiently certain that a measure will make an effective contribution to avoiding harm, guaranteeing beyond all reasonable doubt that the project will not adversely affect the integrity of the area.”

“Otherwise it falls to be considered to be a compensatory measure to be considered under a.6(4) only where there are: ‘imperative reasons of overriding public interest’”

3.16 The Appropriate Assessment of the ELJWP will therefore only consider the existence of measures to avoid or reduce its direct adverse effects (mitigation) if the expected benefits of those measures are beyond reasonable doubt at the time of the assessment.

Screening methodology

3.17 HRA Screening of the ELJWP will be undertaken in line with current available guidance and seek to meet the requirements of the Habitats Regulations.

3.18 The purpose of the screening stage is to:

- Identify all aspects of the plan which would have no effect on a Habitats Site, so that that they can be eliminated from further consideration in respect of this and other plans;
- Identify all aspects of the plan which would not be likely to have a significant effect on a Habitats Site (i.e. would have some effect, because of links/connectivity, but which are not significant), either alone or in combination with other aspects of the same plan or other plans or projects, which therefore do not require Appropriate Assessment; and
- Identify those aspects of the plan where it is not possible to rule out the risk of significant effects on a Habitats Site, either alone or in combination with other plans or projects. This provides a clear scope for the parts of the plan that will require appropriate assessment.

3.19 Each ELJWP policy will be considered, alone and in-combination with plans or projects from neighbouring authorities.

3.20 A risk-based approach, involving the application of the precautionary principle, has been adopted in the assessment, such that a conclusion of 'no significant effect' has only been reached where it is considered unlikely, based on current knowledge and the information available, that a ELJWP policy would have a significant effect on a Habitats Site.

3.21 The screening assessment (**Chapter 4**) considers the potential for likely significant effects resulting from each policy in the ELJWP, without taking mitigation (e.g. embedded in policy) into account, in accordance with the 'People over Wind' judgment.

3.22 For some types of impacts, the potential for likely significant effects can be determined on a proximity basis, using GIS data to determine the proximity of potential development locations to the Habitats Sites that are the subject of the assessment. However, there are many uncertainties associated with using set distances as there are very few standards available as a guide to how far impacts will travel. Therefore, where assumptions have been made or where additional information has been utilised to determine whether the ELJWP is likely to have a significant effect, these are set out in **Chapter 4**.

3.23 **Chapter 3** and **Appendix B** provide the findings of the HRA screening of the ELJWP.

3.24 The Appropriate Assessment within **Chapter 5** focuses on those policies that have been screened in.

Potential impacts of the ELJWP on Habitats Sites

3.25 In our experience of HRA of waste plans, and based on previous statutory consultee comments on HRAs undertaken elsewhere, the types of development (and related activities) that are permitted by waste plans have the potential to result in a range of impacts that could affect Habitats Sites, including air pollution from changes in traffic movements and non-physical disturbance (noise, vibration or light) from new development or changes in waste management activity. These impacts could occur directly at the Habitats Sites or indirectly, for example at habitats relied on by qualifying species from the Habitats Sites – known as ‘functionally linked habitat’.

3.26 For each of the ELJWP policies, consideration is given to the type of development or activity the policy could result in, impacts that could arise from that type of development or activity, and then whether there is an impact pathway to any Habitats Sites sensitive to that impact.

3.27 Further consideration of the types of impact that could be relevant to the ELJWP and possible impact pathways to Habitats Sites is provided in **Chapter 4**.

Identification of Habitats Sites which may be affected by the ELJWP

3.28 To initiate the search of Habitats Sites that could potentially be affected by the ELJWP, it is established practice in HRAs to consider Habitats Sites within the local planning authority area covered by a plan, and also within a buffer distance from the boundary of the plan area.

3.29 A distance of 15km from the ELJWP area boundary has been used as a starting point to identify Habitats Sites that could be affected by impacts relating to the ELJWP. The use of this distance presents a precautionary approach to the screening assessment; however, consideration is also given to Habitats Sites beyond this distance that may be functionally connected to the plan area, for example through hydrological pathways.

3.30 As shown in **Figure 3.1**, one Habitats Site is within the ELJWP area:

- Epping Forest SAC (partly within the London Borough of Redbridge).

3.31 Habitats Sites which lie outside of the ELJWP area but within 15km are:

- Lee Valley SPA and Ramsar site;
- Wormley Hoddesdonpark Woods SAC; and
- Thames Estuary and Marshes SPA and Ramsar site.

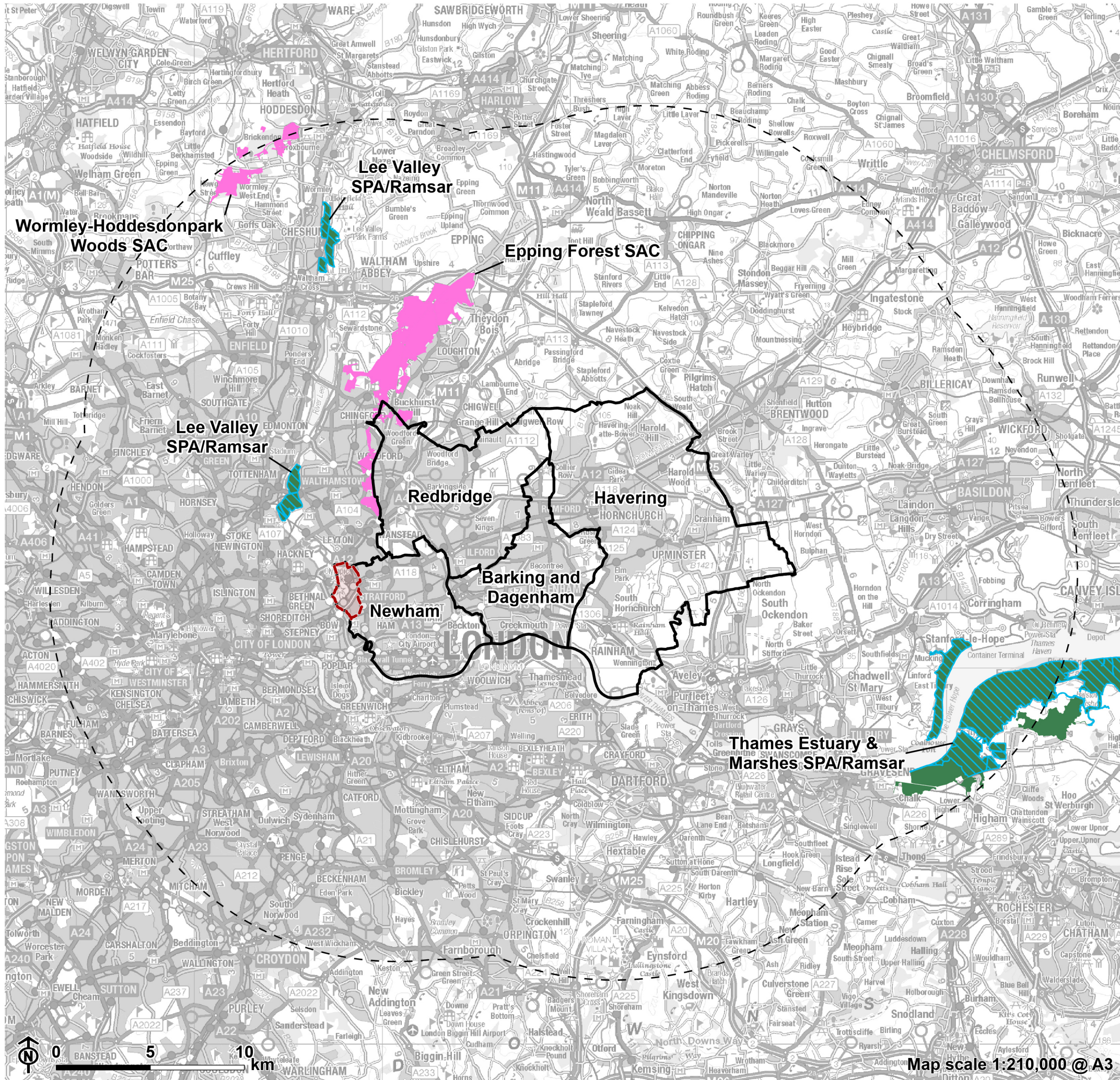


Figure 3.1: Habitat Sites within 15km of the Plan Area

- London Borough boundary
- Plan area 15km buffer
- London Legacy Development Corporation within plan area
- Special Area of Conservation
- Special Protection Area
- Ramsar site

3.32 The assessment also takes into account areas that may be functionally linked to the Habitats Sites. The term ‘functional linkage’ can be used to refer to the role or ‘function’ that land or other habitats beyond the boundary of a Habitats Site might fulfil in supporting the species populations for which the site was designated or classified. Such an area is therefore ‘linked’ to the site in question because it provides a (potentially important) role in maintaining or restoring a protected population at favourable conservation status.

3.33 While the boundary of a Habitats Site will usually be drawn to include key supporting habitat for a qualifying species, this cannot always be the case where the population for which a site is designated or classified is particularly mobile. Individuals of the population will not necessarily remain in the site all the time. Sometimes, the mobility of qualifying species is considerable and may extend so far from the key habitat that forms the SAC or SPA that it would be entirely impractical to attempt to designate or classify all of the land or sea that may conceivably be used by the species. HRA therefore considers whether any qualifying species of nearby (or linked) Habitats Sites make use of functionally linked habitats, and the impacts that could affect those habitats.

3.34 The following Habitats Sites are designated for mobile species, which may use habitats outside the designated Habitats Sites:

- Lee Valley SPA and Ramsar site, designated for bird species: great bittern, northern shoveler, gadwall). Although the lower reaches of the River Lee/Lea pass along the edge of the plan area, the open water and reedbed habitats that these species prefer occurs in the reservoirs of the upper Lee, outside the ELJWP area.
- Thames Estuary and Marshes SPA and Ramsar site, designated for bird species: pied avocet, ringed plover, grey plover, black-tailed godwit, red knot, dunlin, common redshank). These species favour coastal and estuarine habitats including marshes, mudflats, sandy beaches. Although there are some wetland habitats in the east of the plan area (by the Thames and Rainham Creek), these are c.15km from the SPA/Ramsar and the sites’ species are unlikely to depend upon them as functionally linked habitat.

- Epping Forest SAC, designated for stag beetle. Due to the rarity of many of the qualifying invertebrate species, there is very limited published data on their use of habitats located outside of Habitats Sites; however it is considered precautionary to assume that stag beetles may rely on suitable habitat (i.e. woodland habitats with decaying wood) within 500m of Habitats Site.

3.35 Functionally linked habitat used by birds from the SPA and Ramsar sites is not likely to occur within the plan area and is therefore scoped out. However, the HRA considers the potential for ELJWP policies to result in changes that affect potential functionally linked habitats used by stag beetles within 500m of Epping Forest SAC (in Redbridge) and habitats used by birds from the SPA and Ramsar sites that are beyond the plan area.

3.36 Detailed information about each Habitats Site screened into the HRA is provided in **Appendix A**, described with reference to Standard Data Forms, for the SPAs and SACs, Information Sheets for the Ramsar sites [See reference 23], and Natural England's Site Improvement Plans [See reference 24]. Natural England's conservation objectives [See reference 25] and any supplementary advice on conserving and restoring site features for the SPAs and SACs have also been reviewed. All of the conservation objectives state that site integrity must be maintained or restored by maintaining or restoring the habitats of qualifying features, the supporting processes on which they rely, and populations of qualifying species.

Assessment of 'likely significant effect'

3.37 As required under Regulation 105 of The Conservation of Habitats and Species Regulations 2017 (SI 2017/1012), as amended by The Conservation of Habitats and Species (Amendment) (EU Exit) Regulations 2019 (SI 2019/579), an assessment will be undertaken of the 'likely significant effects' of the policy approaches set out within the emerging ELJWP. The assessment will be undertaken to identify which policies would be likely to have a significant effect

on Habitats Sites in ELJWP area (+15km). This assessment will need to be repeated with each HRA iteration of the ELJWP.

3.38 A risk-based approach involving the application of the precautionary principle will be adopted in the assessment, such that a conclusion of ‘no significant effect’ will only be reached where it is considered very unlikely, based on current knowledge and the information available, that a proposal in the ELJWP would have a significant effect on the integrity of a Habitats Site.

Interpretation of ‘likely significant effect’

3.39 Relevant case law helps to interpret when effects should be considered as a Likely Significant Effect (LSE), when carrying out HRA of a development plan.

3.40 In the Waddenzee case [See reference 26], the European Court of Justice ruled on the interpretation of Article 6(3) of the Habitats Directive (translated into Reg. 102 in the Habitats Regulations), including that:

- An effect should be considered ‘likely’, *“if it cannot be excluded, on the basis of objective information, that it will have a significant effect on the site”* (para 44);
- An effect should be considered ‘significant’, *“if it undermines the conservation objectives”* (para 48); and
- Where a plan or project has an effect on a site *“but is not likely to undermine its conservation objectives, it cannot be considered likely to have a significant effect on the site concerned”* (para 47).

3.41 An opinion delivered to the Court of Justice of the European Union [See reference 27] commented that:

“The requirement that an effect in question be ‘significant’ exists in order to lay down a de minimis threshold. Plans or projects that have no appreciable

effect on the site are thereby excluded. If all plans or projects capable of having any effect whatsoever on the site were to be caught by Article 6(3), activities on or near the site would risk being impossible by reason of legislative overkill.”

3.42 This opinion (the ‘Sweetman’ case) therefore allows for the authorisation of plans and projects whose possible effects, alone or in combination, can be considered ‘trivial’ or de minimis; referring to such cases as those “which have no appreciable effect on the site”. In practice such effects could be screened out as having no likely significant effect; they would be ‘insignificant’.

3.43 The HRA screening assessment therefore considers whether the ELJWP policies could have likely significant effects either alone or in combination.

In-combination effects

3.44 Regulation 105 of the Habitats Regulations 2017 requires an Appropriate Assessment where *“a land use plan is likely to have a significant effect on a European site (either alone or in combination with other plans or projects) and is not directly connected with or necessary to the management of the site”*.

Therefore, the Screening assessment must consider whether any impacts identified from the ELJWP may combine with other plans or projects to give rise to significant effects in-combination.

3.45 If the HRA Screening determines that the ELJWP will have a particular type of effect (e.g. due to water pollution) on its own but it is not likely to be significant, the in-combination assessment at Screening stage will need to determine whether there may also be the same type of effect from other plans or projects that could combine with the ELJWP to produce a significant effect. If so, this likely significant effect arising from the ELJWP in combination with other plans or projects would then need to be considered through the Appropriate Assessment stage to determine if it would have an adverse effect on integrity of the relevant Habitats Site. However, if the screening assessment concludes that

there is no impact pathway by which development proposed in the ELJWP could affect the conditions necessary to maintain qualifying features of a Habitats Site, then there will be no in-combination effects to assess at the Screening or Appropriate Assessment stage. This approach accords with recent guidance on HRA [\[See reference 28\]](#).

3.46 If impact pathways are found to exist for a particular type of effect but it is not likely to be significant from the ELJWP alone, the in-combination assessment will identify which other plans and programmes could result in the same impact on the same Habitats Site. This will focus on planned growth (including housing, employment, transport, minerals and waste) around the affected site, or along the impact corridor, for example, if impacts could arise as a result of changes to a waterway, then planned growth in local authorities along that waterway will be considered.

3.47 Where required, the potential for in-combination impacts therefore focusses on plans prepared by local authorities that overlap with the Habitats Site that are within the scope of the HRA. The findings of any associated HRA work for those plans are reviewed where available. Where relevant, any strategic projects in the area that could have in-combination effects with the ELJWP are also identified and reviewed.

3.48 The online HRA Handbook suggests the following plans and projects may be relevant to consider as part of the in-combination assessment:

- Applications lodged but not yet determined, including refusals subject to an outstanding appeal or legal challenge;
- Projects subject to periodic review e.g. annual licences, during the time that their renewal is under consideration;
- Projects authorised but not yet started;
- Projects started but not yet completed;
- Known projects that do not require external authorisation;
- Proposals in adopted plans; and

- Proposals in draft plans formally published or submitted for final consultation, examination or adoption.

3.49 The need for in-combination assessment also arises at the Appropriate Assessment stage, as discussed in the Appropriate Assessment section below.

Appropriate Assessment methodology

3.50 Following the screening stage, if likely significant effects on the Habitats Site are unable to be ruled out, the plan-making authority is required under Regulation 105 of the Habitats Regulations 2017 to make an 'Appropriate Assessment' of the implications of the plan for the Habitats Site, in view of their conservation objectives. European Commission Guidance states that the Appropriate Assessment should consider the impacts of the plan (either alone or in combination with other projects or plans) on the integrity of the Habitats Site with respect to their conservation objectives and to their structure and function.

Assessing the effects on site integrity

3.51 A site's integrity depends on it being able to sustain its 'qualifying features' (i.e. those Annex 1 habitats, Annex II species, and Annex 1 bird populations for which it has been designated) and to ensure their continued viability. The 'Holohan' judgement also clarifies that effects on species and habitats not listed as qualifying features, but which could result in secondary effects upon the qualifying features of Habitats Sites also need to be considered. The Appropriate Assessment, if required, will build upon the information set out in Appendix A of this report, to consider the characteristics of supporting habitats and species that could be affected by impacts identified at the screening stage.

3.52 A high degree of integrity is considered to exist where the potential to meet a site's conservation objectives is realised and where the site is capable of self-repair and renewal with a minimum of external management support.

3.53 A conclusion needs to be reached as to whether or not the ELJWP would adversely affect the integrity of the Habitats Site. As stated in the European Commission Guidance, assessing the effects on the site(s) integrity involves considering whether the predicted impacts of the ELJWP policies (either alone or in combination) have the potential to:

- Cause delays to the achievement of conservation objectives for the site;
- Interrupt progress towards the achievement of conservation objectives for the site;
- Disrupt those factors that help to maintain the favourable conditions of the site;
- Interfere with the balance, distribution and density of key species that are the indicators of the favourable condition of the site;
- Cause changes to the vital defining aspects (e.g. nutrient balance) that determine how the site functions as a habitat or ecosystem;
- Change the dynamics of relationships that define the structure or function of the site (e.g. relationships between soil and water, or animals and plants);
- Interfere with anticipated natural changes to the site;
- Reduce the extent of key habitats or the population of key species;
- Reduce the diversity of the site;
- Result in disturbance that could affect the population, density or balance between key species;
- Result in fragmentation; or
- Result in the loss of key features.

3.54 The conservation objectives for each Habitats Site (**Appendix A**) are generally to maintain the qualifying features in favourable condition. The Site Improvement Plans for each Habitats Site provide a high-level overview of the issues (both current and predicted) affecting the condition of the European features on the site(s) and outline the priority measures required to improve the

condition of the features. These have been drawn on to help to understand what is needed to maintain the integrity of the Habitats Site .

3.55 For each Habitats Site where an uncertain or likely significant effect is identified in relation to the ELJWP, the potential impacts will be set out and judgements made (based on the information available) regarding whether the impact will have an adverse effect on the integrity of the site. Consideration will be given to the potential for mitigation measures to be implemented that could reduce the likelihood or severity of the potential impacts such that there would not be an adverse effect on the integrity of the site.

Chapter 4

HRA Screening

4.1 This chapter sets out the assumptions used in screening the ELJWP policies, along with the conclusions of the screening process (see also **Appendix B**).

Physical damage and loss of habitat

4.1 New development or changes to waste management activities resulting from the ELJWP would take place within the ELJWP area and largely within existing waste sites. None of the existing waste sites are within Habitats Sites or could be functionally linked habitats; however, the following policies permit development outside of existing waste sites, that could in theory (if mitigation is not taken into account; see Chapter 5) fall within a Habitats Site or its functionally linked habitats:

- Policy JWP2: Safeguarding and Provision of Waste Capacity;
- Policy JWP5: Energy from Waste; and
- Policy JWP6: Deposit of Waste on Land.

4.2 Epping Forest SAC is within the plan area and may have functionally linked habitats used by stag beetle (within 500m of the SAC) that are also within the plan area.

In relation to physical damage and loss of habitat, likely significant effects (for the ELJWP alone) could not be ruled out for:

- Epping Forest SAC (directly or via functionally linked habitats)

This will be considered further in the Appropriate Assessment

Non-physical disturbance

4.3 Noise and vibration effects, e.g. during the operation of waste management sites, are most likely to disturb bird species and are thus a key consideration with respect to Habitats Sites where birds are the qualifying features, although such effects may also impact upon some mammals and fish species. Artificial lighting at night (e.g. from street lamps, flood lighting and security lights) is most likely to affect bat populations and some nocturnal bird species, and therefore have potential to adversely effect the integrity of Habitats Sites where bats or nocturnal birds are a qualifying feature.

4.4 It has been assumed (on a precautionary basis and based on our experience of previous HRAs and consultation on those with Natural England) that the effects of noise, vibration and light pollution are capable of causing an adverse effect if development takes place within 500m of a Habitats Site (or functionally linked habitat) with qualifying features sensitive to these disturbances.

4.5 Habitats Sites that may be adversely affected by noise, vibration and light pollution as a result of the ELJWP are those that are both within the ELJWP area or within 500m of its boundary and that also support bird species. The SPA and Ramsar sites and their potential functionally linked land are beyond 500m from the ELJWP boundary. All other Habitats Sites are located over 500m from the ELJWP area boundary at the closest point and/or do not support species likely to be significantly affected as a result of noise, vibration and light pollution.

Non-physical disturbance is screened out as there is no impact pathway.
No Appropriate Assessment is required.

Air pollution

Dust

4.6 Air pollution can be caused by the creation of dust from construction or operation. This can smother terrestrial habitats or increase the turbidity of freshwater, estuarine and coastal habitats, preventing natural processes. It can also contribute to nutrient enrichment, which can lead to changes in the rate of vegetative succession and habitat composition.

4.7 The effects of dust creation are most likely to be significant if development takes place within 500m of a Habitats Site with qualifying features sensitive to these effects, such as terrestrial, freshwater or estuarine and coastal habitats, or sites designated for habitats and plant species. This is the distance that, in our experience, provides a robust assessment of effects in plan-level HRA and meets with the agreement of Natural England.

4.8 Habitats Sites that may be adversely affected by the creation of dust as a result of development as part of the ELJWP are those within the ELJWP area or within 500m of its boundary with habitats sensitive to dust, i.e.:

- Epping Forest SAC (qualifying habitats).

4.9 Epping Forest SAC's stag beetle population may be indirectly affected by dust, if the impact of dust is significant enough to reduce the extent of woodland that stag beetle rely on. However, the scale of potential impact from dust due to the ELJWP is not considered likely to have significant effects on stag beetle, either within the SAC or at any functionally linked land within 500m of the SAC.

4.10 All other Habitats Sites are located over 500m from the ELJWP area boundary at the closest point and/or do not support qualifying features likely to be sensitive to the effects of dust.

4.11 Policies that could result in activities that produce dust are:

- Policy JWP2: Safeguarding and Provision of Waste Capacity; and
- Policy JWP6: Deposit of Waste on Land.

In relation to dust, likely significant effects (for the ELJWP alone) could not be ruled out for:

- Epping Forest SAC (direct impacts only)

This will be considered further in the Appropriate Assessment

Industrial emissions

4.12 Industrial emissions may arise from processes such as energy from waste, which can produce air pollutants that include acid gases, particulates, dioxins and heavy metals.

4.13 The area over which industrial emissions can have an adverse effect depends on the nature of the emissions and factors such as stack height and topography of the surrounding area.

4.14 Policy JWP5: Energy from Waste permits development that results in industrial emissions.

4.15 Environment Agency guidance on environmental permitting **[See reference 29]** uses a distance of 10km to screen the potential for effects on Habitats Sites from industrial emissions. Habitats Sites within 10km of the ELJWP boundary that are sensitive to air pollution are:

- Epping Forest SAC;
- Lee Valley SPA and Ramsar site; and
- Thames Estuary & Marshes SPA and Ramsar site.

4.16 As with dust (paragraph 4.9) stag beetles may be indirectly affected by air pollution, if it is significant enough to alter its habitat, but likely significant effects are not anticipated for stag beetle at Epping Forest SAC or its functionally linked land. Similarly, air pollution from industrial emissions from Policy JWP5 would be unlikely to affect functionally linked habitats associated with the Lee Valley and Thames Estuary & Marshes SPA and Ramsar sites to the extent that the qualifying bird species of the Habitats Sites was significantly affected. Open water habitats and highly dynamic estuary habitats are not particularly sensitive to nitrogen from air pollution. Functionally linked habitats are therefore screened out in relation to industrial emissions.

In relation to industrial emissions, likely significant effects (for the ELJWP alone or in-combination) could not be ruled out for :

- Epping Forest SAC (direct impacts only);
- Lee Valley SPA and Ramsar site (direct impacts only); and
- Thames Estuary & Marshes SPA and Ramsar site (direct impacts only).

This will be considered further in the Appropriate Assessment

Vehicle emissions

4.17 Air pollution can be caused by the deposition of pollutants to the ground and vegetation, which can alter the characteristics of the soil, affecting the pH and nitrogen (N) availability that can then affect plant health, productivity and species composition.

4.18 Air pollution is most likely to affect Habitats Sites where freshwater and estuarine habitats, nitrogen limited terrestrial habitats, or plants are the qualifying features. However, some qualifying animal species may also be affected directly or indirectly, by deterioration in habitat as a result of air pollution.

4.19 In terms of vehicle emissions, nitrogen oxides (NO_x, i.e. NO and NO₂) are considered to be the key pollutants, although ammonia can also arise from vehicle emissions. Deposition of nitrogen compounds may lead to both soil and freshwater acidification, and NO_x can cause eutrophication of soils and water.

4.20 The DMRB Guidance for the assessment of local air quality [\[See reference 30\]](#) in relation to highways developments provides criteria that should be applied to ascertain whether there are likely to be significant impacts associated with routes or corridors. Based on the DMRB guidance, roads that should be assessed are those where: Daily traffic flows will change by 1,000 AADT (Annual Average Daily Traffic) or more; or

- Heavy duty vehicle (HDV) flows will change by 200 AADT or more; or
- Daily average speed will change by 10km/hr or more; or
- Peak hour speed will change by 20km/hr or more; or
- Road alignment will change by 5m or more.

4.21 In line with the Wealden judgment [\[See reference 31\]](#), where the road traffic effects of other plans or projects are known or can be reasonably estimated (including those of adopted plans or consented projects), then these should be included in road traffic modelling by the local authority whose plan or project is being assessed. The screening criteria of 1,000 AADT should then be applied to the traffic flows of the plans in combination.

4.22 Policies within the ELJWP that could alter traffic flows and therefore air pollution levels are:

- Policy JWP2: Safeguarding and Provision of Waste Capacity;
- Policy JWP5: Energy from Waste; and
- Policy JWP6: Deposit of Waste on Land.

4.23 The JNCC's 'Guidance on decision-making thresholds for air pollution' [\[See reference 32\]](#) states that, when assessing the air pollution impacts of a

development plan, 10km should be used as a zone of influence within which the plan is likely to have significant effects on air quality.

4.24 Typically, it is the roads forming part of the strategic road network (motorways and trunk roads) that experience a significant increase in vehicle traffic as a result of development (e.g. greater than 200 AADT HDVs), although there are sometimes exceptions. The 'affected road network' is confirmed through traffic modelling, in line with DMRB guidance; however roads within 10km of the plan area and within 200m of the Habitats Sites considered in this HRA include:

- Epping Forest SAC (directly): A406 (north circular), A104, A1199, A121, which are all within of adjacent to the plan area; and several other roads to the north of the plan area.
- Lee Valley SPA/Ramsar (directly): A503, which links the site to the plan area.

4.25 The portion of the Thames Estuary & Marshes SPA and Ramsar site that is within 10km of the Plan area is not adjacent to any major roads and is screened out in relation to vehicle emissions.

4.26 As with dust and industrial emissions (paragraph 4.16) effects on functionally linked habitats are screened out in relation to vehicle emissions.

In relation to air pollution, likely significant effects (from the ELJWP alone or in-combination) could not be ruled out at:

- Epping Forest SAC (direct impacts only); and
- Lee Valley SPA and Ramsar site (direct impacts only).

Recreation and urban impacts

4.27 Recreational activities and human presence can result in significant effects on Habitats Sites as a result of erosion and trampling, associated impacts such as fire and vandalism or disturbance to sensitive features, such as birds, through both terrestrial and water-based forms of recreation.

4.28 The ELJWP will not alter patterns of recreation and urban impacts.

Recreation and urban impacts are screened out as there is no impact pathway. No Appropriate Assessment is required.

Pests and vermin

4.29 There are potential vermin or pest impacts where waste is managed in the open air, for example composting or landfill. However, it is assumed that impacts from waste facilities would not be significant unless the potential waste site extends within the boundary of a Habitats Site, or would affect off-site habitats that sustain the site.

4.30 Development due to the ELJWP would largely occur at existing waste sites, which are not within a Habitats Site or likely to be functionally linked land; however, the following policy could permit landfill outside of existing waste sites:

- Policy JWP6: Deposit of Waste on Land.

4.31 Epping Forest SAC is within the plan area and may have functionally linked habitats used by stag beetle (within 500m of the SAC) that are also within the plan area.

In relation to pests and vermin, likely significant effects (for the ELJWP alone) could not be ruled out for:

- Epping Forest SAC (directly or via functionally linked habitats)

This will be considered further in the Appropriate Assessment

Water quality and quantity

4.32 Changes in water quality or quantity can affect Habitats Sites due to:

- Pollution from direct run-off between new development and waterbodies.
- Abstraction for water supply affecting the hydrology of the aquifer or waterbody being abstracted;
- Discharge of wastewater affecting water quality of receiving water body (the sea), for example due to nutrient loading or other pollutants; and

4.33 Habitats Sites with the potential to be affected by changes in water quantity or quality that result from development provided for by the ELJWP are principally those that support qualifying features of freshwater, estuarine, coastal and marine habitats either lie within the ELJWP area boundary or that are otherwise hydrologically connected to the ELJWP, i.e.:

- Lee Valley SPA and Ramsar site; and
- Thames Estuary and Marshes SPA and Ramsar site.

Direct pollution

4.34 Direct pollution can occur during construction or due to runoff of surface water and the distance at which this impact can occur depends on the topography of a site.

4.35 The following policies could result in changes that could cause direct pollution of water:

- Policy JWP2: Safeguarding and Provision of Waste Capacity; and
- Policy JWP6: Deposit of Waste on Land.

4.36 Lee Valley SPA and Ramsar site is upstream of the plan area and therefore direct pollution of this site will not occur. Thames Estuary and Marshes SPA and Ramsar site is downstream (along the River Thames); however, given its distance, large volumes of pollution would need to run-off from waste management locations along the Thames or its tributaries for there to be likely significant effects. This is considered unlikely, given the small scale of change permitted by the ELJWP policies.

Water quality and quantity impacts associated with direct pollution are screened out as there are no likely significant effects at the Thames Estuary and Marshes SPA and Ramsar site, and no impact pathway at other Habitats Sites of functionally linked habitats. No Appropriate Assessment is required.

Abstraction

4.37 Water is supplied to plan area by Thames Water (most of the plan area) and Essex & Suffolk Water (Barking and Dagenham). Thames Water store water, pumped from the River Thames and River Lee, in large reservoirs in Oxfordshire, West London and North London, including those that along the River Lee. In North London, the reservoirs are also topped up with groundwater pumped from the chalk aquifer. In the Essex & Suffolk Water area, most of the water comes from river sources. Much of this water is imported from outside the region through a river transfer system that supports the low yield Essex rivers.

4.38 Increased demand for water could therefore increase abstraction of water from the Lee Valley SPA and Ramsar. Increases in abstraction are likely to only occur where the waste management practices change to a process that uses more water (for example landfill to Energy from Waste). The following policy could therefore result in changes in water abstraction:

- Policy JWP5: Energy from Waste

4.39 Other Habitats Sites and functionally linked land are not in locations that could be affected by abstraction associated with the ELJWP.

In relation to abstraction, likely significant effects (for the ELJWP alone or in-combination) could not be ruled out for :

- Lee Valley SPA and Ramsar site (direct impacts only)

This will be considered further in the Appropriate Assessment.

Wastewater

4.40 Sewerage services are provided within the plan area by Thames Water and much of the area's water is treated at Coppermills wastewater treatment works (WwTW), which is adjacent to Lee Valley SPA and Ramsar site. It is the largest water treatment works in north London and treats water from across London.

4.41 However, increases in wastewater discharge are likely to only occur where the waste management practices change to a process that produces more wastewater. None of the ELJWP policies are likely to significantly increase wastewater.

Water quality and quantity impacts associated with wastewater treatment and discharge are screened out as there is no impact pathway. No Appropriate Assessment is required.

Summary of HRA Screening

4.42 Following the HRA screening (Chapter 4 above and Appendix B), likely significant effects could not be ruled out in relation to:

- **Physical damage and loss of habitat:** Epping Forest (directly or via functionally linked habitats) – ELJWP alone.
- **Air pollution - dust:** Epping Forest SAC (direct impacts only) – ELJWP alone.
- **Air pollution – industrial emissions:** Epping Forest SAC (direct impacts only), Lee Valley SPA and Ramsar site (direct impacts only), and Thames Estuary & Marshes SPA and Ramsar site (direct impacts only) – ELJWP alone or in-combination with other plans / projects.
- **Air pollution – vehicle emissions:** Epping Forest SAC (direct impacts only) and Lee Valley SPA and Ramsar site (direct impacts only) – ELJWP alone or in-combination with other plans / projects.
- **Pests and vermin:** Epping Forest (directly or via functionally linked habitats) – ELJWP alone.
- **Water quality and quantity – abstraction:** Lee Valley SPA/Ramsar (direct impacts only) – ELJWP alone or in-combination with other plans / projects.

4.43 Non-physical disturbance and wastewater have been screened out as there are no impact pathways.

4.44 Potential impact pathways have been identified in relation to direct water pollution, but there are no likely significant effects and these have also been screened out.

4.45 The following policies may contribute to water abstraction or air pollution from dust, industrial emissions or vehicle emissions and will therefore be considered further in the Appropriate Assessment:

- Policy JWP2: Safeguarding and Provision of Waste Capacity;
- Policy JWP5: Energy from Waste; and
- Policy JWP6: Deposit of Waste on Land.

Chapter 5

Appropriate Assessment

5.1 At the screening stage, likely significant impacts could not be ruled out in their entirety for physical damage and loss of habitat; water abstraction; air pollution due to dust; industrial emissions; vehicle emissions; and pests and vermin. However, the Appropriate Assessment allows mitigation to be taken into account, which makes it possible to conclude that some impacts will not have an adverse effect on the integrity of Habitats Sites, and to identify where further evidence or mitigation may be required to avoid adverse effects on integrity.

5.2 Policy JWP4: Design of Waste Management Facilities is the main policy providing mitigation for other policies in the ELJWP. It states that:

“Proposals for waste management development will only be permitted which have been designed to address the following during their construction and operation (including associated vehicle movements):

The emission of greenhouse gases is minimised by working towards net zero where practicable or, where this isn't practical, an appropriate contribution will be made to the relevant Borough's carbon offset fund;

- measures to avoid unacceptable adverse impacts arising from noise, dust, litter, vermin, vibration, odour, bioaerosols, external lighting, visual intrusion, traffic or associated risks to the environment and health and wellbeing of local communities;
- storage and management of waste (other than by landfill) within a building or an appropriate level of protection is provided with respect to impacts on the local environment and amenity;
- efficient use of energy and water;

- climate adaptation measures such as sustainable drainage systems, flood resistance and resilience, water storage and recycling, open space design, green roofs and drought-resistant landscaping;
- contributions to green and blue infrastructure, community benefits (including Public Rights of Way), and biodiversity enhancement and net gain where required.
- protecting the best and most versatile agricultural land and soil quality more generally;
- achievement of a BREEAM 'Excellent' rating or its equivalent unless it is demonstrated that this isn't practical;
- preference being given to non-road transport where practicable; and,
- measures to control and reduce vehicle emissions, through the use of low emission vehicles, installation of vehicle charging points and scheduling and management of vehicle routing.

Proposals for development must demonstrate that opportunities will be provided for residents of the Borough in which the proposal is located, to access employment in both the construction and operational stages in accordance with relevant Local Plan policy and related guidance.

Proposals that have an adverse effect on the integrity of sites designated as Special Areas of Conservation (SAC), Special Protection Areas (SPAs) or Ramsar sites will not be permitted, in line with The Conservation of Habitats and Species Regulations 2017 (as amended). Any mitigation required to avoid adverse effects on their integrity, for example due to pollution risk or disturbance, must be detailed in, and secured as part of the grant of planning permission.”

5.3 The statement that proposals will not be permitted that would have an adverse effect on SACs, SPAs or Ramsar sites, and that any required mitigation

must be detailed in and secured as part of the planning permission, provides overarching protection for Habitats Sites.

5.4 This is sufficient to ensure that waste development is not permitted within a Habitats Site or its functionally linked habitat, which will avoid adverse effects due to physical damage or loss of habitat; and, along with the inclusion of ‘dust’ and ‘vermin’ in the list of unacceptable adverse impacts, is considered sufficient to avoid adverse effects due to dust and due to pests and vermin.

5.5 In relation to vehicle emissions, mitigation for air pollution effects arising from a development plan (particularly where there are in-combination effects with other plans or projects) is usually provided at the strategic/plan level, rather than relying on individual developments to mitigate possible in-combination effects. However, in this case, as the ELJWP does not plan for increased waste capacity but instead allows for development that replaces existing capacity (for example to move the management of waste up the waste hierarchy), it is not possible at this stage to quantify likely trips that would be associated with the plan, although the scale of development as a whole is likely to be relatively small in scale compared to plans with allocated sites for development. The requirements of Policy JWP4 to “avoid unacceptable adverse impacts arising from... traffic”, give “preference... to non-road transport where practicable” and to “control and reduce vehicle emissions, through the use of low emission vehicles, installation of vehicle charging points and scheduling and management of vehicle routing” are therefore likely to sufficiently reduce the risks of air pollution from vehicles emissions. However, the requirement to demonstrate that development will not have an adverse effect on Habitats Site will ensure that the effect of individual developments on vehicle emissions is assessed and, if necessary, mitigated further.

5.6 Industrial emissions and water abstraction are subject to environmental permitting by the Environment Agency and Defra, which includes ensuring that proposals will not have an adverse effect on the integrity of Habitats Sites. Policy JWP5 also states that Energy from Waste development would only be permitted where the use will “not result in long distance vehicle movements”; is energy efficient; and “the release of non-biogenic gaseous carbon emissions will be minimised, with mechanisms to capture for use and/or storage”.

5.7 With safeguards within Policy JWP4: Design of Waste Management Facilities and Policy JWP5: Energy from Waste, along with environmental permitting requirements for industrial emissions and water abstraction, it is considered that the ELJWP will not have an adverse effect on the integrity of any Habitats Sites or their functionally linked habitats, either alone or in combination with other plans or projects.

Chapter 6

Conclusions and Next Steps

6.1 The HRA Screening (Chapter 4) could not rule out likely significant effects in relation to physical damage and loss of habitat; water abstraction; air pollution due to dust; industrial emissions; vehicle emissions; and pests and vermin. These impacts would arise from three of the ELJWP's policies: JWP2, JWP5 and JWP6. However, the Appropriate Assessment (Chapter 5) concluded that, with safeguards provided by Policy JWP4 along with environmental permitting requirements for industrial emissions and water abstraction, adverse effects on the integrity of Habitats Sites will be avoided.

6.2 The ELJWP is currently a draft, which will be published for Regulation 18 consultation, alongside this HRA report. Following the consultation, the plan will be updated as necessary and will include confirmation of the existing waste sites to be removed from safeguarding. The HRA will then be updated to reflect any changes to the ELJWP and in response to any relevant Regulation 18 consultations, for example if received from Natural England.

LUC

May 2024

Appendix A

Attributes of Habitats Sites considered in the HRA

Epping Forest Special Area of Conservation (SAC)

Location

- Epping Forest SAC is formed of several fragmented sites located to the east and north of the borough of Redbridge boundary. Part of the site falls within the borough of Redbridge boundary.

Qualifying features

- Annex 1 Habitats (which are a primary reason for the selection of this site):
 - Atlantic acidophilous beech forests with *Ilex* and sometimes also *Taxus* in the shrublayer (*Quercion robori-petraeae* or *Ilici-Fagenion*).
- Annex 1 Habitats (which are present as a qualifying feature but not a primary reason for the selection of this site):
 - European dry heaths
 - North Atlantic wet heaths with *Erica tetralix* (wet heathland with etan-leaved heath).
- Annex II species (that are a primary reason for the selection of this site):
 - Stag beetle *Lucanus cervus*

Threats and pressures

- Threats and pressures [See reference 33] on this site include the following:
 - Air pollution: impact of atmospheric nitrogen deposition
 - Undergrazing
 - Public access / disturbance
 - Changes in species distributions
 - Inappropriate water levels
 - Water pollution
 - Invasive species
 - Disease
 - Invasive species
- Air Pollution: impact of atmospheric nitrogen deposition – Nitrogen deposition exceeds site-relevant critical loads for ecosystem protection. Some parts of the site are assessed as in unfavourable condition for reasons linked to air pollution impacts.
- Undergrazing – The quality and diversity of the SAC features requires targeted management best achieved through grazing to: minimise scrub invasion; minimise robust grass domination, and maximise the species diversity of heathland plant communities.
- Public Access / Disturbance – Epping Forest is subject to high recreation pressure.
- Changes in species distributions – Beech tree health and recruitment may not be coping sufficiently with environmental conditions to sustain its presence and representation within the SAC feature. This may be linked to climate change as well as other factors such as air quality, recreation pressure and water availability.

Appendix A Attributes of Habitats Sites considered in the HRA

- Inappropriate water levels – Wet heath is dependent on suitable ground water levels. There is a threat of prolonged drying out through climate change.
- Water pollution – Surface run-off of poor quality water from roads with elevated levels of pollutants, nutrients and salinity may be affecting wet heath, probably mostly around the edges.
- Invasive species – Heather beetle has locally impacted on some heathland areas. Grey squirrel is not currently known to be significantly affecting tree health or regeneration but this will need to be monitored.
- Disease – Tree diseases such as Phytophthora present a real threat to Beech.
- In addition to the above, the supplementary advice [\[See reference 34\]](#) identifies the following vulnerabilities:
 - Adaptation and resilience of the feature – the vulnerability of Epping Forest SAC to climate change has been assessed by Natural England as being Medium taking into account the sensitivity, fragmentation, topography and management of its habitats.
 - Functional connectivity with wider landscape- The heathland resource is extensive in county terms but is fragmented, mainly by closed tree canopy habitat and roads. It is therefore vulnerable to encroachment, boundary effects, pollution, recreational impact and hydrological changes.
 - Vegetation structure – Variations in the structure of the heathland vegetation (vegetation height, amount of canopy closure, and patch structure) is needed to maintain high niche diversity and hence high species richness of characteristic heathland plants and animals. There is currently low cover (<25%) of dwarf shrubs present for the feature and less than 15% of scrub and tree cover.
 - Soils – the soils of the wet heath habitat are vulnerable to, and have been exposed to acidification, nutrient enrichment and pollution due to their fragmentation and proximity to roads and urban/residential development.

- Illumination – Epping Forest is fragmented by roads and largely surrounded by urban development and residential areas. Opportunities should be sought to minimise and reduce light pollution from existing development and any development plans or projects to ensure SAC features and significant biodiversity assets are safeguarded.

Non-qualifying habitats and species upon which the qualifying habitats and/or species depend

- Stag beetles require decaying wood of broadleaved trees for larvae to feed, although not of a particular tree species. The supplementary advice on conserving and restoring site features [See reference 35] states that off-site trees in local gardens, parks and along the roadside may be important in helping to maintain the local stag beetle population if decaying timber is present and may help to ‘connect’ the SAC population with neighbouring colonies.
- The supplementary advice also states:
- The qualifying habitat comprises beech *Fagus sylvatica* forests with holly *Ilex aquifolium*, growing on acid soils, in a humid Atlantic climate. Sites of this habitat type often are, or were, managed as wood-pasture systems, in which pollarding of beech *Fagus sylvatica* and oak *Quercus* spp. Was common.
- Wet heath usually occurs on acidic, nutrient-poor substrates, such as shallow peats or sandy soils with impeded drainage.
- European dry heaths typically occur on freely-draining, acidic to circumneutral soils with generally low nutrient content. Nearly all dry heath is seminatural, being derived from woodland through a long history of grazing and burning. Most dry heaths are managed as extensive grazing for livestock.
- Some plant or animal species (or related groups of such species) make a particularly important contribution to the necessary structure, function and/or quality of qualifying habitats. For wet heath, this includes: *Calluna*

Appendix A Attributes of Habitats Sites considered in the HRA

vulgaris, *Erica cinerea*, *E. tetralix*, *Salix repens*, *Ulex minor*, *Vaccinium* spp., *Carex panicea*, *C. pulicaris*, *Dactylorhiza etanus*, *Eleocharis* spp., *Eriophorum angustifolium*, *Juncus acutiflorus*, *J. etanus* ion, *Molinia caerulea*, *Anagallis tenella*, *Drosera* spp., *Galium saxatile*, *Genista anglica*, *Polygala serpyllifolia*, *Potentilla erecta*, *Succisa pratensis*. *Pedicularis sylvatica*. For dry heath, this includes: *Calluna vulgaris*, *Erica cinerea*, *E. tetralix*, *Ulex minor*, *Vaccinium* spp *Genista anglica*, *Agrostis* spp., *Carex* spp., *Danthonia decumbens*, *Deschampsia flexuosa*, *Festuca* spp., *Molinia caerulea*, *Nardus stricta*, *Galium saxatile*, *Hypochaeris radicata*, *Lotus corniculatus*, *Pedicularis sylvatica*, *Plantago lanceolata*, *Polygala* spp. *Potentilla erecta*, *Rumex acetosella*, *Succisa pratensis*, *Scilla verna*, *Serratula tinctoria*, *Teucrium scorodonia* *Thymus praecox*, *Viola riviniana*,

- There are many plants and animals which use or co-exist with non-native trees, but many rare and threatened woodland species are specialists adapted to one or a few native trees or shrub species (birches, willows and oaks, are examples of trees that host many specialist insect species). At this SAC, site-native species of tree and shrub include those typical of the H9120 type including Beech *Fagus sylvatica*, Oak *Quercus robur* and *Quercus petraea*, Holly *Ilex aquifolium*, Bramble *Rubus fruticosus* agg. Honeysuckle *Lonicera periclymenum*, Hornbeam *Carpinus betulus*, Silver birch *Betula pendula*, Downy birch *Betula pubescens*, Yew *Taxus baccata*, Elder *Sambucus nigra*, Goat willow *Salix caprea* and Wild Cherry *Prunus avium*. In addition to this, the characteristic mosaics and transitions of ancient forests and wood-pasture-types are well-represented within the site and are necessary for the conservation of SAC features and site integrity.
- Key species of ground flora, epiphytic bryophytes, mosses, liverworts and lichens are also listed.

Lee Valley Special Protection Area SPA and Ramsar

Location

- Lee Valley SPA & Ramsar is formed of several fragmented sites. The closest sections of the sites lie 4.5km west of the Redbridge borough boundary 3.3km north of the Newham borough boundary.

Qualifying features

- SPA:
 - Annex 1 species (non – breeding):
 - Great bittern *Botaurus stellaris*
 - Annex 1 (migratory species, non – breeding):
 - Northern shoveler *Anas clypeata*
 - Gadwall *Anas strepera*
 - Non Qualifying Species of Interest:
 - Cormorant *Phalacrocorax carbo*
 - Great Crested Grebe *Podiceps cristatus*
 - Tufted Duck *Aythya fuligula*
 - Pochard *Aythya etanu*
 - Grey Heron *Ardea cinereal*
- Ramsar:
 - The site supports the nationally scarce plant species whorled watermilfoil *Myriophyllum verticillatum* and the rare or vulnerable invertebrate *Micronecta minutissima* (a waterboatman).

Appendix A Attributes of Habitats Sites considered in the HRA

- Over winter the area regularly supports:
- Gadwell, *Anas strepera* – 456 individuals, representing an average of 1.5% of the population
- Shoveler, *Anas clypeata* – 406 individuals, representing an average of 1% of the population

Threats and pressures

- Threats and pressures [See reference 36] on this site include the following:
 - Water pollution
 - Hydrological changes
 - Public access / disturbance
 - Inappropriate scrub control
 - Fisheries: Fish stocking
 - Invasive species
 - Inappropriate cutting / mowing
 - Air pollution: risk of atmospheric nitrogen deposition
- Threats and pressures [See reference] on this site include the following:
 - Water pollution
 - Hydrological changes
 - Public access / disturbance
 - Inappropriate scrub control
 - Fisheries: Fish stocking
 - Invasive species
 - Inappropriate cutting / mowing

Appendix A Attributes of Habitats Sites considered in the HRA

- Air pollution: risk of atmospheric nitrogen deposition
- Water Pollution – The vegetation and invertebrates provide food for the ducks, while fish provide food for the bitterns; and the habitat mosaic needs to vary from clear open water with abundant aquatic vegetation to moderately eutrophic conditions. Changes in water quality need to be managed to prevent loss of suitable habitat and food sources.
- Hydrological changes – Reservoir levels linked to operational requirements and all water bodies subject to natural fluctuations accounting for abstraction and climatic change.
- Public Access/Disturbance – Areas of the SPA are subject to a range of recreation pressures including watersports, angling and dog walking. This has the potential to affect SPA populations directly or indirectly.
- Inappropriate scrub control – The reedbed habitats, muddy fringes, and bankside all provide habitat as part of the mosaic for the SPA birds. Scrub control is necessary to ensure these habitats are maintained.
- Fisheries: Fish stocking – Fish population and species composition needs to be appropriate to ensure suitable habitats including food resource and water quality are maintained for SPA bird species.
- Invasive species – Azolla and/or invasive aquatic blanket weeds will adversely affect aquatic habitat (food sources).
- Inappropriate cutting/mowing – The reedbed requires rotational management for bittern.
- Air Pollution: risk of atmospheric nitrogen deposition – Nitrogen deposition exceeds site relevant critical loads.
- The Information Sheet on Ramsar Wetlands [\[See reference 37\]](#) also notes the whole site supports high levels of visitor pressure; principally for purposes of angling, walking, cycling and birdwatching; with boating on the adjacent canal. These activities are mostly well regulated and at current levels are not considered to threaten the interest of the Ramsar site (although they may reduce the potential for enhancing the interest). In addition to the above, the supplementary advice [\[See reference 38\]](#) identifies the following vulnerabilities:

Appendix A Attributes of Habitats Sites considered in the HRA

- Conservation measures – Active and ongoing conservation management is often needed to protect, maintain or restore *Botaurus stellaris* Great bittern (non-breeding) at this site.
- Vegetation characteristics – Many bird species will have specific requirements that conservation measures will aim to maintain, for others such requirements will be less clear. Activities that may directly or indirectly affect the vegetation of supporting habitats and modify these characteristics may adversely affect the feature.
- Connectivity with supporting habitats – Bitterns clearly move between sites within the Lee Valley and to do this they will need to move safely to and from supporting habitat between individual waterbodies and above/across land outside the SPA. Also, the ability of Northern Shoveler to safely and successfully move to and from feeding and roosting areas is critical to their adult fitness and survival.
- Water depth – As the birds will rely on detecting their prey within the water to hunt, the depth of water at critical times of year may be paramount for successful feeding and therefore their fitness and survival.
- Population abundance – the population of Northern Shoveler within Lee Valley SPA has shown a slight decrease since Classification. The key SPA sites at Amwell and Turnford & Cheshunt Pits experienced a population decline during the 1999/00 – 2008/09 period, along with the is linked non-SPA Holyfield gravel pits. The SPA Walthamstow reservoirs and non-SPA Chingford reservoirs show population trends that appear to be related to water levels and available food resource.
- Food availability within supporting habitat – the availability of an abundant food supply is critically important for successful breeding, adult fitness and survival and the overall sustainability of the population. As a result, inappropriate management and direct or indirect impacts which may affect the distribution, abundance and availability of prey may adversely affect the population.

Non qualifying habitats and species upon which the qualifying habitats and/or species depend

- The information below is drawn from the supplementary advice on conserving and restoring site features [\[See reference 39\]](#).
- Great bittern
 - Standing open water and canals – bittern rely on the presence and continuity of open water habitat. Changes in water area, and associated marginal habitat, can adversely affect the suitability of supporting open water habitat.
 - Reedbeds.
 - Open terrain – bittern favour large areas of open terrain, largely free of obstructions, in and around its nesting, roosting and feeding areas. Often there is a need to maintain an unobstructed line of sight within nesting, feeding or roosting habitat to detect approaching predators, or to ensure visibility of displaying behaviour.
 - Key prey species include eel, rudd, roach, frogs, toads and invertebrates.
 - Within the SPA/Ramsar, the majority of bittern are found in the Turnford and Cheshunt Pits site while Amwell Quarry and Rye Meads also support the species. Walthamstow Reservoirs also occasionally supports bittern.
- Gadwall
 - Standing open water – gadwall favour gravel pits and reservoirs during the winter period where they feed on seeds, leaves and stems of water plants.
 - Preferred food plants – sweet-grass (*Glyceria fluitans*), creeping bent (*Arostis stolonifera*), stoneworts (*Chara*), pondweeds (*Potomageton*, *Ceratophyllum* spp., *Ruppia*, *Elodeo nuttallii*).

Appendix A Attributes of Habitats Sites considered in the HRA

- Each of the SPA/Ramsar's component SSSIs support gadwall in numbers which are sufficient to qualify them as being of national importance.
- Northern shoveler
 - Standing open water – in winter, shoveler frequent shallow water areas on marshes, flooded pasture, reservoirs and lakes with plentiful, marginal reeds or emergent vegetation and are found throughout.
 - Preferred food plants – Scirpus, Eleocharis, Carex, Potaogeton, Glyceria. Shoveler also feed on zooplankton (e.g. Hydrobia, crustaceans, caddisflies, Diptera, beetles) in the shallow margins of waterbodies. Preferred food plants are linked with early successional stages of waterbodies, therefore succession, particularly tree cover, can lead to the loss of suitable foraging habitat.
- BTO Bird Facts
- The British Trust for Ornithology [See reference 40] records the site's qualifying bird species' diets as:
 - Bittern: mostly fish, amphibians, insects but wide variety;
 - Shoveler: omnivorous (incl. insects, crustaceans, molluscs, seeds); and
 - Gadwall: leaves and shoots.
- The Information Sheet on Ramsar Wetlands [See reference 41] also notes the ecological features of the site include open water, with associated wetland habitats including reedbeds, fen grassland and woodland which support a number of wetland plant and animal species including internationally important numbers of wintering wildfowl.

Wormley - Hoddesdonpark Woods SAC

- Site area: (336.47 ha)

Location

- Wormley-Hoddesdonpark Woods SAC is formed of several fragmented sites located north of the borough and within the 15km boundary buffer. The closest site is 4.3km north of the LBE boundary.

Qualifying features

- Annex I Habitats (which are a primary reason for the selection of this site):
 - Sub-Atlantic and medio – European oak, or oak-hornbeam forests of the *Carpinion betuli*.

Threats and pressures

- Threats and pressures [\[See reference 42\]](#) on this site include the following:
 - Disease
 - Invasive species
 - Air Pollution: risk of atmospheric nitrogen deposition
 - Deer
 - Vehicles: illicit
 - Forestry and woodland management
 - Public access / disturbance
- Disease - Acute Oak Decline (AOD) is present in at least two parts of the site and affects both native oak species, which are key components of this woodland type.
- Invasive species - Several tree and shrub species not native to the site are present. Where they are not being actively controlled, they are gradually spreading. The more invasive of these include sycamore, turkey oak, rhododendron and snowberry.

Appendix A Attributes of Habitats Sites considered in the HRA

- Air Pollution: risk of atmospheric nitrogen deposition - Nitrogen deposition exceeds the site-relevant critical load for ecosystem protection and hence there is a risk of harmful effects, but the sensitive features are currently considered to be in favourable condition on the site.
- Deer – Browsing and grazing by deer can reduce tree regeneration and damage the woodland understorey and ground flora. Deer damage levels are currently only moderate and do not appear to be affecting tree regeneration, habitat structure or species composition greatly.
- Vehicles: illicit - Illegal use of restricted byways and bridleways by off-road vehicles causes localised but sometimes severe rutting and soil compaction, damaging the woodland ground flora, shrubs and trees. Fly-tipping damages the ground flora directly and can introduce toxins and alien species.
- Forestry and woodland management - The larger woodland units with public access are under appropriate management but some of the smaller, privately-owned units are not which can result in a reduction in structural and species diversity (particularly in previously coppiced areas), the loss of temporary and permanent open space, the over-shading and deterioration of veteran pollards, and the spread of invasive species.
- Public Access/Disturbance – As the site is a large, attractive area of ancient woodland with extensive public access and close to large urban centres, it is heavily used by the public for recreational purposes.
- In addition to the above, the supplementary advice [\[See reference 43\]](#) identifies the following vulnerabilities:
 - Vegetation community composition - maintaining or restoring these characteristic and distinctive vegetation types, and the range of types as appropriate, will be important to sustaining the overall habitat feature.
 - Vegetation Structure – open space (for woodland pasture with old trees) - having some open, sunlit and largely tree-less areas as part of the woodland community is often important to facilitate natural tree and shrub regeneration and also to provide supporting habitat for specialist woodland invertebrates, birds, vascular and lower

plants. Currently, the areas of open space within the wood-pasture areas are insufficient to meet the desired target.

- Vegetation structure – dead wood – for this habitat type, old or over-mature elements of the woodland are particularly characteristic and important features, and their continuity should be a priority.
- Root zones of ancient trees - unless carefully managed, activities such as construction, forestry management and trampling by grazing livestock and human feet during recreational activity may all contribute to excessive soil compaction around ancient trees.

Non-qualifying habitats and species upon which the qualifying habitats and/or species depend

- The supplementary advice on conserving and restoring site features [See reference 44] makes it clear that the qualifying habitat can be affected by change of habitat and soil disturbance/compaction adjacent to the site.
- Light grazing and browsing by sheep and deer helps promote a diverse woodland structure but heavy browsing can prevent woodland regeneration.
- The supplementary advice identifies the following non qualifying habitats/features that the qualifying features depend on:
 - Vegetation community composition - maintaining or restoring these characteristic and distinctive vegetation types, and the range of types as appropriate, will be important to sustaining the overall habitat feature.
 - Vegetation Structure – open space (for woodland pasture with old trees) - having some open, sunlit and largely tree-less areas as part of the woodland community is often important to facilitate natural tree and shrub regeneration and also to provide supporting habitat for specialist woodland invertebrates, birds, vascular and lower plants.

Appendix A Attributes of Habitats Sites considered in the HRA

- Vegetation structure – dead wood – for this habitat type, old or over-mature elements of the woodland are particularly characteristic and important features.
- The vegetation community composition is as follows:
 - The largest part of the site is oak-bracken-bramble woodland, dominated by sessile oak *Quercus petraea* and hornbeam *Carpinus betulus*, with areas of pedunculate oak *Quercus robur* and hornbeam. Further there are large stands of almost pure hornbeam (former coppice). There are also marshy areas with alder *Alnus glutinosa*, pendulous sedge *Carex pendula* and yellow pimpernel *Lysimachia nemorum* as well as areas with higher proportions of ash *Fraxinus excelsior*, Dogs Mercury *Mercurialis perennis* and Yellow Archangel *Lamium galeobdolon* on the chalky boulder clay. Areas dominated by bluebell *Hyacinthoides non-scripta* do occur, but elsewhere there are stands of great wood-rush *Luzula sylvatica* with carpets of the mosses *Dicranum majus* and *Leucobryum glaucum*. Locally, a bryophyte community more typical of continental Europe occurs, including the mosses *Dicranum montanum*, *D. flagellare* and *D. tauricum*.

Thames Estuary & Marshes Ramsar and SPA

Location

- The SPA/Ramsar is formed of several fragmented sites. The site is located approximately 12.5 km to the south east of Havering borough boundary

Qualifying features

- Pied avocet : *Recurvirostra avosetta*

Appendix A Attributes of Habitats Sites considered in the HRA

- Hen harrier : *Circus cyaneus*
- Ringed plover: *Charadrius hiaticula*
- Grey plover: *Pluvialis squatarola*
- Black-tailed godwit: *Limosa limosa islandica*
- Red knot: *Calidris canutus*
- Dunlin: *Calidris alpina alpina*
- Common redshank: *Tringa tetanus*

Threats and pressures

- Ensure that the integrity of the site is maintained or restored as appropriate, and ensure that the site contributes to achieving the aims of the Wild Birds Directive, by maintaining or restoring:
 - The extent and distribution of the habitats of the qualifying features
 - The structure and function of the habitats of the qualifying features
 - The supporting processes on which the habitats of the qualifying features rely
 - The population of each of the qualifying features, and,
 - The distribution of the qualifying features within the site.

Non-qualifying habitats and species upon which the qualifying habitats and/or species depend

- In general, the qualifying bird species of the SPA rely on:
 - The sites ecosystem as a whole (see list of habitats below).
 - Maintenance of populations of species that they feed on (see list of diets below).

Appendix A Attributes of Habitats Sites considered in the HRA

- Off-site habitat, which provide foraging habitat for these species.
- Open landscape with unobstructed line of sight within nesting, foraging or roosting habitat.
- The individual qualifying species of the SPA also rely on the following habitats and species:
 - *Recurvirostra avosetta*: Pied avocet
 - Habitat Preference – Mudflats, lagoons and sandy beaches.
 - Diet – Aquatic insects and their larvae, crustaceans and worms.
 - *Circus cyaneus*: Hen harrier
 - Habitat Preference – Moor, marsh, steppe and fields; wintering at coastal areas, farmland, heathland, coastal marshes, fenland and river valleys.
 - Diet - Mainly small birds and mammals.
 - *Charadrius hiaticula*: Ringed plover
 - Habitat Preference - Sandy areas with low vegetation, and on migration estuaries.
 - Diet - In summer, invertebrates and in winter primarily marine worms, crustaceans and molluscs.
 - *Pluvialis squatarola*: Grey plover
 - Habitat Preference - Tundra, and on migration pasture and estuaries.
 - Diet - In summer, invertebrates and in winter primarily marine worms, crustaceans and molluscs.
 - *Limosa limosa islandica*: Black-tailed godwit
 - Habitat Preference - Marshy grassland and steppe, and on migration mudflats.
 - Diet - Insects, worms and snails, but also some plants, beetles, grasshoppers and other small insects during the breeding season.

Appendix A Attributes of Habitats Sites considered in the HRA

- *Calidris canutus*: Red knot
 - Habitat Preference - Tundra, and on migration coastal habitat.
 - Diet - In summer, insects and plant material, and in winter inter-tidal invertebrates, esp molluscs.
- *Calidris alpina alpina*: Dunlin
 - Habitat Preference - Tundra, moor, heath, and on migration estuaries and coastal habitat.
 - Diet - Insects, snails and worms.
- *Tringa totanus*: Common redshank
 - Habitat Preference - Rivers, wet grassland, moors and estuaries.
 - Diet - Invertebrates, especially earthworms, crane-fly larvae (inland) crustaceans, molluscs, marine worms (estuaries).

Appendix B

Screening of policies

Policy JWP1: Circular Economy

Activities likely to result as a consequence of the policy

B.1 None – this policy sets out principles for the sustainable management of waste from any development coming forward under the local authorities' Local Plans (not just waste management development), which will move waste up the waste hierarchy e.g. reduce landfill and reuse/recycling of construction and demolition waste. However, the target recycling rates have been taken into account in the calculation of required waste management capacity of the boroughs and the policy itself will not result in new development or activities.

Likely effect if policy is implemented

B.2 None

Will the policy have likely significant effects and therefore require Appropriate Assessment?

B.3 No

Policy JWP2: Safeguarding and Provision of Waste Capacity

Activities likely to result as a consequence of the policy

B.4 New waste management facilities – permitted in limited circumstances for local authority collected waste and construction & industrial waste, e.g. where the proposals move development up the waste hierarchy, increase capacity at an existing facility, consolidate waste activities, or compensate for capacity lost elsewhere.

Likely effect if policy is implemented

B.5 Development outside of existing waste sites: physical damage and loss of habitat

B.6 Change in vehicle movements: air pollution (vehicle emissions)

B.7 Construction / operational activities: air pollution (dust), non-physical disturbance, direct pollution

Will the policy have likely significant effects and therefore require Appropriate Assessment?

B.8 Yes – there are likely significant effects relating to physical damage and loss of habitat, vehicle emissions and dust.

Appendix B Screening of policies

B.9 Physical damage and loss of habitats: Epping Forest SAC (and potentially functionally linked habitats within 500m of it) is within the plan area.

B.10 Air pollution (vehicle emissions): Epping Forest SAC and Lee Valley SPA/Ramsar site are within 10km of the plan area and within 200m of A-roads that link to the plan area.

B.11 Air pollution (dust): Epping Forest SAC is within the plan area and could be affected by development within 500m.

B.12 Non-physical disturbance: there are no qualifying features that are particularly sensitive to light/noise within 500m of the plan area.

B.13 Direct pollution: Lee Valley SPA/Ramsar and Thames Estuary & Marshes SPA/Ramsar are hydrologically connected to the plan area but the Lee Valley SPA/Ramsar is upstream (no impact pathway) and the Thames Estuary & Marshes is sufficient distance away that significant effects are not likely (no LSE).

Policy JWP3 Prevention of Encroachment

Activities likely to result as a consequence of the policy

B.14 None – this policy protects safeguarded waste sites from encroachment by other types of development, and will not result in new development or activities.

Likely effect if policy is implemented

B.15 None

Will the policy have likely significant effects and therefore require Appropriate Assessment?

B.16 No

Policy JWP4: Design of Waste Management Facilities

Activities likely to result as a consequence of the policy

B.17 None – this policy sets out principles for reducing environmental impacts from waste development, but will not itself result in new development or activities.

Likely effect if policy is implemented

B.18 None

Will the policy have likely significant effects and therefore require Appropriate Assessment?

B.19 No, although this policy may provide mitigation for impacts associated with other policies within the ELJWP, for example the policy states that development must be designed to: “avoid unacceptable adverse impacts arising from noise, dust, litter, vermin, vibration, odour, bioaerosols, external lighting, visual intrusion, traffic or associated risks to the environment and health and wellbeing of local communities”; and:

B.20 “Proposals that have an adverse effect on the integrity of sites designated as Special Areas of Conservation (SAC), Special Protection Areas (SPAs) or Ramsar sites will not be permitted, in line with The Conservation of Habitats and Species Regulations 2017 (as amended). Any mitigation required to avoid adverse effects on their integrity, for example due to pollution risk or disturbance, must be detailed in, and secured as part of the grant of planning permission.”

Policy JWP5: Energy from Waste

Activities likely to result as a consequence of the policy

B.21 New Energy from Waste facilities (within existing waste management sites) permitted in limited circumstances, e.g. as ‘recover’ rather than ‘disposal’ facilities; where waste cannot practically be managed by other means further up the waste hierarchy.

Likely effect if policy is implemented

B.22 Development outside of existing waste sites: physical damage and loss of habitat

B.23 Burning of waste: air pollution (industrial)

B.24 Change in vehicle movements: air pollution (vehicle emissions)

B.25 Construction / operational activities: non-physical disturbance

B.26 Increased demand for water: water abstraction

Will the policy have likely significant effects and therefore require Appropriate Assessment?

B.27 Yes – there are likely significant effects relating to physical damage and loss of habitat, industrial emissions, vehicle emissions and water abstraction.

B.28 Physical damage and loss of habitats: Epping Forest SAC (and potentially functionally linked habitats within 500m of it) is within the plan area.

B.29 Air pollution (industrial emissions): Epping Forest SAC, Lee Valley SPA and Ramsar site and Thames Estuary & Marshes SPA and Ramsar site are within the 10km screening distance for impacts from industrial emissions.

B.30 Air pollution (vehicle emissions): Epping Forest SAC and Lee Valley SPA/Ramsar site are within 10km of the plan area and within 200m of A-roads that link to the plan area.

B.31 Water abstraction: waterbodies linked to the Lee Valley SPA and Ramsar supply water to the region.

B.32 Non-physical disturbance: there are no qualifying features that are particularly sensitive to light/noise within 500m of the plan area.

Policy JWP6: Deposit of Waste on Land

Activities likely to result as a consequence of the policy

B.33 New waste management facilities – permitted in limited circumstances for the disposal of non-inert waste to land, e.g. where waste cannot be practically be managed by other means further up the waste hierarchy; and for inert waste where the waste will be used for a beneficial purpose e.g. restoring landfill sites or use in an engineering operation. This policy also allows for the re-working of old landfill sites.

Likely effect if policy is implemented

B.34 Development outside of existing waste sites: physical damage and loss of habitat

B.35 Change in vehicle movements: air pollution (vehicle emissions)

B.36 Construction / operational activities: air pollution (dust), non-physical disturbance, direct pollution

B.37 Waste open to the air: pests and vermin

Will the policy have likely significant effects and therefore require Appropriate Assessment?

B.38 Yes – there are likely significant effects relating to vehicle emissions and dust.

B.39 Physical damage and loss of habitats: Epping Forest SAC (and potentially functionally linked habitats within 500m of it) is within the plan area.

B.40 Air pollution (vehicle emissions): Epping Forest SAC and Lee Valley SPA/Ramsar site are within 10km of the plan area and within 200m of A-roads that link to the plan area.

B.41 Air pollution (dust): Epping Forest SAC is within the plan area and could be affected by development within 500m.

B.42 Pests and vermin: Epping Forest SAC (and potentially functionally linked habitats within 500m of it) is within the plan area.

B.43 Non-physical disturbance: there are no qualifying features that are particularly sensitive to light/noise within 500m of the plan area.

B.44 Direct pollution: Lee Valley SPA/Ramsar and Thames Estuary & Marshes SPA/Ramsar are hydrologically connected to the plan area but the Lee Valley SPA/Ramsar is upstream (no impact pathway) and the Thames Estuary & Marshes is sufficient distance away that significant effects are not likely (no LSE).

References

- 1 East London Waste Authority (2022) Joint Strategy [online]. Available at: <https://eastlondonwaste.gov.uk/east-london-waste-authority/jointstrategy>
- 2 East London Joint Waste Plan (2012) [pdf]. Available at: <https://www.redbridge.gov.uk/media/10405/joint-waste-dpd-adopted-feb-2012.pdf>
- 3 The Conservation (Natural Habitats, &c.) (Amendment) Regulations 2007 (2007) (SI No. 2007/1843). TSO (The Stationery Office), London.
- 4 The Conservation of Habitats and Species Regulations 2017 (2017) (SI No. 2017/1012), as amended by The Conservation of Habitats and Species (Amendment) (EU Exit) Regulations 2019 (2019) (SI 2019/579).
- 5 The integrity of a site is the coherence of its ecological structure and function, across its whole area, that enables it to sustain the habitat, complex of habitats and/or the levels of populations of the species for which it was designated. [Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities and Local Government \(2016, updated 2021\) Planning practice guidance: The National Planning Policy Framework and relevant planning practice guidance \[online\]](#)
- 6 [Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities and Local Government \(2019\) Appropriate assessment: Guidance on the use of Habitats Regulations Assessment](#)
- 7 The Conservation (Natural Habitats, &c.) (Amendment) Regulations 2007 (2007) (SI No. 2007/1843). TSO (The Stationery Office), London.
- 8 Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (the 'Habitats Directive').
- 9 Directive 2009/147/EC of 30 November 2009 on the conservation of wild birds (the 'Birds Directive').
- 10 [European Commission \(2008\) Natura 2000 \[online\]](#) – The network of protected areas identified by the EU.

References

- 11 [Department for Environment, Food and Rural Affairs \(2021\) Changes to the Habitats Regulations 2017 \[online\]](#)
- 12 [Department for Environment, Food and Rural Affairs, Natural England, Welsh Government and Natural Resources Wales \(2021\) Habitats regulations assessments: protecting a European site \[online\]](#)
- 13 [Ministry of Housing, Communities and Local Government \(2021\) National Planning Policy Framework \[pdf\] \(Paragraph 176\)](#)
- 14 [David Tyldesley & Associates \(2021\) The HRA Handbook \(Section A3\) \[online\]](#) – A subscription based online guidance document.
- 15 [Department for Environment, Food and Rural Affairs, Natural England, Welsh Government and Natural Resources Wales \(2021\) Habitats regulations assessments: protecting a European site \[online\]](#)
- 16 Regulation 5 of the Habitats Regulations 2017.
- 17 [Department for Levelling Up, Housing and Communities and Ministry of Housing, Communities and Local Government \(2019\) Appropriate assessment: Guidance on the use of Habitats Regulations Assessment \[online\]](#)
- 18 European Commission (2001) Assessment of plans and projects significantly affecting European Sites. Methodological guidance on the provisions of Article 6(3) and (4) of the Habitats Directive 92/43/EEC.
- 19 [David Tyldesley & Associates \(2021\) The HRA Handbook \(Section A3\) \[online\]](#) – A subscription based online guidance document.
- 20 [Natural England \(undated\) Conservation Objectives for European Sites \[online\]](#)
- 21 In line with the CJEU judgment in Case C-323/17 People Over Wind v Coillte Teoranta, mitigation must only be taken into consideration at this stage and not during Stage 1: HRA Screening.
- 22 In addition to Habitats Site citations and conservation objectives, key information sources for understanding factors contributing to the integrity of Habitats Sites include (where available) conservation objectives supplementary advice and Site Improvement Plans prepared by Natural

References

- England. [Natural England \(Undated\) Site Improvement Plans by region \[online\]](#)
- 23** [Obtained from JNCC](#) website, <https://jncc.gov.uk/>
- 24** [Obtained from the Natural England website](#)
- 25** [Obtained from Natural England website](#)
- 26** European Court of Justice in Case C-127/02 Landelijke Vereniging tot Behoud van de Waddenzee.
- 27** Advocate General's Opinion to CJEU in Case C-258/11 Sweetman and others v An Bord Pleanala 22nd Nov 2012.
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Appendix 5 – Sites to be released through ELJWP in LBBD

Borough	Site Name	Purpose of Release/ Proposed Use	Assessed Capacity			Planning Status	Permit Status	Proposed Status in emerging Local Plan
			Apportioned Waste	CDEW	Hazardous			
Barking & Dagenham	Gallions Close (Edwards Recycling)	Thames Road Site Allocation	506	0	0	Permanent Permission for recycling, by sorting and baling, of cardboard, newspapers, and cartons	No permit - operates under exemption	De-designated from SIL for residential uses as LSIS and allocated for residential and mixed use development within the draft Local Plan (site allocation CI – Thames Road)
	17-19 Thames Road (Max Recycling)		0	0	0	Permanent Permission for Waste processing and recycling facility	Revoked 2019	Redesignated as LSIS (from SIL) and allocated for residential and mixed use development within the draft Local Plan (site allocation CI – Thames Road)
	Eurohub Box Lane, Renwick Road (D B Cargo)	Castle Green	0	313,538	0	Permitted development Part 8 Class A	Permit issued 17/07/2018	Allocated for mixed use commercial and residential development within the draft Local Plan (site allocation CF – Castle Green), with opportunities for intensification of existing rail freight sites.
	Eurohub Box Lane, Renwick Road (Titan Waste)		15,997	20,173	0	Existing lawful use for rail/road transfer for set down and storage as part of the rail freight activity.	Permit issued 28/05/2019	Allocated for mixed use commercial and residential development within the draft Local Plan (site allocation CF – Castle Green), with opportunities for intensification of existing rail freight sites.

	Renwick Road Rail Hub (Biffa Waste Services)		0	0	0	Existing lawful use for rail/road transfer for set down and storage as part of the rail freight activity.	Permit issued 02/07/2020	Allocated for mixed use commercial and residential development within the draft Local Plan (site allocation CF – Castle Green), with opportunities for intensification of existing rail freight sites.
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CABINET**18 June 2024**

Title: Procurement of Hybrid Mail, Digital and Transformational Solutions, Multi-Functional Devices and Print Management Services	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report	For Decision
Wards Affected: None	Key Decision: No
Report Authors: James Twiss, Digital Print and Mail Product Owner.	Contact Details: Tel: 07359476515 E-mail: james.twiss@lbbd.gov.uk
Accountable Executive Team Director: Jo Moore – Strategic Director, Resources	
<p>Summary:</p> <p>In 2019, the Council conducted a competitive procurement which resulted in the award of a five-year contract with an optional extension for five years to Xerox (UK) Ltd to deliver:</p> <ul style="list-style-type: none"> • Physical Multi-Functional Devices (MFDs) at various locations • Hybrid Mail (Digital Outbound Mail Solution) • Web 2 Print – Web based Print & Mail Hub for Specialist Print Requirements <p>In anticipation of the end of the initial five-year contractual term, officers reviewed the position regarding the optional five-year extension, and it became apparent that it would not be appropriate to continue with the existing contract beyond its original five-year term.</p> <p>The first of those reasons relates to Regulation 72 of the Public Contracts Regulations 2015 (PCR 2015), which addresses the modification of contracts during their term and sets out specific circumstances under which contracts can be modified without requiring a new procurement process. Regulation 72 applies generally to all public contracts, but its application must be considered in the context of the specific conditions it outlines. The contract has exceeded its original estimations and, on the current trajectory, the spend would be more than 50% of the original contract value, amounting to a substantial cost increase which has the potential to present a risk of external legal challenge if the contract was to be extended. The contract reached the stage of Section 72 due to the Revenues and Benefits Service being brought into scope in June 2022. At the time, the expansion represented a cost saving against the Revenues and Benefits Service's current provider. However, the size and growth of the Revenues and Benefits Service was unknown, and it was not expected to increase the growth of the contract by over 50%, as has occurred.</p> <p>The second reason reflects a desire to split the ongoing procurement of the print services to deliver added competition, value and quality outputs, as well as giving other providers in the market the opportunity to bid for individual lots.</p> <p>Therefore, this report proposes two separate procurements for:</p>	

1. Hybrid Mail solution with the added ability to digitally communicate with LBBB residents.
2. Multi-Functional Devices (MFDs) and print management service at various locations.

As referred to above, the original contract that was let in 2019 also included Web 2 Print services. This element will be procured through a separate procurement strategy and has, therefore, been excluded from this paper. This procurement will employ a marketplace approach, where each time a Web 2 Print requirement arises, LBBB will consult the marketplace to acquire the most economically advantageous provider.

Hybrid Mail and Digital and Transformational Solutions

LBBB has an ongoing requirement to communicate with its residents which, depending on the desired outcome, may require the physical printing and posting of correspondence. These services are currently provided to LBBB under a Fully Managed Print and Post Services Agreement in the current Xerox contract which expires on 30 November 2024.

Since the start of the contract, the postal costs have increased by an average of 90% and as this is an operational pass-through cost from Royal Mail, there is every potential for the costs to rise in the future, should communications with residents continue via this method. The cost of the service provision is recharged to individual budgets on a usage basis and this procurement exercise allows LBBB the opportunity to attempt to avoid the cost increases by either procuring a reduced rate card through a competitive tender process and/or through a collaborative digital communications channel shift strategy.

By implementing a rigorous digital communication culture, the Council could reduce costs considerably. For example, sending a 1-page communication as an email as opposed to a 1st class post would reduce the cost from 96p to 5p.

The Council will be using the CCS RM6280 – Postal Services and Solutions Framework Lot 6 Hybrid Mail, Digital and Transformational to conduct this procurement. This framework was established on 3 October 2023 and is valid until 2 October 2027.

This procurement will seek to acquire a seven-year contract with a new provider, with a structure of four years plus an optional three-year extension. This is the maximum contract term available on the chosen framework for Hybrid Mail.

The overall cost of Hybrid Mail service over the 7-year period can be seen in the table below:

Description	Cost per Year	Total Cost Over 7 Years
Hybrid Mail	£1.38m (£1.15m + VAT)	£9.66m (£8.05m + VAT)

These costs have been calculated using previous years' volumes and include an anticipated increase in demand as well as inflationary pressures.

Multi-Functional Devices (MFDs) and Print Management Service

This procurement will also seek to acquire a maximum five-year contract with a new provider, who will solely concentrate on providing the Multi-Functional Devices and Print Management Services for a contract length of four years plus an optional one-year

extension. This is the maximum contract term available on the chosen framework for MFDs.

The Council will be using the CCS RM6174 - Multi-Functional Devices, Print and Digital Workflow Software Services and Managed Print Service Provision Framework Lot 3 for this procurement. This framework was established on 13 September 2021 and is valid until 12 September 2025.

The overall cost of MFDs can be seen as per table below:

Description	Cost per Year	Total Cost Over 5 Years
MFDs Lease Costs & Usage	£107,494 (£89,579 + VAT)	£537,474 (£447,895 + VAT)

These costs have been calculated using previous years' volumes and include an anticipated increase in demand as well as inflationary pressures.

It is important to note that the costs shown above are estimations based on the current contracts in place. All these costs are consumption based and will vary based on the quantities consumed, therefore these costs should not be seen as absolutes but instead, as estimations.

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree that the Council proceeds with the procurement of contracts for the provision of Hybrid Mail and Digital and Transformational Solutions and Multi-Functional Devices and Print Management Services, in accordance with the strategy set out in the report; and
- (ii) Authorise the Strategic Director, Resources, in consultation with the Cabinet Member for Finance Growth and Core Services and the Head of Legal, to conduct the procurements and award and enter into the contract(s) and all other necessary or ancillary agreements to fully implement and effect the proposals.

Reason(s)

To assist the Council in achieving value for money and ensure compliance with the Council's Contract Rules and the Public Contracts Regulations 2015.

1. Introduction and Background

Hybrid Mail

- 1.1 The Council maintains a traditional postal service for both inbound and outbound mail. The Council must maintain a physical post solution as items such as the issue of reminder notices and summonses are legal notices which cannot be sent electronically. The same applies to parking PCN notices, as it is a statutory requirement for these to be printed and posted. The Council has done a substantial

amount of digital transformation and currently delivers a large majority of its outgoing mail via hybrid mail.

- 1.2 In 2019, a contract was awarded to Xerox (UK) Ltd for the end to end fully managed print and post service. The service provider implemented Hybrid Mail as the digital print and post solution. Awarding the contract initially reduced the unit cost of printing & posting each letter and released the Council from the in-house print function overheads.
- 1.3 Hybrid mail is a service that allows documents to be securely transferred to a third-party for onward processing. The process can be initiated either by a user selecting the service via the file, print option within software such as Microsoft Word, or by transmitting PDF documents or even data, for later inclusion in a template. Once the file is with the third-party there are, typically, three options:
 - a. the letters are printed, posted and delivered via organisations such as the Royal Mail, or
 - b. the electronic file is delivered via email, or
 - c. an SMS (text) message is sent to the recipient, providing a link to where the document is available.
- 1.4 Options b and c above would typically include the ability to identify if the digital message has been read by the recipient. If it has not, the systems will revert as a last resort to printing and posting the original correspondence. Because the third parties that operate in this market are working with large volumes (across many organisations), economies of scale decrease the costs of postage.

From a cost perspective the Hybrid Mail (postal) unit cost is made up of the below:

- Postage Cost
- Envelope
- Paper
- Print
- Fulfilment

- 1.5 The Council has seen the benefits of using the Hybrid Mail service during Covid-19 lockdowns. To illustrate this point:
 - A user can send a file to the service from any location, be that home or office.
 - There is no need to print to a multi-functional device, this has seen a reduction in hardware and associated printing.
 - This has also seen a reduction in the need for holding physical stocks of paper or envelopes.
 - Users across the Council have recouped their time spent printing, collecting, and processing items of outbound post, and used that time to complete other required tasks.
- 1.6 The Council securely transfers an electronic file of the relevant documents to the Hybrid Mail provider. The file includes the name and address details of the intended recipient(s). The Hybrid Mail provider receives the file, prints, packages the documents, and then mails them to the recipients on behalf of the Council using the Royal Mail postal service.

- 1.7 From the table below you will see that year on year since the initial contract commenced, there has been an increase year on year in Volumes and Expenditure. During 2023-24, a total of 1.3 million letters were sent by the Council using the supplier's Hybrid Mail service as a cost of circa £1 million. With the expected Royal Mail price increase of 15% from July 2024 & considering 23/24 letter volumes, it would cost LBBB an additional £150k to send the same number of letters. The table below shows the annual volume and spend for Hybrid Mail during the existing contract term.

Financial Year	Total Volume	Total Expenditure
20/21	470,747	£295,119.95
21/22	869,873	£594,978.00
22/23	1,151,015*	£817,836.65
23/24	1,327,075*	£1,035,628.53

* The volumes increased after Revs & Bens joining the scope of services.

- 1.8 Due to the above volume and cost increases we require a working partnership with a service provider who will assist LBBB in its need to move away from using the traditional print and post methods and encourage the use of Electronic/Digital delivery of communication to its residents where possible, this strategy if fully scoped, funded & implemented has every potential to deliver ongoing financial savings.
- 1.9 Using the MI data collected from the existing Hybrid Mail service, we have identified the service areas within the council that are not bound by legislation to print and post and can be supported into channel shifting to Electronic/Digital delivery, an example of this is the Revenue and Benefits department. Last year this department produced in the region of 550,000 bills and statements for Council Tax, Business Rates, Rents, Leaseholders and Benefits, these were all printed and posted.
- 1.10 Officers across the Council will be encouraged in the first instance to issue post electronically, where appropriate, as this will reduce postage expenditure. Not all post will be able to be delivered via a third-party provider, so an outbound mail capability will continue to be required in-house for parcels and documents that require finishing i.e. stapling.
- 1.11 After initial configuration, all expenditure on this contract would be consumption-based. Volumes and costs would fluctuate based on demand, and any concerted efforts to migrate to electronic delivery of communication will save costs for the Council.

Multi-Functional Devices with Print Management Services

- 1.12 All departments within the council require office scanning, printing, and photocopying. The current contract for Managed Print Services and provision of multi-functional devices with Xerox expires on 30 November 2024. The intention is for a new Managed Print Service to be procured and implemented by 1 December 2024 using the CCS (Crown Commercial Service) RM1674 – Multi-Functional Devices, Print and Digital Workflow Software Services and Managed Print Service Provision Framework.

- 1.13 The current contract covers products associated with Managed Print Services including a fleet of print devices (Multi-Functional Device printers) on a lease agreement basis, consumables i.e., toner, staples, software and hardware support, cloud services and a print management software to enable users to release print jobs using their ID swipe cards.
- 1.14 The devices were provided on a “Per Click” basis, which means that the printing, support, maintenance, and capital costs are built into the cost of each page that is printed. This has enabled costs to be charged back to each service based on their usage, therefore costs can be managed simply by reducing printing.
- 1.15 Using the Print Management reporting software available from the vendor, costs have been managed appropriately and utilisation monitored and reviewed regularly.
- 1.16 When the contract commenced in 2019, the Council leased 102 MFDs with Xerox. However, due to the Covid pandemic and the adoption of hybrid working, there has been a significant reduction in the use of the devices. Consequently, 17 MFD devices have been returned to Xerox and the current total being used is 85 devices.
- 1.17 From a spend perspective, as the table shows below overall costs have reduced by 49% since the Xerox contract commenced. This is down to the original audit that Xerox carried out when awarded the contract, they reduced the fleet by a 1/3, and due to remote working over the last 4 years the devices have not been utilised.

Financial Year	Usage Costs	Lease Costs	Total
19/20** Previous Contract	£71,890.14	£104,419.00	£176,309.14
20/21	£15,874.22	£66,475.84	£82,350.06
21/22	£14,806.70	£66,475.84	£81,282.54
22/23	£18,813.42	£66,475.84	£85,289.26
23/24	£23,124.43	£58,311.52	£81,435.95

- 1.18 The Council intends to work in partnership with a Service Provider to support the Council’s vision to minimise printing. This is most likely to be in the form of a corporate print policy which will put certain rules in place regarding printing, i.e. no colour printing. The council would like to continue to reduce the amount of MFDs that form part of the fleet and in particular the larger devices that are expensive to lease and either these are to be removed entirely or replaced with smaller devices, which will reduce lease costs.

2. Proposed Procurement Strategy

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

Hybrid Mail

- 2.1.1 This procurement will look to procure and implement a Hybrid Mail digital outbound mail solution. This system’s main function for the Council is to assist with communicating with residents via various channels either using the traditional paper and post method or the digital channels i.e., SMS, Email or Portal Email using 2 – Part Authorisation i.e. Text a code to open the document.

MFDs

2.1.2 This procurement will look to obtain and implement Multi-Functional Devices (MFDs), Print Management and / or Digital Workflow under Managed Service Provision. This will assist all departments within the council to produce documentation.

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

Description	Cost per Year	Total Cost Over 7 Years
Hybrid Mail	£1.38m (£1.15m + VAT)	£9.66m (£8.05m + VAT)

Description	Cost per Year	Total Cost Over 5 Years
MFDs Lease Costs & Usage	£107,494 (£89,579 + VAT)	£537,474 (£447,895 + VAT)

2.3 Duration of the contract, including any options for extension

2.3.1 **Hybrid mail** - This procurement will seek to commission a 7-year contract with a new provider, with a structure of 4-years plus an optional 3-years extension, this is the maximum contract term available on the chosen framework.

2.3.2 **MFDs** - This procurement will seek to commission a 5-year contract with a new provider, with a structure of 4-years plus an optional 1-year extension, this is the maximum contract term available on the chosen framework.

2.4 Is the contract subject to (a) the 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

2.5 Recommended procurement procedure and reasons for the recommendation

2.5.1 This recommended procurement procedure will be to conduct a mini competition through a compliant CCS Framework.

2.5.2 The use of a pre-procured framework will reduce the internal cost to procure and will reduce the time required to assess potential providers for background quality checks, as a base criterion of access has already been conducted by Crown Commercial Service (CCS).

2.5.3 The preferred framework for the purposes of this report is the CCS Framework, listed below:

- RM6280 Lot 6: Hybrid Mail, Digital and Transformational
- RM6174 Lot 3: MFDs, Print Management and / or Digital Workflow under Managed Service Provision

2.5.4 Working with Procurement, the project team has determined the CCS framework is the appropriate route to market for the following reasons:

- (i) The framework offers a wide range of specialist suppliers.
- (ii) The framework provides an opportunity to aggregate buyer requirements and attract volume discounts.

2.5.5 A Service specification has been written which will be issued to all suppliers listed under the framework to inform the mini competition. Bid responses will be evaluated by the Council, and an appropriate supplier will be recommended.

2.6 The contract delivery methodology and documentation to be adopted

2.6.1 This contract(s) will be delivered in accordance with the CCS Framework call off contract terms and conditions; the suppliers licensing T&Cs will also form part of this contract.

2.6.2 The key milestones and timescales for the exercise are:

2.6.	Tasks	Deadline
	Issue Tender	24 th June 2024
	Clarification deadline	15 th July 2024
	Tender submission deadline	23 rd July 2024
	Tender evaluation period	24 th July 2024- 6 th August 2024
	Issue of standstill/award notices/award report	13 th August 2024
	Standstill ends (after 10 days but cannot fall on a weekend)	23 rd August 2024
	Issue contract	24 th August 2024
	Mobilisation period	24 th August 2024 - 30 th November 2024
	Contract start date	1 st December 2024

3 The contract(s) will be managed by the IT Services with the support of Procurement due to its corporate cross council nature.

2.7 Outcomes, savings and efficiencies expected because of awarding the proposed contract

2.7.1 The Council is looking for a partnership with a supplier who can support its digital vision to reduce print and post costs by switching to other electronic channels of communication with residents.

2.7.2 The cost of paper and postal communications is in 2024/5 expected to exceed £1M with postage costs being the larger part of the cost. The postal cost is rising at 20% year on year. At the time of writing, each postal interaction cost just over £1 (depending on content), the same content delivered via email would cost under £0.05. The population of the borough is also growing which further drives cost in this area. It is clear that some of our residents will not be able to use digital communications but indications are that a large proportion can but may prefer not to.

2.7.3 To illustrate this point, according to DWP statistics from November 2023, there are 25,000 LBBB households who manage their Universal Credit accounts online via digital methods. This is over a third of the 74,000 households in the borough. In this case there is no non-digital way to interact with the service. This suggests that considerable growth of digital interaction in delivery of Council services with residents should be achievable.

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

2.8.1 This procurement will be awarded based on the following criteria split:

- 60% - Price
- 30% - Quality
- 10% - Social Value

2.9 How the procurement will address and implement the Council’s Social Value policy

2.9.1 Due to the value of this procurement, Social Value will form 10% of the awarding criteria and have two dedicated questions as part of the Councils requirements supplied to all potential suppliers.

The team responsible for the running of this procurement will work with the Council’s Social Value officer to produce two distinct and clear questions that relate to the Council’s Social Value policy and can be effectively answered and evaluated.

The Social Value aspect of this contract will be delivered and managed by the Council’s Digital Print and Mail Product Owner & Commercial Support Officer.

2.10 London Living Wage (LLW)

2.10.1 Not applicable as the system implementation & on-going support can be delivered remotely.

2.11 How the Procurement will impact/support the Net Zero Carbon Target and Sustainability

2.11.1 The supplier will be assessed as per the CCS framework.

3. Options Appraisal

3.1

Option	Rationale
Do Nothing (Rejected)	The Council requires a print and post provision to communicate with residents. Doing nothing would result in the service being inoperative, this would have significant negative impacts on the organisation including, but not limited to, its reputation.
Open Market Tender (Rejected)	Due to the availability of viable CCS Frameworks and the number of competitors on these

	frameworks that can provide such systems, it does not seem advantageous for the Council to engage in an open market tender. This process is often longer than using a designated framework, and for the benefit of time management it is seen as a less advantageous option.
Other viable frameworks, notably LPP (Rejected)	The Council have explored several routes to market, including LPP. the Council believe it does not offer such a comprehensive a tender exercise, i.e. number of suppliers who have the expertise in this field and given the requirement to moving towards Digital Methods of communication, is not suitable.
Direct Award (various methods) (Rejected)	Under public contract rules, a direct award in the current circumstances would not be compliant and we may not be obtaining the best price possible.

4. Waiver

4.1 Not applicable as a fully compliant procurement process is being completed.

5. Consultation

5.1 There has been a wide array of consultation that has formed part of this proposed procurement process.

5.2 The proposals in this report were considered and endorsed by the Procurement Sub-Board on 7 May 2024, the Procurement Board on 20 May 2024 and the Executive Board on 23 May 2024.

6. Corporate Procurement

Implications completed by: Sam Woolvett, Category Manager, Resources

6.1 This report lays out the intended procurement strategy for hybrid mail services and MFDs.

6.2 The strategy outlined in this report is compliant with the Public Contracts Regulations 2015 and the Council's Contracts Rules.

6.3 Carrying out further competitions from CCS Frameworks is likely to offer the Council best value for money for these types of services.

7. Financial Implications

Implications completed by Sandra Pillinger, Finance Manager.

7.1 This report is seeking approval for the procurement of two new contracts:

- a hybrid mail contract with an estimated annual cost of £1.15m + VAT or £9.66 + VAT over the 7-year contract term, and
- a new MFD contract with an estimated cost of £89,579 + VAT pa or £447,895 + VAT over the 5-year term.

7.2 The values above are estimates as actual costs will be dependent on usage. The lease costs of the MFDs are budgeted within IT. All other costs are funded from the relevant service budget.

7.3 There is a savings target around hybrid mail which aims to provide a saving of £480,000 pa by 2026/27. The hybrid mail contract aims to achieve this saving by digitising outbound mail i.e. sending via email, SMS, and online portals. The saving will be Council-wide although mainly within Support and Collections. A mechanism will need to be developed to recover the saving from the relevant service area. The estimated costs in para 7.1 are gross of any savings to be made.

7.4 A saving of £11,900 in lease costs has already been achieved by reducing the number of MFDs by 11 units. It is anticipated that the new contract will potentially make additional savings by further reducing the number of MFDs.

8. Legal Implications

Implications completed by: Lauren van Arendonk, Acting Principal Contracts and Procurement Lawyer

8.1 This report seeks to procure hybrid mail and MFD contracts under the CCS Framework, using the mini competition function. Under r 31.1 of the Contract Rules, Officers must consider what procurement method and procedure is most likely to best achieve the Council's objectives including frameworks. CCS Framework is an established framework. Under regulation 33 of the Public Contract Regulations 2015, contracting authorities may conclude framework agreements, provided that they apply the procedures provided for with the PCR 2015.

8.2 Although there is the option to extend under the current contract, the original value of the contract (being £1,699,482, as published on Contracts Finder), has been exceeded. It must be noted that there was a mistake made with the original uploading of the contract value onto Contracts Finder. The value of the first 5 years and not the total maximum value for 10 years was uploaded (being £3.4M instead of £1.69M). The expected spend under the current contract is forecasted to far exceed the original contract value. Under reg 72 of the Public Contract Regulations, contracts may be modified during their term if the modification does not substantially change the nature of the contract scope and if the price does not increase 50% of the original contract value. The current circumstances do not meet the regulation 72 safe harbours for contract modification. A new procurement must be run to remain PCR compliant.

8.3 Under r 29.2 of the Contract Rules, any framework terms and conditions must be reviewed by Corporate Procurement and Legal Services prior to acceptance. Legal and procurement have been instructed and advised on the process; legal will be onside to review the terms of the framework together with the call off or order form to confirm its suitability and compliance.

- 8.4 Provided that the Contract award is conducted in accordance with the CCS Framework guidelines and in accordance with the Public Contract Regulations 2015, this procurement strategy can be approved.
- 8.5 Lastly, in accordance with r 59.2 of the Contract Rules, where a Contract has a value of £250,000 (including VAT) or more, it must be sealed. Legal services will be onside to assist with drafting and sealing.

9. Other Implications

- 9.1 **Risk and Risk Management:** A copy of the Risk Register is set out at Appendix 1.
- 9.2 **Corporate Policy and Equality Impact:** Equality Impact Assessment Screening Tools are attached as Appendices 2 and 3. Full EIA assessments are not required.
- 9.3 **Business Continuity / Disaster Recovery:** We will be asking the supplier to do a Cloud Security Principles Questionnaire/Data Protection Impact Assessment and Disaster Recovery procedures as part of the tender process.

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

List of appendices:

- **Appendix 1:** Risk Register
- **Appendix 2:** Equality Impact Assessment Screening Tool (Hybrid Mail)
- **Appendix 3:** Equality Impact Assessment Screening Tool (MFDs)

Risk Register

APPENDIX 1

ID	Date raised	Risk description	Likelihood of the risk occurring	Impact if the risk occurs	Severity <i>Rating based on impact & likelihood.</i>	Owner <i>Person who will manage the risk.</i>	Mitigating action <i>Actions to mitigate the risk e.g. reduce the likelihood.</i>	Contingent action <i>Action to be taken if the risk happens.</i>	Progress on actions
1	24/04/2024	Continued delivery of the service	Low	Medium	Medium	IT Services	Ensure that the procurement of the new service well before the deadline and complete implementation	Business Continuity Plan - put in action	Get the necessary approvals and commence procurement & implementation early
2	24/04/2024	New contract may be expensive	Low	Low	Medium	IT Services	Engage with potential supplier to reduce costs, provide adequate funding, etc.		
3	24/04/2024	Additional work/expenses due to modification may be required for templates.	Medium	Medium	Medium	IT Services	The address position on a majority of Revs and Bens templates approx 500, may need changing depending on chosen supplier, if they do is a manual process which is very time consuming and potentially an extra resource would need to be recruited, this makes that tender not as cost effective.		
4	24/04/2024	Legal challenge Section 72	Low	Medium	Medium	Council	To procure the new contract using the CCS framework		
5	24/04/2024	Unable to complete timescales by November 2024	Medium	High	High	Council	Timescales are very tight to source a new supplier and sign contract - seek advice from legal team		
6	24/04/2024	Roll-out of MFDs delayed due to supply-pain problems	Medium	High	High	Council	Seek advice from legal team.		
7	24/04/2024	Compatibility with files coming out of XL print on demand	Low	Medium	Medium	IT Services	Ensure specification included XL print. Work with new supplier to XL print requirements.		
8	24/04/2024	Increased costs due to inflation and increased volume	Medium	Medium	Medium	Council	Monitor volumes and inflation and plan for budget approval as necessary		
8	24/04/2024	Implementation and transition costs may be high	Low	Medium	Medium	Council	Work with the supplier and ensure costs are kept low		

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Equality Impact Assessment Screening Tool

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

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

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

Proposal/Project/Policy Title	To procure a Hybrid Mail solution on the CCS RM6280 Framework for 7-years.	
Service Area	IT Services	
Officer completing the EIA Screening Tool	Ben Davis, IT Procurement Lead	
Head of Service	Paul Ingram, Chief Information Officer	
Date	30/04/2024	
Brief Summary of the Proposal/Project/Policy Include main aims, proposed outcomes, recommendations/decisions sought.	IT Services on behalf of the Council will be conducting a competition on the CCS RM6280 Framework for the procurement of a new Hybrid Mail solution to replace the current Xerox contract, which expires on the 30 th of November 2024. This contract will be procured on a 7-year term, split into 4-years plus an optional 3-year extension.	
Protected characteristic	Impact	Description
Age	Not applicable (N/A)	None
Disability	Positive impact (L)	The current Enabling Independence Team use the Xerox solution and any replacement procured will have the same capabilities for people with alternative working arrangements.

Gender re-assignment	Not applicable (N/A)	None
Marriage and civil partnership	Not applicable (N/A)	None
Pregnancy and maternity	Not applicable (N/A)	None
Race	Not applicable (N/A)	None
Religion	Not applicable (N/A)	None
Sex	Not applicable (N/A)	None
Sexual orientation	Not applicable (N/A)	None
Socio-Economic Disadvantage¹	Not applicable (N/A)	None.
How visible is this service/policy/project/proposal to the general public?		Low visibility to the general public (L)
What is the potential risk to the Council's reputation? Consider the following impacts – legal, financial, political, media, public perception etc		Medium risk to reputation (M)

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

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

Hybrid mail is responsible for producing and delivering the majority of Council correspondence to residents throughout the borough. The replacement system will replicate and where possible improve those communication channels. The primary risk is if the implementation and Go-Live for the new system does not go according to plan, this could see delays in some correspondence reaching residents. Contingency plans will be created as part of the transition programme of works to ensure there is minimal disruption to any key Council communications.

¹ Socio-Economic Disadvantage is not a protected characteristic under the Equality Act. London Borough of Barking and Dagenham has chosen to include Socio-Economic Disadvantage as best practice.

Equality Impact Assessment Screening Tool

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

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

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

Proposal/Project/Policy Title	To procure a MFDs and Managed Print Service solution on the CCS RM6174 Framework for 5-years.	
Service Area	IT Services	
Officer completing the EIA Screening Tool	Ben Davis, IT Procurement Lead	
Head of Service	Paul Ingram, Chief Information Officer	
Date	30/04/2024	
Brief Summary of the Proposal/Project/Policy Include main aims, proposed outcomes, recommendations/decisions sought.	IT Services on behalf of the Council will be conducting a competition on the CCS RM6174 Framework for the procurement of a new MFD and Managed Print Service solution to replace the current Xerox contract, which expires on the 30 th of November 2024. This contract will be procured on a 5-year term.	
Protected characteristic	Impact	Description
Age	Not applicable (N/A)	None
Disability	Positive impact (L)	Any print solution procured as part of this project will have compatibility with the wide range of disability software used across the Council. Ensuring that Council staff who require alternative working arrangements will still have printing capabilities.

Gender re-assignment	Not applicable (N/A)	None
Marriage and civil partnership	Not applicable (N/A)	None
Pregnancy and maternity	Not applicable (N/A)	None
Race	Not applicable (N/A)	None
Religion	Not applicable (N/A)	None
Sex	Not applicable (N/A)	None
Sexual orientation	Not applicable (N/A)	None
Socio-Economic Disadvantage¹	Not applicable (N/A)	None.
How visible is this service/policy/project/proposal to the general public?		Low visibility to the general public (L)
What is the potential risk to the Council's reputation? Consider the following impacts – legal, financial, political, media, public perception etc		Low risk to reputation (L)

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

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

MFDs are the physical print devices located at all Council sites which staff use to print important documents. This procurement will see a replacement to the current print setup and potentially a rationalisation to meet current print demand, however it will have a limited impact on the public and any inconvenience caused will be caused to staff members. The implementation project will account for the potential risk to reduced print capabilities for staff members.

¹ Socio-Economic Disadvantage is not a protected characteristic under the Equality Act. London Borough of Barking and Dagenham has chosen to include Socio-Economic Disadvantage as best practice.

CABINET**18 June 2024**

Title: Procurement of Parking and Traffic Enforcement Camera Services	
Report of the Cabinet Member for Enforcement and Community Safety	
Open Report	For Decision
Wards Affected: None	Key Decision: No
Report Author: Tina Brooks Head of Service	Contact Details: Tel: 020 8227 2375 E-mail: Tina.Brooks@lbbd.gov.uk
Accountable Director: Rebecca Johnson, Director of Public Realm	
Accountable Executive Team Director: Leona Menville, Strategic Director, My Place	
<p>Summary:</p> <p>LBBD has a need for an Unattended CCTV Parking, Bus Lane, and Moving Traffic Enforcement Solution. This solution is currently being provided by Videalert.</p> <p>LBBD requires a modern digital CCTV system that can cover all its present and future needs, such that the system is fully future proofed. In addition, LBBD does not want to be locked into any proprietary equipment and therefore is fully committed to acquiring systems which use open standards and equipment, to allow LBBD to seamlessly upgrade to new cameras as they become available in the marketplace. LBBD seeks to enhance the current digital enforcement solutions including attended CCTV Capture, unattended Bus Lane, Parking, and moving Traffic enforcement interface with a mobile enforcement vehicle, Evidence review suite including hosted server, interface to all major notice processing systems and online video viewing platform and maintenance of equipment. This should also include the integration of the permit systems to the cameras to allow the automation of exemptions.</p> <p>The solution provider will be responsible for setting up the required link with any current or new Notice Processing System to enable PCNs to be created and to provide the facility for the exemption of permitted vehicles.</p> <p>As the current contract for purchasing camera at the contracted price is now exhausted, we are required in the interest of best value to re-tender.</p> <p>Parking services has carried out a PIN (prior information notice) and have received interest from four service providers.</p> <p>The existing contract is set to expire in May 2025 and therefore the successful contractor will take upon those services.</p>	
Recommendation(s)	
The Cabinet is recommended to:	

- (i) Agree that the Council proceeds with the procurement of a maximum five-year contract for a traffic enforcement camera system, in accordance with the strategy set out in the report; and
- (ii) Authorise the Strategic Director, My Place, in consultation with the Cabinet Member for Enforcement and Community Safety, the Strategic Director, Resources and the Head of Legal, to approve the final procurement strategy, conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements with the successful bidder(s) to fully effect the proposals.

Reason(s)

To assist the Council to achieve its priorities in relation to creating a safer Borough and to comply with the Council's Contract Rules and Public Contracts Regulations 2015

1. Introduction and Background

- 1.1 The Council has a duty under the Traffic Management Act 2004 (TMA) to tackle congestion and disruption on the road network. The TMA gives Councils tools to manage parking policies and enforce some moving traffic offences.
- 1.2 The Council's parking services operate a CCTV Suite of fixed automatic number plate Recognition (ANPR) cameras (Videalert) over 74 sites, that record vehicles committing moving traffic contraventions. Videalert is currently the sole supplier providing CCTV managed solutions to parking services.
- 1.3 Traffic enforcement cameras are crucial to keep the Council's highways moving. Significant number of contraventions are committed resulting in many PCNs (Penalty Charge Notices) being issued.
- 1.4 Income from PCNs issued will offset the cost of the camera maintenance, managing the moving traffic enforcement and cost of new cameras. Any surplus will be reinvested to keep the Councils highways moving.
- 1.5 There is currently no existing contract to purchase new cameras, although a maintenance budget is in place to maintain the existing cameras until May 2025 with the incumbent. Since cameras were first procured, technology has improved and there is an opportunity to drive down costs through a competitive open procedure.
- 1.6 The current cameras have been purchased outright by the Council. Older cameras are 5-year-old and are coming to end of life.
- 1.7 With technology improvements, suppliers are now offering attractive prices to replace the current cameras with new cameras within the maintenance budget over a 5-year period.

2. Proposed Procurement Strategy

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

- 2.1.1 New traffic enforcement cameras and maintenance will be purchased to replace the current estate after the contract expires.
- 2.1.2 The cameras used for enforcement are specialist cameras, supplied by Videalert, and cannot be reutilised without significant modification and cost, making it not a value for money to reutilise.
- 2.1.3 The strategy would be to replace the current cameras at the end of the contract with successful service provider but staying with the current maintenance paid to incumbent until the end of the contract and capital funding may be required.
- 2.1.4 Going forward new demands for traffic enforcement cameras would be fulfilled by the new supplier.

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

- 2.2.1 The estimated value of the contract is based on the current contract; the estimates below are for a 5-year period.

Automatic camera enforcement has an estimated for:

- Unit price per camera = £18,672.50 * 200 Cameras = £3,734,500.00
- Unit maintenance per camera = £6,120.00 * 200 Cameras = £1,224,000.00
- Unit maintenance per cameras over 5 years = £6,120,000.00
- Moving enforcement vehicle and maintenance = £100,000. This is an estimate.
- This excludes any annual inflationary cost increases.
- The cost excludes any inflationary uplift.
- There will also be implementation and project costs for the supplier and LBBD IT, estimated implementations costs are £20,000.
- The cost for Attended solution to be confirmed.

2.3 Funding

- 2.3.1 The total value of the contract for a 5-year period including a one-off implementation fee of £20,000 is £9,974,500.
- 2.3.2 Cameras tend to be self-funded but there is funding available for the contract from PCN income, maintenance budgets for cashless parking and parking noticing system and surplus from various initiatives that have been implemented within parking.
- 2.3.3 The cameras will be called as off when required by the stakeholders. Hence the spend for each year will vary.
- 2.3.4 BE-First will Purchase a number of cameras from successful suppliers. TFL will grant funds for these cameras. It also depends on the number of schemes and /or Grant Funds TFL Offers and the funds that BE-First secures during the life of the contract.

2.4 Duration of the contract, including any options for extension

2.4.1 The duration of the contract will be for a period of 5 years with an option to extend for a further 2 years.

2.5 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?

2.5.1 The contract is subject to Public Contract Regulations 2015 but is not subject to the Light Touch Regime.

2.6 Recommended procurement procedure and reasons for the recommendation

2.6.1 A full open tender will be carried out and advertised on Find a Tender, Jaggaer/Bravo (e-tendering), Contracts Finder and the Council's website. The tender will be published via the Jaggaer/Bravo Solution procurement portal.

2.6.2 The procurement is required to be let under an open procedure. The open procedure will allow for the maximum number of suppliers to respond, which will encourage SMEs and will likely produce the best value for money for the Council.

2.6.3 Suppliers will be required to have sufficient accreditation relevant to the services and have sufficient financial standing.

Indicative Procurement Timetable

Stage	Estimated Date
Publish tender opportunity in Find a Tender, Jaggar /Bravo, Contracts Finder and LBBB website	June 2024
Tenders returned	July 2024
Tender Evaluation completed by	July 2024
Award Report approved	August 2024
Standstill period	September 2024
Award of Contract	September 2024
Implementation	October 2024
Contract Commencement	October 2024

2.7 The contract delivery methodology and documentation to be adopted.

2.7.1 The Contract will be let using the Council's standard Terms and Conditions for Services.

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

2.8.1 Currently there is no contract in place to supply and fit automatic parking enforcement cameras. Parking is no longer able to purchase any Cameras from

Videalert on an ad-hoc basis because the agreed number of cameras that can be purchased under the contract has been exhausted.

2.8.2 Following soft market testing, the successful suppliers may be required to replace all the current cameras and link to the Councils noticing system, keeping within the current maintenance paid annually.

2.8.3 The Council will get new cameras with the latest technology with possible capital expenditure.

2.8.4 The contract will be awarded to the most economic advantageous tenderer in line with the criteria below.

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

2.9.1 Suppliers will be evaluated based on the tenderers' price and ability to deliver the contract as set out in the requirements and evaluation criteria in order to determine the most economically advantageous offer. The evaluation criteria for this Procurement will be based on.

Price – 70%; Quality – 20%; Social Value – 10%

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

2.10.1 To continue to meet the Council's commitment to keeping the borough moving and connected and to:

- Helping traffic to flow more freely.
- Helping buses keep to their timetable.
- Assisting delivery vehicles.
- Allowing pedestrians to feel safer crossing the road without illegally parked cars causing obstruction.
- Keeping parking places reserved for Blue Badge holders for those who need to use them.

2.10.2 The Social Value toolkit will be published as part of the tender documentation pack. A delivery plan (what) and method statement (how) question relating to social value will hold 10% of the overall evaluation. The social value coordinator will be invited to sit on the evaluation panel to grade this delivery plan and method statement alone, while the main evaluation panel members will be asked to evaluate the whole tender response.

2.11 **Contract Management methodology to be adopted.**

2.11.1 This contract will be managed by the Parking & CCTV Team. The My Place Contracts and Procurement Team will chair quarterly contract review meetings with the supplier and will be the point of escalation for any supplier or performance related issues. The Strategic Director of My Place will have overall accountability for the running of the contract.

3. Options Appraisal

- 3.1 **Option One – Open procurement procedure for a 5-year contract with the option to extend for two 12-month intervals.** This is the most favourable option as it allows the council to dictate the service requirements without any scope limitations to social value, it ensures that local organisation have a better chance to secure contracts with the councils due to the award criteria being heavily weighted on the pricing.
- 3.2 **Option Two – Mini competition Framework** – This option would be the quickest route to market but was rejected due to the limited number of suppliers on the framework and incumbent provider not on any framework. There would be a struggle to demonstrate value for money especially since there would be cost avoidance of the frameworks management fee if we were to go with option one.
- 3.3 **Option Three – Direct Award** – This option has been rejected as it does not demonstrate value for money and will impact on the Council's ability to request Social Value commitments.
- 3.4 **Option Four- Remain with the current provider (do nothing)** – This is no longer an option as we have been renewing the current contract already and it would not be best practice to continue without tendering the contract out.

4. Waiver

- 4.1 Not applicable.

5. Consultation

- 5.1 The proposals in this report were considered and endorsed by the Procurement Board at its meeting on 18 March 2024.

6. Corporate Procurement

Implications completed by: Richard Barrett Category Manager

- 6.1 The report seeks to approach the market via open tender with weightings identified as Price 70%, Quality 20% and Social Value 10%
- 6.2 The report indicates that market engagement has been conducted via the issue of a Prior Information Notice. The number of responses received indicate market competition is present but not at a level that is likely to lead to resource implications due to excessive numbers of responses.
- 6.3 The proposed procurement route and weightings seem suitable for the activity. The 70% weightings on price, will drive a focus and competition to a greater extent on the cost element.

7. Financial Implications

Implications completed by: Kenny Leshi, Finance Business Partner

- 7.1 This report seeks approval for the procurement and award of a traffic enforcement camera system for unattended CCTV Parking, Bus Lane, and Moving Traffic Enforcement Solution.
- 7.2 The duration of the contract will be for a period of 5 years with an option to extend it for a further 2 years.
- 7.3 The value of the contract for a 5-year period including a one-off implementation fee of £20,000 is £9,974,500.
- 7.4 Cameras tend to be self-funded but there is funding available for the contract from PCN income, maintenance budgets for cashless parking and parking noticing system and surplus from various initiatives that have been implemented within parking.
- 7.5 The expenditure will be monitored as part of the monthly budget monitoring process for the service area.

8. Legal

Implications completed by: Yinka Akinyemi, Contracts and Procurement Solicitor, Law & Governance

- 8.1 This report is seeking approval for Parking Services to proceed with the procurement of a traffic enforcement camera system on a maximum five-year term in accordance with the strategy set out in the report.
- 8.2 It is anticipated that the estimated value of the contract is in excess of the threshold for goods and services under the Public Contracts Regulations 2015 (the Regulations) and therefore a competitive tendering process will be required, which will be subject to the full application of the Regulations.
- 8.3 Clause 2.5 of this report states that an Open tender exercise will be carried out in compliance with the Regulations. This will therefore be following a compliant tender process as required by law and also the Council's Contract Rules.
- 8.4 Contract Rule 28.8 of the Council's Contract Rules requires that all procurements of contracts above £500,000 in value must be submitted to Cabinet for approval.
- 8.5 In line with Contract Rule 50.15, Cabinet can indicate whether it is content for the Chief Officer to award the contracts following the procurement process with the approval of Corporate Finance.

9. Other Implications

- 9.1 **Risk Management** - There will be a risk during replacement of the Videalert cameras as any significant delay will lead to a reduction in compliancy and PCNs

issued. This risk can be mitigated by strict SLA with the alternative supplier for the replacement of cameras.

Videalert cameras will not be switched off immediately but in a phased way to keep traffic compliancy until all cameras have been replaced.

Traffic camera enforcement will be handling personal identifiable data. Suppliers will need to comply with the governments 'cloud principals' criteria', which sets out good practice to safeguard data held in cloud datacentres.

A data impact assessment will be carried out with the Council's Information Governance Manager to ensure that GDPR obligations are fully met.

- 9.2 **Safeguarding Adults and Children** – Some cameras will be located near schools to ensure vehicles conform to legal traffic rules to ensure the safety of children.

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

List of appendices: None

CABINET**18 June 2024**

Title: Contracts for Street Lighting Maintenance Services	
Report of the Cabinet Member for Public Realm and Climate Change	
Open Report	For Decision
Wards Affected: All	Key Decision: No
Report Author: Nick Davies, Specialist Service Manager, My Place	Contact Details: Tel: 07773 090029 E-mail: Nick.Davies@lbbd.gov.uk
Accountable Director: Rebecca Johnson – Director of Public Realm	
Accountable Executive Team Director: Leona Menville – Strategic Director My Place	
Summary:	
<p>The Council has a legal duty as a Highway Authority under Section 41 of the Highways Act 1980 to maintain the highway. It is the duty of the highway authority to “maintain the road in such a state of repair as to be passable in safety at all seasons of the year”. Part of this duty includes the maintenance of all electrical equipment and street lighting to British Standard requirements for Electrical Installations BS 7671 (2018). Additionally, maintaining and improving the Borough’s Street lighting is a key administration priority directly linked to providing a safe borough and reducing the fear of crime.</p> <p>The current Street Lighting Term Contracts expired on 31 March 2024. The intention has always been to let a new, long-term Street Lighting contract. However, progress with that procurement was delayed whilst a review of budgetary provision and future funding was carried out against the backdrop of inflationary and cost-of-living increases which are impacting on contractor’s tender submissions.</p> <p>Therefore, this report sets out proposals for a new five-year contract, with a further two-year extension option, secured through competitive tendering for best value as well as the direct award of an interim nine-month stop gap contract to the incumbent provider, Volker Highways Ltd, to maintain service provision through to 31 December 2024, pending the award of the long-term contract.</p> <p>The new long-term maintenance contract will be procured in line with due Procurement process, including a 10% weighting assessment criteria to our Social Values, aligned to the Council’s Social Value Policy (www.lbbd.gov.uk/social-value-policy) and subsequent Social Values Tool Kit, and reiterated in section 2.9.2 of the report.</p> <p>The interim short-term arrangement will align to the Social Values as stipulated in the original Contract award in 2017, and stipulated in 2016 ITT section 10, and monitored under 133AR Performance, 135AR Considerate Construction Scheme and 154AR Recycling/Sustainability and defined further in section 2.9.1, the Living Wage</p>	

commitments made in 2.10.1 alongside the Net Zero Carbon Target and Sustainability outcomes defined in 2.11.1 of the report.

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree the direct award of a short-term, maximum nine-month contract with Volker Highways Ltd for the provision of reactive and planned street lighting maintenance services on the same terms and conditions as the previous contract, including historic defined Social Value outcomes as stipulated in the original contract award, the Living Wage commitments and the Net Zero Carbon Target and Sustainability outcomes as defined in the report;
- (ii) Agree the procurement of a new five year, with a two-year extension option, contract for the provision of reactive and planned street lighting maintenance services, secured through competitive tendering, complete with a commitment to the Council's Social Values Policy and requirements in accordance with the strategy set out in the report; and
- (iii) Delegate authority to the Strategic Director, My Place, in consultation with the Cabinet Member for Public Realm and Climate Change, the Strategic Director, Resources and the Head of Legal, to conduct the procurement and award and enter into the contracts and all other necessary or ancillary agreements to fully implement and effect the proposals.

Reason(s)

To assist the Council in meeting its statutory responsibilities under Section 41 of the Highways Act 1980 and to accord with the Council's Contract Rules and the Public Contracts Regulations 2015.

1. Introduction and Background

- 1.1 The Council has a duty to maintain the highway in accordance with section 41 of the Highways Act 1980. Which "provides that the Highway Authority is under a duty to maintain the highway. It is the duty of the highway authority to maintain the road in such a state of repair as to be passable in safety at all seasons of the year." Part of this duty includes the maintenance of all electrical equipment and street lighting to British Standard requirements for Electrical Installations BS 7671 (2018). Additionally maintaining and improving the borough's street lighting is a key administration priority directly linked to providing a safe borough and reducing the fear of crime.
- 1.2 To enable it to both comply with the above statutory duty and its commitments. The Council needs to have flexible, efficient and effective arrangements in place, which none the less demonstrate value for money. Whereby it can commission electrical work and repairs to street lighting as and when the needs arise, without the cost and timescales required to procure the work concerned via spot purchasing and/or tendering in every case.

- 1.3 Consequently, the Council has previously entered into a street lighting term maintenance contract, procured in compliance with the Public Contract Regulations. Through which it can place call off orders for any electrical works and repairs required in accordance with the terms and conditions of the term contract.
- 1.4 The Councils current street lighting term maintenance contract was originally awarded for a five-year term on 1 April 2017 to Volker Highways Ltd. Following a procurement exercise involving the publication of notices, as then required through the Official Journal of the European Union (OJEU). The full detail of the award is set out in the Cabinet report of 16th August 2016. The contract value was £7million.
- 1.5 This contract was extended, using the two-year optional extension clause. Under Delegated Authority by the then Strategic Director of MyPlace, for a period of twenty- four months and this extension expired on 31 March 2024. Currently no specific arrangements are in place and the Council will have to procure any works via alternative Public Contract Regulation (PCR) compliant arrangements, which will be less flexible, more time consuming and attract higher costs as described in more detail within Section 3 (Options Appraisal) of this report.

Short Term Interim Nine-Month Contract

- 1.6 Unfortunately progress in procuring a new street lighting Term maintenance contract has been severely delayed by numerous issues, beyond officers' immediate control. With delays arising due to uncertainties regarding the Councils financial position and future highway maintenance budgets. Combined with wider economic uncertainties around inflation and viability within the construction industry coupled with the impact of the wider cost of living crisis. These issues and uncertainties did not become sufficient clear until January 2024, to enable us to progress the procurement of a new contract. Which has left insufficient time to procure the new street lighting term maintenance contract before the expiration of the two-year extension period, at the end of March 2024. With the contract award for a new street lighting term maintenance contract not anticipated to take place before Q3 2024/2025. Therefore, the Council requires a means to continue delivering the services during the interim period in accordance with their statutory duties and broader political commitments.
- 1.7 Volker Highways Ltd performance on the recently expired street lighting term maintenance contract, has been monitored through contractual Key Performance Indicators (KPI's) and contract meetings, throughout the contract term. Their performance has always met or exceed the expected standards as set out within the contract. And they have delivered schemes within set timescales, to budget and to a high quality of workmanship using quality materials. Officers have also over this time been able to establish and maintain a positive working relationships with Volk's Highways Ltd. Volk's Highways have also worked well alongside the Councils other highways maintenance contractors, resulting in a contract that has always been delivered very successfully.
- 1.8 As part of the original procurement a schedule of works was priced by tenderers in competition against each other. With the contract terms being the NEC3 Term maintenance Contract, a commonly used industry standard form used for procuring electrical engineering works of this nature. Over the term of the contract, this

schedule of costed rates has been applied, and adjusted by the Consumer Prices Index (CPI) in accordance with the terms of the contract. And these arrangements would continue to be applied during any extension. In accordance with the terms of the original contract.

- 1.9 Early discussions have taken place with Volkers Highways Ltd who have indicated that they would be open to entering into an interim nine-month contract. The Contractor has also indicated that they would be amenable to adopting the same set of existing cost rates, using the same works specifications under the same contractual terms and conditions as part of the interim contract. The interim short-term arrangement will align to the Social Values as stipulated in the original Contract award in 2017, and stipulated in 2016 ITT section 10, and monitored under 133AR Performance, 135AR Considerate Construction Scheme and 154AR Recycling/Sustainability.
- 1.10 The cost of the new interim contract would be dependent on the works instructed and undertaken during the interim period. However, an upper limit of works instructed during the period of £0.5m is proposed.
- 1.11 This report seeks therefore seeks approval to procure a nine-month interim contract with Volker Highways Limited. The interim procurement being procured following the Negotiated contract without prior notification procedure as set out within paragraph 32(2)(2)(c) of the Public Contract Regulations 2015 (PCR). The maximum value of the extension value would be £0.5m and the extension would be reviewed in three months. This extension providing the necessary time and flexibility to complete the procurement and award of a long-term replacement term maintenance contract. And that consequently a waiver of the Councils own contract rules be granted on the basis that an emergency exists Clause 35.5(a) and that the circumstances of the proposed contract are covered by legislative exemptions clause 35.5(e).

Procurement of a New Street Lighting Term Maintenance Contract

- 1.12 To ensure in the long term that the borough retains suitably efficient, effective and flexible arrangements to enable it to discharge its duties in respect of S41 of the Highways Act 1980 inclusive of all electrical equipment and street lighting being maintained to British Standard requirements for Electrical Installations BS 7671 (2018). Whilst continuing to deliver against corporate commitments relating to providing a safe borough and reducing the fear of crime. While also being able to demonstrate value for money and compliance with the PCR, in respect of the procurement of these electrical engineering works.
- 1.13 It is recommended that the Council procure a new five-year term maintenance contract for Street Lighting Maintenance, again with the option to extend it for two-years. This new contract would function the same as the recently expired and interim contracts, in that under the overall terms of the term contract and against a specification and priced schedule of rates, priced through the procurement process. The new long-term contract will include a 10% weighting assessment criteria to our Social Values, aligned to our Social Value Policy and subsequent Social Values Tool Kit. The Council would place a series of call off contracts or orders under the terms of the term contract as and when it required street lighting works to be undertaken.

1.14 This arrangement will provide the council with optimum mix of flexibility and control, providing an efficient and effective procurement route in respect of these electrical works. Avoiding the potential administrative burdens, complexities and time consequences that would arise were these works procured as stand-alone or spot procurement exercises. Additionally, such a term contract will facilitate the development of a long-term collaborative working relationship between the contractor eventually selected, the Council and other contractors the Council contracts with to maintain the highway. Not only will this lead to reduced costs through economies of scale and administration costs. It will also provide the circumstances to develop a long-term collaborate working relationship with the chosen contractor, focused on building value and improving outcomes.

2. Proposed Procurement Strategy

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

2.1.1 For the purposes of the interim nine-month contract, to expedite the procurement of this contract. The recently expired contract specification, alongside it terms and conditions of contract would be used.

2.1.2. For the new Street Lighting Term contract, the current contract specification is being reviewed. Alongside a wider review based on market intelligence, both these exercises will be used to update and modernise the current specification prior to tenders being invited, to ensure it is updated to suit the Councils current and longer term anticipated future requirements.

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

2.2.1 The estimated expenditure during the proposed nine-month interim contract period would be £0.5m to maintain Statutory functions as broken down below.

Current Spend Breakdown Predictions:

	2024/2025
Street Lighting Maintenance	£200k
Estimated TFL/Capital funded Projects	£300k
Total Forecast	£500k

2.2.2 These costs would only be incurred as and when call off contracts or orders were placed under the term contract as and when needs arose.

2.2.3 The estimated works value of the proposed new Street Lighting Term Maintenance Contract would be valued at circa £1.4m per annum equating to circa £7m over five years or circa £10m in total should the two-year option be initiated. These estimates are defined by historic spends, current budgets alongside anticipated future budget indications.

2.3 Duration of the contract, including any options for extension

2.3.1 The duration of the interim contract would be nine-months, with break clauses in three months.

2.3.2 The duration of the new Street Lighting Term Maintenance Contract will be five years, extendable by a further two years.

2.4 Is the contract subject to (a) the 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 Both the procurement of a nine-month interim street lighting term maintenance Contract and the procurement of a new five-year street lighting term maintenance contract are both subject to the Public Contract Regulations, being defined as works contracts under the regulations. Neither is subject to the Light Touch regime.

2.5 Recommended procurement procedure and reasons for the recommendation

2.5.1 Section 41 of the Highways Act 1980 places a duty on the highway authority to maintain the highway at public expense. This duty includes the obligation to maintain, repair and replace street lighting across the on accordance with the British Standard Requirements for Electrical Installations BS 7671 (2018). Additionally maintaining and improving the borough's street lighting is a key administration priority directly linked to providing a safe borough and reducing the fear of crime.

2.5.2 The recommended procurement procedure for the nine-month interim Highways Street Lighting Term Maintenance Contract is the Negotiated procedure without prior publication as set out within paragraph 32 of the PCR 2015. It is proposed to negotiate the contract with Volkers Highways Ltd. The procedure being justified on the grounds of urgency paragraph 32(2)(c).

2.5.3 It is recommended that the new five-year Highways Street Lighting Term Maintenance Contract is procured via open tender process on the basis of a term contract, with the tenders being managed via the Council's "Bravo" e-procurement portal. Using a complete set of tender documents inclusive a works specification and schedule of rates.

2.5.4 Various frameworks for the delivery of Highways works do exist as set out within Section 3 Options Appraisal of this report. However, their use is not felt to be the optimal solution in respect procuring much of the electrical engineering work purchased through the street lighting term maintenance contract, due to the time scales required to prepare and run mini competitions to select contractors through these frameworks. And whilst direct award routes under these frameworks do exist, Direct Award could be not used in every case and there is often a need to commission and deliver these electrical works against very tight timescales. Additionally, the direct award route would likely have adverse financial consequences as the rates under these frameworks, are known to be higher than under the current term contract. Coupled with the potential complexity of working with multiple contractors simultaneously in respect of the delivery of programmes of

highway maintenance and safety works. With the loss of the opportunity to build value through collaborative working with a single contractor in the longer term.

2.6 The contract delivery methodology and documentation to be adopted

2.6.1 The interim nine-month contract will be under the terms of the original contract - NEC3Term Service Contract April 2013. Rates/Prices will be as per the previous contract Bill of Quantities originally submitted by Volker Highways or modified in line with the original contract during its time, this will provide cost certainty.

2.6.2 The new five-year street lighting term maintenance contract will be procured under the terms of the NEC4 Term Service Contract June 2017.

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

Interim Nine-Month Contract

2.7.1 The nine-month interim contract should deliver the best value for money, Volker Highways Ltd performed well on the recently expired contract. Delivering value for money, high quality workmanship, on time, budget and have an excellent safety record. If required, a detailed monthly break down document setting out their performance and KPI achieved for the last financial year is available for inspection. The interim contract will have identical specifications and performance requirements and will ensure that the Council continues to be able to maintain, repair and replace street lighting, illuminated signs and associated electrical equipment during the period of the contract extension. The interim short-term arrangement will align to the Social Values as stipulated in the original Contract award in 2017, and stipulated in 2016 ITT section 10, and monitored under 133AR Performance, 135AR Considerate Construction Scheme and 154AR Recycling/Sustainability.

Procurement of a New Long-Term Contract

2.7.2 As a consequence of awarding the new contract the Council will be in a robust position to comply with its statutory duties under section 41 of the Highways Act 1980 and specifically to maintain, repair and replace Street Lighting, Illuminated Signs and Associated Electrical Equipment as it may need to do so during the term of the contract. And thus avoid any potential claims and claims for compensation that may arise as a result. Additionally, the new contract will also include robust Contract Management arrangements to ensure value for money is achieved and that works are executed to a high-quality. With specific challenging Key Performance Indicators set around delivery of works on time, to budget, defective work and safety set through the new contract.

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

Interim Street Lighting Maintenance Term Contract

2.8.1 As set out within the body of the report.

Procurement of a New Street Lighting Maintenance Contract

2.8.2 Tenders will be assessed on the basis price, quality and social value, on the basis of **60% cost, 10% social value and 30% Quality**. With quality being assessed in relation to each bidders' experience and qualifications of the contractors proposed team and response to specific contract related questions. Social Values will be aligned to the Council's Social Value Policy (www.lbbd.gov.uk/social-value-policy) and subsequent Social Values Tool Kit.

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

Interim Contract

2.9.1 There will be no negative impact on the Council by entering into a nine-month interim contract. The incumbent supplier will deliver services to the same specifications and standards, on identical contractual conditions and with the same contract monitoring arrangements in place as for the recently expired contract.

Procurement of a New Street Lighting Contract Term Maintenance Contract

2.9.2 Through the procurement of the new Five-Year Street Lighting Term Maintenance contract the new contractor will be required to commit to deliver through the contract, a number of social value outcomes, set within the themes described in the borough's Social Value Toolkit. 10% of the weighting in selecting the new contractor will be assigned to Social Value.

2.10 **London Living Wage (LLW)**

Extension of the Existing Street Lighting Term Contract

2.10.1 The nine-month interim contract will include identical terms requiring that the contractor pay the London Living Wage as the recently expired contract did.

Procurement of a New Street Lighting Term Maintenance Contract

2.10.2 The new street lighting term maintenance contract which it is proposed to procure will contain terms requiring the successfully contractor to pay the London Living Wage (LLW) and sign up to the Unite Construction Charter.

2.11 **How the Procurement will impact/support the Net Zero Carbon Target and Sustainability**

2.11.1 The nine-month interim contract will include identical terms requiring that the contractor support the Councils Net Zero Carbon and sustainability targets as the recently expired contract.

Procurement of a New Highways Term Maintenance Contract

2.11.2 Tenderers will be asked to provide their environmental credentials which will form part of the qualitative evaluation along with other technical responses. With Tenderers being asked to demonstrate what measures, they propose to take to minimise the

production of waste arising from their operations under the contract, and how the remaining amount of waste will be recycled and disposed of. Tenderers will also be asked to confirm what measures, they propose to take to minimise carbon emissions in their operations, and to generally decrease the carbon footprint of operations.

All tender responses will be evaluated carefully, and the successful bidder will be required to demonstrate proactive, commitments and practical steps taken to improve their environmental policies and practices throughout the duration of the contract.

3. Options Appraisal

3.1 Other options considered and rejected:

Use current in house DSO resources - There are insufficient resources to carry out all the street lighting and in particular large scale capital works required. The current DSO Operatives should continue to carry out as much of the works as possible in the same manner they currently do, with the support of external resources.

Therefore, this option was considered and rejected.

Do nothing - The current street lighting term contract expired on 31 March 2024. The Council has a duty to discharge these services and failure to make provision would result in the Council failing to deliver its statutory duty. This is not a viable option and hence, was rejected.

Frameworks - Use of Framework Agreements or signing up to a neighbouring authorities' term contract. Whilst there are no specific street lighting frameworks, that officers have been able to identify. Two frameworks which allow the procurement of street lighting as a wider package of highways works have been explored:

- TFL Construction Framework – offers a resource to maintain our Statutory Duties but has a cost implication and increased rates of working circa 30% uplift.
- London Construction Programme (LCP) has our Term Contractor on it but is subject to a 0.5% management fee cost and increased specification rates.

Whilst these 2 options maintain our compliance, there would be issues with different specifications and exceeding contract value thresholds for example, more over the Council would not be getting value for money.

None of the contractors on the above two frameworks would undertake the electrical work directly themselves. They would simply sub-contract the electrical works, adding their overheads and profit to the cost of the sub-contracted work. In the scenario where various highways works are being procured, of which street lighting forms a part of the scope of works. Such an approach would provide value for money. As the framework contractor(s) add value through the management and co-ordination of the various areas of works. But this would not be the case in these circumstances as we would be solely procuring street lighting.

The LCP would result in a management fee of 0.5% on all commissioned works. And the rates under both frameworks are higher than the rates under our existing term contract. Thus, reducing the impact of the money targeted at improving our Highway Assets on the physical condition of the assets. Additionally, whilst both frameworks allow for the direct award of work in specific circumstances, the usual route to select a contractor through these frameworks would be via mini competition. Which would be less flexible and responsive requiring longer timescales to procure any work whilst creating a greater administrative burden.

Re-tender the Street Lighting Maintenance Term Contract for interim period -

The procurement of a new contract has not been completed and a new contract been awarded before the term contract expired. It would not be reasonable to re tender for the interim contract as this would incur additional cost and take resources away from the ongoing procurement of the longer-term contract. Additionally, it is anticipated that there would be little uptake in the market for an interim contract of nine-months from contractors, given the short period of time set against the costs of submitting a tender for such a short duration contract in this area.

4. Waiver

4.1 Not applicable

5. Consultation

5.1 The proposals in this report were considered and endorsed by the Procurement Board at its meeting on 20 May 2024.

6. Corporate Procurement

Implications completed by: Richard Barrett Category Manager

6.1 The paper seeks approval to commence procurement via Open Tender of a Highways Term Maintenance Contract with an initial duration of 5 years with the option to extend for an additional 2 years. The Value of the contract is above the Works threshold as defined in the Public Contracting Regulations 2015. The Open Tender route is recommended in the report following consideration and examination of alternative procurement routes. The Open Tender route seems suitable, the weightings described seem appropriate. Pre-tendered arrangements (frameworks) have been explored, the conclusions suggest that this will result in an uplift compared to the proposed route forward and existing pay rates. The Authority will only know for certain after receiving proposals from the market if there will be an uplift compared to historic rates or those offered on available Frameworks. It should be noted that the timeframe (six months) to complete an Open Tender for Works of this type and magnitude of project will be challenging for the Authority to achieve. The timeframes will be challenging for the supply market to respond and be geared up to deliver in the event of being successful to commence the provision in Six months, unless they are the incumbent supplier.

6.2 The report states that TUPE is not applicable. It is imperative that this is confirmed to absolute conclusion prior to commencement of the new tender.

- 6.3 The paper states at 1.3 that the existing contract has already expired, it did so on 31 March 2024 with no further extension available. The paper at 1.4 provides explanatory content of the grounds for the severe delays in procuring a new contract for consideration.
- 6.4 Due to these issues, the paper also seeks a waiver of the Council's Contract Rules and proposes a six-month interim direct award of an arrangement capped at a value of £0.5m. The interim direct award would be to the existing supplier which is likely to be on the terms of the expired contract. The interim arrangement is a necessity to cover the out of contract period and so that the Council can continue to fulfil statutory duties during the interim period while the Open Tender is completed.
- 6.5 As identified elsewhere, the six-month time frame will be challenging, for the Authority and Suppliers. However if allowing additional time to complete the tender, ie. a 9 month period, this will result in an increase in the duration of the proposed interim award under waiver and the associated value of the Interim contract.
- 6.6 The situation outlined in the paper, the proposed approach in the paper and all alternative routes discussed with officers all expose the Council to risk. In considering whether to agree the recommendations set out in the report, parties need to be satisfied that the levels of risk are acceptable to the organisation before providing approval.

7. Financial Implications

Implications completed by: Sandra Pillinger Finance Manager

- 7.1 This report proposes a new Street Lighting maintenance contract with Volker Highways Ltd for 6 months from 1 April 2024 to 30 September 2024, whilst procurement of a new longer-term contract is underway. The estimated maximum value of the contract is £0.5m. The existing schedule of rates will be used.
- 7.2 It is also proposed to re-procure a new Street Lighting maintenance term contract for a period of 5 years with an option to extend for a further two years. The estimated value of the contract over the 7-year period is £7m.
- 7.3 The expenditure under both the interim 6 -month contract and the longer-term contract will be a mix of capital and revenue expenditure. Cost will be financed from the Street Lighting revenue maintenance budget of £400,000 and TfL capital funding. Costs are indicative, based on scheme deliverables and TfL allocations.

8. Legal Implications

Implications completed by: Yinka Akinyemi, Contracts Solicitor - Law and Governance

- 8.1 This report is seeking to retrospectively waive the Council's Contract Rule 10.2, requiring a tender process to be conducted, for the reasons set out in the body of the report, allowing the Council to direct award an interim twelve-month Highways Street Lighting Term Maintenance Contract to Volker Highways Ltd for a total contract value of £500,000 utilising the negotiated procedure without prior

publication procedure so as to cover the intervening period and enable the Council to continue to discharge its duties as set out in this report.

- 8.2 It is noted that the value of the Contract is below the threshold for works as set out in the Public Contracts Regulations 2015 (PCR 2015) this means that this contract should be competitively tendered as set out in the Council's Contract Rules and the Public Contracts Regulation 2015 (PCR 2015).
- 8.3 This report states that a waiver is sought on the ground contained in clause 32(2)(c) of the PCR 2015. The report author has been advised that proceeding on this ground will expose the Council to significant procurement risks, however, the report author is fully satisfied that there is a robust justification to proceed on this basis.
- 8.4 In addition, this report states that a waiver is also sought on the ground contained in clause 35.5(a) of the Council's Contract Rules: "That an emergency situation exists." and clauses 35.5(e) of the Council's Contract Rules: that the circumstances of the proposed contract are covered by legislative exemptions. The Contract Rules do provide for Chief Officers to waive the requirement to tender for contracts on any one of several grounds set out in Contract Rule 6.6. Each ground is however subject to the proviso that the appropriate decision-maker considers that no satisfactory alternative is available, and it is in the Council's overall interests. In considering whether to agree the recommendations set out above in this report, the Chief Officer needs to satisfy him or herself that the reasons provided, and grounds stated by officers are satisfactory.
- 8.5 The Report is also seeking for the Cabinet to approve the procurement of a new five-year Highways Street Lighting Term Maintenance Contract with an option to extend it by two years for the estimated works value would be £7 million.
- 8.6 It is anticipated that the estimated value of the contract is in excess of the threshold for works under the PCR 2015 and therefore a competitive tendering process will be required, which will be subject to the full application of PCR 2015
- 8.7 Clause 2.5.3 of this report states that an open tender exercise will be carried out in compliance with the PCR 2015. This will therefore be following a compliant tender process as required by law and also the Council's Contract Rules.
- 8.8 Contract Rule 6.5 of the Council's Contract Rules requires that all procurements of contracts above £500,000 in value must be submitted to Cabinet for approval.
- 8.9 In line with Contract Rules 6.5 and 10.2, 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.

9. Other Implications

- 9.1 **Risk and Risk Management** - There are two principle short term risks associated with the recommendations of this report.

Firstly, that that the borough will not be in a sufficiently robust position to comply with its obligations to maintain the street lighting on the highway as per S41 Highway Act 1980 and thus may be exposed to legal claims as well as adverse

publicity. Therefore, the recommendation of this report to procure an interim contract using the negotiated contract without prior publication procedure is intended to mitigate that risk over the next twelve months. With the intention that this potential risk is mitigated in the longer term through the procurement of a new five-year term maintenance contract, inclusive of the option to extend it by a further two years.

Secondly there is the risk of procurement challenge either related to the decision to enter into the nine-month interim contract and/or at some point during the process of procuring the new five-year highways term maintenance contract. In relation to the risk of challenge as to the interim contract, we have carefully considered the grounds within the PCR 2015 under which the Negotiated contract without prior publication procedure may be used and taken the legal and procurement advice as detailed within this report. We believe we have a robust justification and as such consider the risk of successful challenge low. In relation to the procurement of the new five-year street lighting term maintenance contract. The intention is that the procurement exercise will be undertaken in strict compliance with the requirements of the PCR 2015, hence affording any potential claimant no realistic grounds to launch such as challenge and mitigating the risk of a successful challenge.

- 9.2 **Corporate Policy and Equality Impact** – There are no specific equality impacts associated with the award of either contract. However, providing a safe borough and reducing the fear of crime, are key commitments. Both of which good quality well maintained street lighting makes a significant contribution towards.
- 9.3 **Crime and Disorder Issues** - Good quality well maintained street lighting makes a significant contribution toward the reduction of crime in many areas and the perception of the risk of crime. Thus, reducing the fear of crime in many communities.

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

List of appendices: None

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CABINET**18 June 2024**

Title: Contracts for Highway Maintenance Services	
Report of the Cabinet Member for Public Realm and Climate Change	
Open Report	For Decision
Wards Affected: All	Key Decision: No
Report Author: Nick Davies Specialist Service Manager My Place	Contact Details: Tel: 07773 090029 E-mail: Nick.Davies@lbbd.gov.uk
Accountable Director: Rebecca Johnson – Director of Public Realm	
Accountable Executive Team Director: Leona Menville – Strategic Director My Place	
<p>Summary:</p> <p>The Council has a legal duty as a Highway Authority under Section 41 of the Highways Act 1980 to maintain the highway. It is the duty of the highway authority to “maintain the road in such a state of repair as to be passable in safety at all seasons of the year”. Additionally, maintaining and improving the Borough’s Public Highway assets is a key administration priority directly linked to providing a safe, accessible borough, and our gateway to growth.</p> <p>The current Highway Maintenance Term Contracts expired on 31 March 2024. The intention has always been to let a new, long-term Highway Maintenance contract. However, progress with that procurement was delayed whilst a review of budgetary provision and future funding was carried out against the backdrop of inflationary and cost-of-living increases which are impacting on contractor’s tender submissions.</p> <p>Therefore, this report sets out proposals for a new five year contract, with a further two-year extension option, secured through competitive tendering for best value as well as the direct award of an interim nine-month stop gap contract to the incumbent provider, Marlborough Surfacing Ltd, to maintain service provision through to 31 December 2024, pending the award of the long-term contract.</p> <p>The new long-term maintenance contract will be procured in line with due Procurement process, including a 10% weighting assessment criteria to our Social Values, aligned to the Council’s Social Value Policy (www.lbbd.gov.uk/social-value-policy) and subsequent Social Values Tool Kit, and reiterated in section 2.9.2 of the report.</p> <p>The interim short-term arrangement will align to the Social Values as stipulated in the original Contract award in 2017, and stipulated in 2016 ITT section 10, and monitored under 133AR Performance, 135AR Considerate Construction Scheme and 154AR Recycling/Sustainability and defined further in section 2.9.1, the Living Wage</p>	

commitments made in 2.10.1 alongside the Net Zero Carbon Target and Sustainability outcomes defined in 2.11.1 of the report.

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree the direct award of a short-term, maximum nine-month with Marlborough Surfacing Ltd for the provision of reactive and planned highway maintenance services on the same terms and conditions as the previous contract, including historic defined Social Value outcomes as stipulated in the original contract award, the Living Wage commitments and the Net Zero Carbon Target and Sustainability outcomes as defined in the report;
- (ii) Agree the procurement of a new five year, with a two-year extension option, contract for the provision of reactive and planned highway maintenance services, secured through competitive tendering, complete with a commitment to the Council's Social Values Policy and requirements in accordance with the strategy set out in the report; and
- (iii) Delegate authority to the Strategic Director, My Place, in consultation with the Cabinet Member for Public Realm and Climate Change, the Strategic Director, Resources and the Head of Legal, to conduct the procurement and award and enter into the contracts and all other necessary or ancillary agreements to fully implement and effect the proposals.

Reason(s)

To assist the Council in meeting its statutory responsibilities under Section 41 of the Highways Act 1980 and to accord with the Council's Contract Rules and the Public Contracts Regulations 2015.

1. Introduction and Background

- 1.1 The Council has a duty to maintain the highway in accordance with section 41 of the Highways Act 1980. Which "provides that the Highway Authority is under a duty to maintain the highway. It is the duty of the highway authority to maintain the road in such a state of repair as to be passable in safety at all seasons of the year." Furthermore, the maintenance and improvement of the borough's roads and footways is a key administration priority directly linked to providing a clean safe borough. The Corporate Plan including specific commitments to maintain our roads, pavements and town centres.
- 1.2 To enable it to both comply with the Councils statutory duty to maintain the Highway in a safe condition at all times, as well as to deliver against the Corporate Plans priorities in this area. The Council needs to have flexible, efficient, effective and sustainable arrangements in place. Whereby it can commission work and repairs on the Highway as and when the needs arise, without the cost and timescales required to procure the work concerned via spot purchasing and/or tendering in every case, as required by the Public Contract Regulations.

- 1.3 Consequently, similarly to other Local Authorities the Council has previously entered into a term highways maintenance contract for civil engineering works, procured in compliance with the Public Contract Regulations. Through which it can place call off orders for any works required in accordance with the terms and conditions of the term contract.
- 1.4 The Councils current Highways Term Maintenance contract was originally awarded for a five-year term on 1 April 2017 to Marlborough Highways Ltd. Following a joint procurement exercise with the London Borough of Havering involving the publication of notices, as then required through the Official Journal of the European Union (OJEU). Within this joint 50:50 procurement exercise with Havering, our contract value was £48.5m.
- 1.5 This contract was extended, using the two-year optional extension clause. Under Delegated Authority by the then Strategic Director of MyPlace, for a period of twenty- four months and this extension expired on 31 March 2024. Currently no specific arrangements are in place and the Council will have to procure any works via alternative Public Contract Regulation (PCR) compliant arrangements, which will be less flexible, more time consuming and attract higher costs as described in more detail within Section 3 (Options Appraisal) of this report.

Short Term Interim Nine-Month Contract

- 1.6 Unfortunately progress in procuring a new Highways Term Civils Maintenance Contract has been severely delayed by numerous issues, beyond our immediate control. Various financial issues and uncertainties (cost of living implication, inflation and viability) combined with the balancing of the Councils own accounts, did not become clear until January 2024. Moreover, the opportunities to explore joint procurement with colleagues in London Borough of Havering have proved fruitless as our contract requirements now vary significantly, due to their documented financial position. The delays arising from issues and uncertainties left insufficient time to procure a new term Highways civils maintenance contract before the expiration of the two-year extension period, at the end of March 2024. With the contract award for a new Term Maintenance Contract not anticipated to take place before Q3 2024/2025. Therefore, the Council requires a means to continue delivering the services during the interim period in accordance with our statutory duties.
- 1.7 Marlborough Highways Ltd performance on the recently expired Term Maintenance Contract, has been monitored through contractual Key Performance Indicators (KPI's) and contract meetings, throughout their contract term. Their performance has always met or exceed the expected standards as set out within the contract. And they have delivered schemes within set timescales, to budget and to a high quality of workmanship using quality materials. Officers have also over this time been able to establish and maintain a positive working relationships with Marlborough Highways Ltd resulting in a contract that has always been delivered very successfully.
- 1.8 As part of the above contract a schedule of works was priced by tenderers in competition against each other. With the contract terms being the NEC3 Term maintenance Contract, a commonly used industry standard form used for procuring construction works of this nature. Over the term of the contract, this schedule of

costed rates has been applied, and adjusted by the Consumer Prices Index (CPI) in accordance with the terms of the contract.

- 1.9 Due to their performance on the recently expired contract early discussions have taken place with Marlborough Highways Ltd who have indicated that they would be open to enter into a nine-month interim contract. Confirming also that they would be amenable to adopting the same set of existing cost rates, works specifications under the same contractual terms and conditions as part of any interim contract. The interim short-term arrangement will align to the Social Values as stipulated in the original Contract award in 2017, and stipulated in 2016 ITT section 10, and monitored under 133AR Performance, 135AR Considerate Construction Scheme and 154AR Recycling/Sustainability.
- 1.10 The cost of the short-term interim contract would be dependent on the works instructed and actually undertaken during the extension period. However, the proposed upper limit of works instructed during the period of the interim contract would be half the works value threshold set under the public contract regulations as of 1 January 2024 [£5.372m]. Therefore anticipated spend would not exceed £2.686m.
- 1.11 This report therefore seeks a waiver of the Councils own contract rules to procure an interim nine-month contract with Marlborough Highways Limited via the Negotiated procurement procedure without prior notification. The award of the interim contract through this route being justified due to the issues set out within paragraph 1.4 above meeting the criteria set out within the Public Contract Regulations 2015 (PCR) paragraph 32(2)(c).

Procurement of a New Highways Civils Term Maintenance Contract

- 1.12 To ensure in the long term that the borough retains suitably efficient, effective and flexible arrangements to enable it to discharge its duties in respect of the S41 of the Highways Act 1980 and any future corporate commitments. Whilst also being able to demonstrate value for money and compliance with the PCR, in respect of the procurement of these works.
- 1.13 It is recommended that the Council procure a new five-year term maintenance contract for Highways Maintenance, again with the option to extend it for two-years. The contract would function as the existing contract, in that under the overall terms of the term contract and against a specification and priced schedule of rates, priced through the procurement process. The new long-term contract will include a 10% weighting assessment criteria to our Social Values, aligned to our Social Value Policy and subsequent Social Values Tool Kit. The Council would place a series of call off contracts or orders under the terms of the term contract as and when it required street lighting works to be undertaken.
- 1.14 This arrangement provides the council with optimum mix of flexibility and control, providing an efficient and effective procurement route in respect of these works. Avoiding the potential administrative burdens, complexities and time consequences that would arise were these works procured as stand-alone spot procurement exercises. Additionally, such a term contract will facilitate the development of a long-term collaborative working relationship between the contractor eventually selected and the Council. Not only will this lead to reduced costs through

economies of scale and administration costs. It will also provide the circumstances to develop a long-term collaborate working relationship with the chosen contractor, focused on building value and improving outcomes.

2. Proposed Procurement Strategy

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

2.1.1 For the nine-month interim contract the specification of the works in place for the recently expired contract will be used.

2.1.2 For the proposed new term contract the existing works specification in place under the existing contractor, will be reviewed and updated as required. And a new works specification will be prepared covering the various items of works required to maintain the public highway this will include specification items covering resurfacing (i.e tarmacing etc.), pot-hole repairs, drainage works, concreting, laying paving slabs and kerbs, the installation of street furniture, highway line marking and so on.

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

2.2.1 The value of the nine-month interim contract is £2,686m, to maintain Statutory functions.

2.2.2 The estimated works value of the proposed new Highways Term Maintenance Contract would be valued at circa £10m per annum equating to circa £50m over five years or circa £70m in total should the two-year option be initiated. These estimates are defined by historic spends, current budgets alongside anticipated future budget indications.

2.3 Duration of the contract, including any options for extension

2.3.1 The duration of the interim highways civils term maintenance contract would be nine-months.

2.3.2 The duration of the new highways civils term maintenance contract will be will be five years, extendable by a further two years.

2.4 Is the contract subject to (a) the 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 Both the interim nine-month highways civils term maintenance contract and the procurement of a new five-year highways civils term maintenance contract are subject to the Public Contract Regulations; both being defined as works contracts under the regulations.

2.5 Recommended procurement procedure and reasons for the recommendation

2.5.1 The procurement of an interim nine-month highways civils term maintenance contract with Marlborough Highways Ltd via the Negotiated contract without prior

publication procedure is permissible under paragraph 32(2)(c) of the PCR 2015. That a waiver of the Councils own contract rules be granted on the basis that an emergency exists Clause 35.5(a) and that the circumstances of the proposed contract are covered by legislative exemptions clause 35.5(e) for the reasons set out within paragraph 1.4.

2.5.2 It is recommended that the new five-year highways civils term maintenance contract is procured via open tender process on the basis of a term contract, with the tenders being managed via the Council's "Bravo" e-procurement portal. Using a complete set of tender documents inclusive a works specification and schedule of rates.

2.5.3 Various frameworks for the delivery of Highways works do exist as set out within Section 3 Options Appraisal of this report. However, their use is not felt to be the optimal solution in respect procuring much of the work purchased through the term maintenance contract, due to the time scales required to prepare and run mini competitions to select contractors through these frameworks. And whilst a direct award routes under these frameworks do exist, Direct Award could be not used in every case and there is often a need to commission and deliver work against very tight timescales. Additionally, the direct award route would likely have adverse financial consequences as the rates under these frameworks, are known to be higher than under the current term contract. Coupled with the potential complexity of working with multiple contractors simultaneously in respect of the delivery of programmes of highway maintenance and safety works. With the loss of the opportunity to build value through collaborative working with a single contractor in the longer term.

2.6 The contract delivery methodology and documentation to be adopted

2.6.1 The nine-month interim contract will be under the terms of the original contract, specifically the NEC3 Term Service Contract April 2013. Rates/Prices will be as per the Bill of Quantities originally submitted by Marlborough Surfacing Limited in relation to that contract, modified in line with the terms of the expired contract, which will provide cost certainty.

2.6.2 The new Highways Term Maintenance Contract will be procured under the terms of the NEC4 Term Service Contract June 2017.

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

Interim Nine-Month Contract

2.7.1 An interim nine-month contract should deliver the best value for money, Marlborough Contracts Ltd have performed well on the recently expired contract. A Contract Value report on the recently expired contract is available for inspection. It provides commentary on Marlborough's deliverables to date confirming that they have and continued to deliver value for money, high quality workmanship, on time, budget and have an excellent safety record throughout the duration of the contract. If required, a detailed monthly break down document setting out their performance and KPI achieved for the last financial year is available for inspection. The interim short-term arrangement will align to the Social Values as stipulated in the original

Contract award in 2017, and stipulated in 2016 ITT section 10, and monitored under 133AR Performance, 135AR Considerate Construction Scheme and 154AR Recycling/Sustainability.

Procurement of a New Long-Term Contract

2.7.2 As a consequence of awarding the new contract the Council will be in a robust position to comply with its statutory duties under section 41 of the Highways Act 1980. And thus avoid any potential claims and claims for compensation that may arise as a result. Additionally, the new contract will also include robust Contract Management arrangements to ensure value for money is achieved and that works are executed to a high-quality. With specific challenging Key Performance Indicators set around delivery of works on time, to budget, defective work and safety set through the new contract.

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

Interim Nine-Month Highways Civils Maintenance Term Contract

2.8.1 As set out earlier within the report.

Procurement of a New Highways Civils Term Maintenance Contract

2.8.2 Tenders will be assessed on the basis price, quality and social value, on the basis of **60% cost, 10% social value and 30% Quality**. With quality being assessed in relation to each bidders' experience and qualifications of the contractors proposed team and response to specific contract related questions. Social Values will be aligned to the Council's Social Value Policy (www.lbbd.gov.uk/social-value-policy) and subsequent Social Values Tool Kit.

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

2.9.1 Whilst they were not explicitly contractually required to do so through the recently expired contract, Marlborough Surfacing Ltd are none the less committed to local communities as set out below:

- More than 50% of their directly employed team delivering the services, live within the London Borough of Barking and Dagenham.
- Their team is diverse and reflects the local community.
- In the last six months Marlborough Highways Ltd have employed five local residents who were previously unemployed.
- Each month Marlborough Highways Ltd procure £500,000 of materials from businesses within the London Borough of Barking and Dagenham, inclusive of Asphalt from Eurovia's plant in Chequers Lane, Dagenham.

This commitment would continue throughout the time period of the interim contract.

2.9.2 Through the procurement of the new five-year Highways Term Maintenance contract the new contractor will be required to commit to deliver through the contract, a number of social value outcomes, set within the themes described in the

borough's Social Value Toolkit www.lbbd.gov.uk/social-value-policy. 10% of the weighting in selecting the new contractor will be assigned to Social Value.

2.10 London Living Wage (LLW)

2.10.1 Whilst they were not contractually required to, Marlborough Surfacing Ltd paid the Living Wage during the period of their recently expired contract and have agreed to continue to do so for the duration of the interim contract.

2.10.2 The new five-year highways civils term maintenance contract which it is proposed to procure will contain terms requiring the successfully contractor to pay the London Living Wage (LLW) and sign up to the Unite Construction Charter.

2.11 How the Procurement will impact/support the Net Zero Carbon Target and Sustainability

Nine-Month Interim Highways Civils Term Maintenance Contract

2.11.1 There will be no negative impacts on the Authority entering into the interim contract. The incumbent supplier will continue to deliver against the previous contractual targets, set as part of their recently expired contract.

Marlborough surfacing currently recycle 83% of their excavated highways materials annually, monitoring it on a weekly basis, as detailed below:

Environmental

KPI	April	May	June	July	August	September	October	November	December	January	February	March
Emissions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2606 Tonnes	N/A	N/A
Recycling	75%	80%	77%	82%	80%	79%	82%	85%	80%	90%	93%	94%

Since April 2022 Marlborough Contracts Ltd have also worked with officers to create their own LBBD Climate Emergency Action plan, to be implemented in respect of the delivery of this contract. They audit and benchmark their carbon emissions, which inform their plan with the aim of reducing and offsetting the impact of their operations in the borough.

This supports the Specialist Services SIP – (Service Improvement Plan), Carbon Reduction objectives which are a key ambition of the service, working with our Term Contractors is essential to the success of our commitments in this area.

Procurement of the New Five-Year Highways Term Maintenance Contract

2.11.2 Tenderers will be asked to provide their environmental credentials which will form part of the qualitative evaluation along with other technical responses. With Tenderers being asked to demonstrate what measures, they propose to take to minimise the production of waste arising from their operations under the contract, and how the remaining amount of waste will be recycled and disposed of. Tenderers will also be

asked to confirm what measures, they propose to take to minimise carbon emissions in their operations, and to generally decrease the carbon footprint of operations.

All tender responses will be evaluated carefully, and the successful bidder will be required to demonstrate proactive, commitments and practical steps taken to improve their environmental policies and practices throughout the duration of the contract.

3. Options Appraisal

- 3.1 Various alternatives to awarding an interim nine-month contract whilst procuring a new five-year contract were considered. Alongside consideration of whether such a new five-year contract was the optimal procurement solution, as detailed below.

Use current in house DSO resources - There are insufficient resources to carry out all the highway works required. The current DSO Operatives should continue to carry out as much of the works as possible in the same manner they currently do. This can then be supplemented using Marlborough Highways Ltd as is the current practice in the interim period and by the contractor appointed for the new five-year contract in the longer term. Moreover, they do not have the resources or equipment for large scale Capital Delivery projects.

Therefore, this option was considered and rejected.

Do nothing - The current contract expired on 31 March 2024. The Council has a duty to discharge these services and failure to make provision would result in the Council failing to deliver its statutory duty. This is not a viable option and hence, was rejected.

Frameworks - Use of Framework Agreements or signing up to a neighbouring authorities' term contract. 2 frameworks have been explored:

- TFL Construction Framework – offers a resource to maintain our Statutory Duties but has a cost implication with increased rates of working circa 30% uplift compared to the rates on our recently expired contract.
- London Construction Programme (LCP) has our Term Contractor (Marlborough Highways Ltd) on it but is subject to a 0.5% management fee cost and increased specification rates.

Whilst these 2 options maintain our compliance, there would also be issues with different specifications and exceeding contract value thresholds for example, more over we would be getting less value for money, and the LCP would result in a management fee of 0.5% on all commissioned works at increased rates with our existing Contractor Marlborough Surfacing via a separate framework and contracted agreements, reducing money targeted at improving our Highway Assets. Additionally, whilst both frameworks allow for the direct award of work in specific circumstances, the usual route to select a contractor through these frameworks would be via mini competition. Which would be less flexible and responsive requiring longer timescales to procure any work and creating a greater administrative burden.

Retender the Highways Reactive & Planned Maintenance Contract for interim period - The procurement of a new five-year contract was not able to be completed before the current term contract expired. And it would not be reasonable to re tender for the interim period as this would incur additional cost and take resources away from the ongoing procurement of the five-year contract. Additionally, it is anticipated that there would be little uptake in the market given the short period of time of the interim contract and the associated costs, related to preparing a tender for a contract covering such a short interim period.

4. Waiver

4.1 Not applicable.

5. Consultation

5.1 The proposals in this report were considered and endorsed by the Procurement Board at its meeting on 20 May 2024.

6. Corporate Procurement

Implications completed by: Richard Barrett Category Manager

- 6.1 The paper seeks approval to commence procurement via Open Tender of a Highways Term Maintenance Contract with an initial duration of 5 years with the option to extend for an additional 2 years. The Value of the contract is above the Works threshold as defined in the Public Contracting Regulations 2015. The Open Tender route is recommended in the report following consideration and examination of alternative procurement routes. The Open Tender route seems suitable, the weightings described seem appropriate. The previous version of this contract utilised multiple organisations collaborating together that would have leveraged economies of scale to a greater degree, it appears this isn't an option this time. Pre-tendered arrangements (frameworks) have been explored, the conclusions suggest that this will result in an uplift compared to the proposed route forward and existing pay rates. The Authority will only know for certain after receiving proposals from the market if there will be an uplift compared to historic rates or those offered on available Frameworks. It should be noted that the timeframe (six months) to complete an Open Tender for Works of this type and magnitude of project will be challenging for the Authority to achieve. The timeframes will be challenging for the supply market to respond and be geared up to deliver in the event of being successful to commence the provision in Six months, unless they are the incumbent supplier.
- 6.2 The report states that TUPE is not applicable It is imperative that this is confirmed to absolute conclusion prior to commencement of the new tender.
- 6.3 The paper states that the existing contract has already expired, it did so on 31 March 2024 with no further extension available. The paper at 1.4 provides explanatory content of the grounds for the severe delays in procuring a new Highways Term Civil Maintenance Contract for consideration.
- 6.4 Due to those issues, the paper also seeks a waiver of the Councils Contract Rules and proposes a six-month interim direct award of an arrangement capped at a value

of £2.686m. The interim direct award would be to the existing supplier which is likely to be on the terms of the expired contract, but this doesn't seem to be a definitive certainty. The interim arrangement is a necessity to cover the out of contract period and so that the Council can continue to fulfil statutory duties during the interim period while the Open Tender is completed.

- 6.5 As identified elsewhere, the six-month time frame will be challenging, for the Authority and Suppliers. However if allowing additional time to complete the tender, ie. a 9 month period, this will result in an increase in the duration of the proposed interim award under waiver and the associated value of the Interim contract.
- 6.6 The situation outlined in the paper, the proposed approach in the paper and all alternative routes forward discussed with officers all expose the Council to risk. In considering whether to agree the recommendations set out in the report, parties need to be satisfied that the levels of risk are acceptable to the organisation before providing approval.

7. Financial Implications

Implications completed by: Sandra Pillinger Finance Manager

- 7.1 This report proposes to extend the current Highways maintenance contract with Marlborough Highways for 6 months from 1 April 2024 to 31 March 2025, whilst reprocurement of a new contract is underway. The maximum permissible value of the contract under public procurement regulations is £2.686m or £2.238m exclusive of VAT. The existing schedule of rates will be used. The contract will be closely monitored to ensure the threshold is not exceeded.
- 7.2 It is also proposed to re-procure a new highways term contract for a period of 5 years with an option to extend for a further two years. The estimated value of the contract over the 7-year period is £70m.
- 7.3 The expenditure under both the contract extension and the reprocured contract will be mainly capital expenditure although there will be some revenue costs. The contract will be financed from various sources and will be managed within the available funding allocations. The allocations for 2024/25 are set out below. Funding allocations for future years are not yet confirmed.

Highways Funding for 2024/25

Highways Investment Programme (Council-funded) £4.9m capital

Department for Transport £171k capital

Transport for London LIP £4.9m capital and revenue

Reactive Maintenance £0.5m revenue

8. Legal Implications

Implications completed by: Yinka Akinyemi, Contracts Solicitor - Law and Governance

- 8.1 This report is seeking to retrospectively waive the Council's Contract Rule 10.2, requiring a tender process to be conducted, for the reasons set out in the body of the report, allowing the Council to direct award an interim twelve-month Highways

Civils Term Maintenance Contract to Marlborough Highways Ltd for a total contract value of £5,372m utilising the negotiated procedure without prior publication procedure so as to cover the intervening period and enable the Council to continue to discharge its duties as set out in this report.

- 8.2 It is noted that the value of the contract is at the limit of the threshold for works as set out in the Public Contracts Regulations 2015 (PCR 2015) . This means that there is a legal requirement to competitively tender the contract.
- 8.3 This report states that a waiver is sought on the ground contained in clause 32(2)(c) of the Public Contracts Regulation 2015. The report author has been advised that proceeding on this ground will expose the Council to significant procurement risks, however, the report author is fully satisfied that there is a robust justification to proceed on this basis.
- 8.4 In addition, this report states that a waiver is also sought on the ground contained in clause 35.5(a) of the Council's Contract Rules: "That an emergency situation exists." and clauses 35.5(e) of the Council's Contract Rules: that the circumstances of the proposed contract are covered by legislative exemptions. The Contract Rules do provide for Chief Officers to waive the requirement to tender for contracts on any one of several grounds set out in Contract Rule 35.5 .Each ground is however subject to the proviso that the appropriate decision-maker considers that no satisfactory alternative is available, and it is in the Council's overall interests. In considering whether to agree the recommendations set out above in this report, the Chief Officer needs to satisfy him or herself that the reasons provided, and grounds stated by officers are satisfactory.
- 8.5 The Report is also seeking for the Cabinet to approve the procurement of a new five-year Highways Civils Term Maintenance Contract with an option to extend it by two years for the estimated works value would be £70m.
- 8.6 It is anticipated that the estimated value of the contract is in excess of the threshold for works under the PCR 2015 and therefore a competitive tendering process will be required, which will be subject to the full application of the Regulations.
- 8.7 Clause 2.5.1 of this report states that an open tender exercise will be carried out in compliance with PCR 2015. This will therefore be following a compliant tender process as required by law and also the Council's Contract Rules.
- 8.8 Contract Rule 6.5 of the Council's Contract Rules requires that all procurements of contracts above £500,000 in value must be submitted to Cabinet for approval.
- 8.9 In line with Contract Rules 6.5 and 10.2, 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

9. Other Implications

- 9.1 **Risk and Risk Management** - There are two principle short term risks associated with the recommendations of this report.

Firstly, that the borough will not be in a sufficiently robust position to comply with its obligations to maintain the safety of the highway as per S41 Highway Act 1980 and thus may be exposed to legal claims as well as adverse publicity. Therefore, the recommendation of this report to enter into an interim term maintenance contract is intended to mitigate that risk over the next nine months. With the intention that this potential risk is mitigated in the longer term through the procurement of a new five-year term maintenance contract, inclusive of the option to extend it by a further two years.

And secondly there is the risk of procurement challenge either related to the decision to enter into the nine-month interim contract and/or at some point during the process of procuring the new five-year Highways Term Maintenance Contract. In relation to the risk of challenge as to the interim contract, we have carefully considered the grounds through which the negotiated contract without prior publication procedure route may be used and taken legal and procurement advice as detailed within this report. We believe we have a robust justification and as such consider the risk of successful challenge low. In relation to the procurement of the new five-year highways civils term maintenance contract. The intention is that the procurement exercise will be undertaken in strict compliance with the requirements of the PCR 2015, hence affording any potential claimant no realistic grounds to launch such as challenge and mitigating the risk of a successful challenge.

- 9.2 **Corporate Policy and Equality Impact** – There are no specific corporate policy or equality impacts associated with the award of an interim contract or a new five-year highways civils term maintenance contract.

However, borough roads, streets and pavements create crucial transport routes and nodes throughout the borough. A failure to properly maintain this infrastructure could lead to failures and road closures being implemented. Potentially resulting in communities becoming gridlocked with stationary traffic, negative air quality implications, road safety concerns with resident's quality of life hindered. Causing economic disruption to the borough, with detrimental financial impacts on both local businesses and residents. Alongside with the damage to the Council's reputation, it is likely that these impacts would not fall evenly across the borough's population. With many of the borough poorest and most vulnerable residents being more significantly affected.

- 9.3 **Business Continuity / Disaster Recovery** - The entering into an interim nine-month contract will enable the borough to continue to comply with its obligations to repair and maintain the highway under section 41 of the Highways Act 1980 as well as continuing to deliver against its corporate objectives. The award of the five-year contract in respect of these works with the option to extend the contract by a further two years will ensure that the Council can continue to do this in the longer term.

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

List of appendices: None

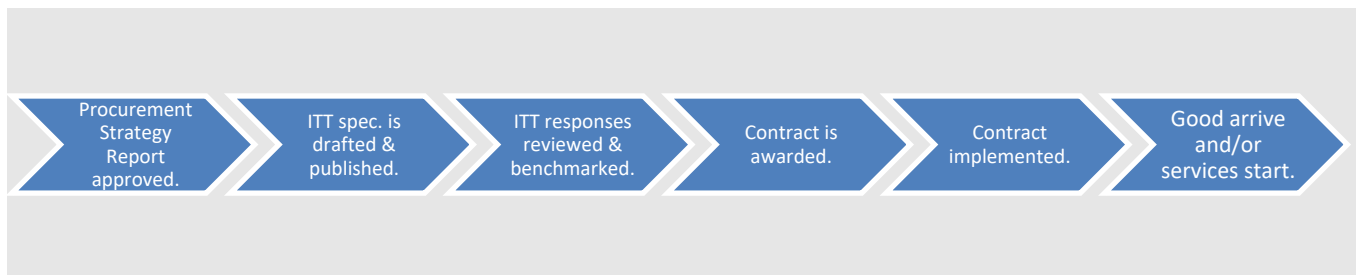
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CABINET**18 June 2024**

Title: Social Value in Procurement – Impact Report 2023/24	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report	For Information
Wards Affected: None	Key Decision: No
Report Author: Faye Elliott Social Value Co-ordinator, Commercial Service	Contact Details: Tel: 020 3911 7653 E-mail: faye.elliott@lbbd.gov.uk
Accountable Director: Tess Lanning, Strategic Head of Economy, Employment and Skills.	
Accountable Executive Team Director: Fiona Taylor, Chief Executive.	
<p>Summary</p> <p>The Council’s Social Value (SV) Policy was developed and approved by Cabinet in May 2020 and then launched in October 2020. Its purpose was to maximise the impact the Council could leverage from its contracted spend by mandating social value must be part of the evaluation criteria on Council procurements over £100,000.</p> <p>The revised policy was designed to enhance delivery of ‘Inclusive Growth’ and meet Borough Manifesto targets to improve job density, income and employment rates in the borough. The Social Value policy also plays a part in supporting delivery of the Council’s wider Corporate Plan and strategic goals to improve participation and engagement; independence and resilience; and environmental sustainability.</p> <p>This report provides the annual update regarding progress and impact that the Social Value policy is having between April 2023 and March 2024, as well as an update on non-procurement activity to deliver outcomes supporting these priorities across the wider Inclusive Economy team.</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> (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 during 2023/24, as detailed in Appendix A to the report; and (ii) Note the Council’s wider Social Impact across other Inclusive Economy sectors. 	
<p>Reason(s)</p> <p>Social Value commitments and outcomes are linked to the wider corporate strategy and linked particular with inclusive growth, citizenship and participation.</p>	

1. Introduction and Background

- 1.1 In May 2020 Cabinet approved a revised Social Value Policy which committed Commissioners to include a minimum of 10% (and a maximum of 20%) Social Value weighting to the evaluation criteria for all procurements over £100,000 (excluding frameworks and waivers).
- 1.2 The Policy and Social Value Toolkit (supporting guide) requires potential suppliers to consider what action they might undertake to support the Council in achieving better outcomes for the borough and its residents. It places emphasis on commitments that deliver within our three priority themes: investment in local people; investment in the local economy; and environmental sustainability.
- 1.3 As a reminder, most procurements that now meet the Social Value threshold are large and complex, and there is often a long time between papers going to Procurement Board, invitation to tender (ITT) specification being developed and published, contract awards and the supplier starting work. The table below sets out the high-level procurement process:



- 1.4 There is often a 9-18month lead time between the start of the process to procure and the work/service starting or goods arriving.
- 1.5 On that basis reporting on Social Value are reported in two separate ways: commitments, and outcomes. Commitments are the activities or initiatives that suppliers outline they will deliver during the time they are in contract with the Council; whereas the outcomes are the actual benefits that are delivered by the supplier. There can be several factors that mean these two things differ, for instance, possible lack on engagement from a community organisation, school, residents etc. If these situations occur, the Council works with suppliers to find an alternative outcome to ensure some impact is still achieved.

2. Social Value Performance Summary 2023/24

- 2.1 In the last 12 months, 45 procurements that meet the threshold for Social Value requirements have come through Procurement Board. 100% of our eligible procurements have included Social Value in the scoring criteria for open tenders, with many of these contracts delivering on their commitments and providing Social Value to the borough and its residents.
- 2.2 We have also secured Social Value on contracts where we are not able to evaluate or mandate it because the goods or services are procured through either a pre-procurement framework or via a council approved waiver process. In these cases, we encourage commissioners to discuss our Social Value aspirations with suppliers

and to work with them to try and secure commitments wherever possible. The commitments the Council has received through this process in the last 12 months range from local recruitment (with roles advertised via the Council's job brokerage service) and student work experience placements, to community consultation sessions for residents around specific social issues and resident workshops, for example a 6-week virtual parenting programme for parents in the Borough. In addition to these examples, we have secured Social Value outcomes on two procurements under the required threshold this year. One attended a volunteering event and the other offered work experience placements for residents whilst filming in the Borough.

- 2.3 LBBDD now has 3 years of data collected from Social Value commitments and outcomes from suppliers. Very rarely are two procurement processes the same or yield the same results as the intention is to try and match supplier commitments to specific needs within the community wherever possible. As in previous reports, however, we are starting to see patterns form around certain sectors and gain a better understanding of what is possible from our suppliers. Suppliers are becoming increasingly aware of their need to commit and deliver Social Value to local authorities and therefore the conversation has shifted more towards the type of Social Value B&D would like.
- 2.4 In parts of the Council where services (rather than goods) are mostly procured, relationship and/or partnerships are starting to form that allow longer term benefits for the Borough. This is leading to more meaningful work experience, work placements, industry learning etc. In one case a mock interview turned into a formal interview, and now that resident has been shortlisted for a paid role at the supplier.
- 2.5 In some areas we have sought to coordinate outcomes in order to improve impact. In 2022-23, our focus was on increasing the number of job opportunities for people with learning disabilities. This work led to the development of a supported employment programme, including a dedicated employer engagement officer in the Council's job brokerage service to support suppliers and other employers to successfully design, offer and sustain supported employment and internships. The programme is currently supporting over 60 residents with learning disabilities to access work. Supporting residents through the cost-of-living crisis is also an ongoing priority. We have provided 180 fleeces to residents that attend out food clubs at various sites across the borough. We were approached by the Food Network Coordinators to obtain freezers for any of the food clubs and community supermarkets. We reached out to existing suppliers and were able to find one supplier (OCN Contracts) that could support through its Social Value commitment. Two other construction companies operating in the borough (Bellway and Wates) also purchased freezers, so now Kingsley Hall, Riverside and Barking Food Banks have large freezers, offering more choice to residents and providing different storage options for the food these organisations receive for distribution.
- 2.6 This year we have expanded our focus to the Environmental Sustainability theme, with the goal of improving the borough's green spaces. We developed a volunteering pilot to support work needed on the community orchards at Eastbrookend Country Park. Working with the Ranger Team, we offered suppliers, staff and residents the opportunity to volunteer at one of two events in November 2023 (each one day long). Eastbrookend has a large site of community apple trees. Over the two days, 24 people made up of suppliers, residents and staff volunteered

for a total of 140 hours to plant five trees, clear the eating apple orchard of brambles and re-mulch the areas around the tree bases ahead of the winter months. This was well received and so was followed by an event in March with LBBB's Parks team. A further 30 volunteers joined a wider team of Thames Chase Trust volunteers to plant a massive 600 trees (the majority of which were small whips) in Central Park around the Pitch and Putt site. The aim is to improve the aesthetics of the course, expand the surrounding habitat for local biodiversity, re-establish hedgerow around the course and add definition to the holes to help playability. Given the support for these volunteering events, we are looking to hold 2 to 4 events each year going forward.

- 2.7 There have been challenges securing Social Value commitments on two contracts this year. In both cases service delivery has been poor and therefore working with the supplier to achieve the service specification has taken precedent. We are working with the contract managers and suppliers to ensure that this doesn't continue, and that the Borough receives some benefit, even if it is smaller than the initial commitment. This requires heavy involvement from the contract manager and social value coordinator at LBBB.
- 2.8 The Social Value team have been audited by the Council's Internal Audit team. The report found that the council was working well to achieve additional social, economic, and environmental outputs from its supply chain and the overall comment in the report stated: 'Internal Audit is of the opinion that the arrangement and controls in place for the enforcement of the Public Services (Social Value) Act (2013) is effective'.

3. Social Value Commitments and Outcomes 2023/24

- 3.1 This section summarises the commitments that have been made through contracts awarded between April 2023 and March 2024, as well as the outcomes that have been delivered during this period.
- 3.2 More information regarding each supplier's commitments and outcomes can be found in **Appendix A** "Social Value Commitments and Outcomes from Suppliers April 2023 to March 2024".

Data and Impact: Commitments made 23/24

6 Workshops / events



Focused on the economy, these include research sharing events, business to business workshops, attending job fairs, and wider support to organisation in LBBD.

36 Employability Training & workshops / mock interview sessions



Sessions donated for support to job seekers, career development, skills and employability training and interview preparation.

100 Work experience / volunteer roles / paid roles / placements.



Provided to students and residents formal work experience, placements, apprenticeships, Traineeships, formal volunteering roles with organisation etc.

£12k Initiative related support



Commitments to donate directly to VSCE or to support Council initiatives across domestic abuse, food banks, women's empowerment, and community cohesion

Volunteering & activities



Various days volunteering to construct items, deliver student talks, assemblies, site visits, community group support etc. approx. 14 committed to.

Equipment & goods



Surplus good and equipment provided to those residents in need in the Borough, including recycling materials on school construction projects.

Data and Impact: Outcomes made 23/24

5 Additional roles / paid student placements



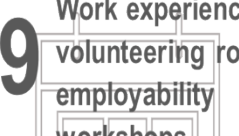
Paid placements, permanent roles and various roles advertised via Job Shop and filled by residents.

59 Business mentoring sessions / Events & LBBD staff training



Hours donated for industry talks, VSCE business support including mentoring, skills development, research sharing etc.

89 Work experience volunteering roles employability workshops



Formal unpaid work experience, additional unpaid volunteering roles and mock interviews undertaken with suppliers.

£8k Initiative related support



Donated to various VSCE focus on sports programmes for children, women's empowerment, domestic abuse survivors, food insecurity etc.

Volunteering & activities



Over 45 supplier volunteer days used to support a variety of issues, relating to tree planting, litter picking, as well as to construct planters, benches, outdoor learning spaces etc.

Equipment & goods



- 171 Panto tickets
- 10 Chromebook & MiFi devices for adult college
- 350 Community Cookbooks
- 180 Fleece
- 1 Large Freezer

- 3.3 During 23/24 the council, in conjunction with two suppliers, was recognised for our work to secure Social Value. We were nominated for the Go National Award May 2023 in partnership with Moore Insight and shortlisted for the ‘Sustainability and Social Value’ award in the Public Finance Awards in August 2023 in partnership with Clear Channel. We were also shortlisted for two awards in 2022-23. We have also been asked to speak about LBBD’s approach to Social Value at sessions with other local authorities and suppliers. The Local Government Association is highlighting the LBBD approach on their website, showcasing best practice around our Social Value Toolkit.
- 3.4 Below are some quotes from beneficiaries of Social Value in LBBD.

Quotes from beneficiaries and residents

*‘Very beneficial, it allowed me to **apply my skills in a workplace**...(gained experience of) working in a team and working independently. I feel I know what I want in a career.’*

Resident / Beneficiary undertook work experience placement.

*‘With the cold spell at present a lot of the residents **can’t afford to heat the whole house** so confine themselves to one room. Adding **another layer of clothing has been a godsend** and this could not happen without these generous gifts (Fleeces).’*

Food Network Coordinator

‘Working and living in Barking and Dagenham is very beneficial as I don’t drive at present so I can use public transport and access the family homes/contact centres that I am visiting easily.

It also supports me to respond to emergencies that my families may have as it doesn’t take too much time for travel as everything is within reach.’

Resident / Beneficiary employed on LBBB contract as result of SV commitment.

I just wanted to say a big thank you for the **panto tickets** - we were able to share them between three families (3 adults and 7 kids) who all had such a wonderful time. **Two of the Mums** were so happy to receive the tickets that they **cried when we gave them** to them. What a joy to be able to bring these happy moments for families to **make special memories together that they may otherwise not be able to afford to.**

Beneficiary / VCSE allocated free Panto ticket to provide to families in LBBB.

*‘I am **incredibly proud** to have completed work experience here....Thank you [all] for accepting me and taking me under your wing to learn so much in a short span of time.’*

Care experienced / Beneficiary undertook work experience placement

*‘Just wanted to say that the **2 courses were amazing** and taught me a lot in architectural terms. I loved listening to everyone’s thoughts for their designs , very excited to see how Padnall Hall will turn out. I would also **love to see my influence on the design!** The goody bags were amazing , and I’m looking to invest the **£30 into my education.** I would like to thank the teams involved. Thank you very much for this opportunity.’*

Resident / Beneficiary undertook young person workshops.

*‘The support we as a network of food providers in the borough has been, and continues to be outstanding. We **feel our needs are being heard**, and met by the SV of suppliers and the work...put in to help us provide freezers to give food providers to up the **amount of food on offer to residents**, and the food given, fleeces given have provided extra **support to B&D residents in a great time of need**, so a heartfelt thankyou’*

Food Network Coordinator

*‘It’s excellent that some of the **#socialvalue** initiatives in the Borough are being pushed down to us **#smallcharities**’*

Beneficiary / VCSE allocated free Panto ticket to provide to families in LBBB.

4. Social Value Updates and Improvements

- 4.1 We continue to look for ways to improve LBBB’s ability to use its procurement processes to secure Social Value. To support this, we have surveyed our supplier base to understand more about how suppliers perceive Social Value and what they see as the most impactful activities. Of the 27 companies that completed the survey, 92% agree or strongly agree that their organisation has a good understanding of Social Value and 96% said their staff care about Social Value.

62% of respondents felt LBBB's approach to SV was either good or excellent. The type of Social Value activities these organisations offer to LBBB were:

- 20% work experience for young people.
- 15% Volunteering.
- 13% Work experience/paid opportunities for Adults.
- 11% Unpaid opportunities for Adults.
- 10% Residents workshops.

Suppliers suggested they thought the most impact was across the following activities:

- 26% said work experience for residents/students.
- 16% said additional services for residents & voluntary groups.
- 13% said professional support for businesses.

We asked what additional support suppliers would like to see from LBBB. Over a third (35%) stated face to face sessions were useful and a quarter (26%) said webinars would be useful. Some comments from the supplier surveys about why they make SV commitments are highlighted below:

"We care about the communities we work in, and we believe that running businesses is about more than financial profits."

"We strongly believe that young people should have equal educational opportunities regardless of their backgrounds."

"LBBB are very committed to their supplier chain playing their part in social value within the community."

"So we can work with and support the communities that we are working in, so the people living there can actually see the benefits our social value brings. Meaning we can leave a legacy in that community whereby the residents are able to thrive."

- 4.2 LBBB also continues to engage with local voluntary, community and social enterprises (VCSEs) in order ensure that our approach Social Value responds to evolving local needs, issues and priorities and helps build the capacity of existing local initiatives to address these. Since 2021 LBBB has held bi-monthly meetings that bring together representatives from the local VCSE sector and front facing B&D staff. The purpose of this engagement is to ensure that wherever possible Social Value commitments. These have enabled us to identify and respond to specific local needs through Social Value, such as the need for freezers to stock local food aid supplies.
- 4.3 As well as responding in real time to borough needs, we engage with the local VCSE sector and residents on our strategic approach. Working with BD Giving and BD Collective, we have supported and participated in two workshops with suppliers, residents and VCSEs to discuss our approach to Social Value, its purpose and the wider social impact organisations could be (and often are) having on the borough. BD Collective commissioned an initial piece of research as part of their wider contract with the council to facilitate this process. Various members of the social sector were interviewed about how best to increase impact through improved coordination and relationships between LBBB, suppliers and the social sector. Following a final workshop in February 2024 to identify priorities and actions, BD Collective and BD Giving have decided to lead work to promote Social Value and the impact that socially-led organisations have and can have in the borough, with plans to develop a Social Value community group in 2024-25. The Council will work with this group to engage all organisations in LBBB in how they can deliver and improve Social Value. This group will also inform the Council's priorities and focus for securing Social Value outcomes through procurement that meet local need.

- 4.4 Finally, as outlined in last year's report, we have sought to increase the impact of Social Value by introducing Digital Badges to recognise effective delivery on Social Value commitments by suppliers and create a mechanism to celebrate those that go above and beyond. We have developed and deployed these badges to 12 suppliers of the Council and plan release roughly 15 more once this report is approved by cabinet. This will then become an annual process. The digital badge is given to suppliers to store/display on their website/through social media. It has been well-received by suppliers and appears on their Linked-In posts. As part of allocating the badges, we always confirm with the contract manager at LBBDD that the supplier has committed and fully delivered on their Social Value commitments. This badge is not awarded if there are service or goods delivery issues, and only once all the full Social Value delivery for that specific contract has been finalised.



5. Social Impact beyond Social Value

- 5.1 The use of Social Value clauses in procurement is just one of the ways that the Council is seeking to use its levers to drive social impact and promote a culture shift to deliver on the priorities of the Borough Manifesto. These wider efforts to secure community benefits are summarised below. The outcomes are noted for information and are not included in the Social Value figures above:
- 5.2 In 2022-23, the Council strengthened its wider procurement rules in order to promote investment in the local economy. Commissioners across the Council are now required to seek a quote from a local organisation for all contracts under £213k. In 2023-24, we have built on these new rules by regularly sharing upcoming tender opportunities via the Business Forum network. Eight new contracts were awarded to local organisations in 2023-24, and the Council spent £155m with local companies out of a total £413m contracted and non-contracted spend (38%). In March 2024, we ran the first of six information events to help local businesses to understand the requirements of different sectors, funded through the UK Shared Prosperity Fund. The first event focused on supply chain opportunities in the film sector. Three businesses subsequently signed up as film locations and others registered as potential suppliers to visiting productions.
- 5.3 The Council's planning powers provide another major opportunity to secure local jobs, supply chain and community benefits for the borough. Section 106 agreements are applied to the construction-phase of all major developments in the borough. We use these to require developers to ensure that 25% of the workforce on site is local, that 5% of their FTE workforce is an apprentice, and that 25% of their spend is with local businesses. Developers are also asked to provide work experience and careers activities in schools and deliver events to help local suppliers to understand the opportunities available. They can deliver these targets

across their supply chain but are ultimately responsible for delivery. These are legal agreements. In the past there have been challenges enforcing these, but under the new Local Plan we have introduced a requirement for financial contributions to be made if employment and apprenticeship targets are not met. In 2023-24, Section 106 construction-phase targets generated at least 339 jobs¹ for local people including eight apprenticeships (2%), and a further nine unpaid volunteering and work experience placements. More than two-thirds (68%) of the jobs were on Be First sites.

5.4 Section 106 targets are also set on the 'end-user' phase of all large commercial developments. In recent years the process has been used to secure significant endowments linked to the film studios (£1m) and relocation of London's food wholesale markets (£3m). We have used these endowments to establish programmes to support local people and businesses to access opportunities linked to these growth sectors:

5.4.1 The funding secured through the markets' relocation programme is supporting the development of a new food school and food hub in Barking town centre. It has also enabled the Council to establish a Good Food Plan and Partnership to improve access to healthy, affordable and sustainable food in schools and communities. In 2023-24, the school food programme engaged over 3,600 local students in food-related events and activities including visits to Billingsgate Seafood training school and 'Taste Festivals' that celebrate local food diversity and entrepreneurship. A Good Food Community programme provided 75 work experience opportunities and engaged over 980 people through growing and cooking clubs. Recipes shared through the clubs and school events have been published in a community cook book ('Come Cook With Us').

5.4.2 The endowment provided by film studio operators MBS/Hackman funds the Make It Here programme, launched in February 2022. Working closely with the Wharf Studios and the Council's Film Service, Film Barking and Dagenham, the Make It Here programme brokers opportunities for residents with productions filming in the borough. In 2023-24, it engaged over 1,950 students from local schools through film careers events including an interactive film focused Careers Day, an ambitious 'Outside Broadcast' project hosted by Crew Room Academy and a Film Enterprise Project delivered with the Cultural Education Partnership in nine Schools, as well as workshops for teachers. The programme supported community events including the World Cinema Film Festival and LGBTQ Behind the Lens events. It trained eight unemployed residents as marshals, with three residents subsequently being employed on productions. In total the Film Service brokered 14 paid marshalling opportunities for trainees on visiting productions including: The Challenge (Squid Games), Heads of State, Gangs of London, Black Doves, Joy and Marching Powder. Marshalls were paid the industry set day rate of £130-40 per day, generating approx. £3,000 earnings for trainees. In addition, the programme secured shadowing opportunities with heads of department on studio and location filming for 11 students from Barking & Dagenham College. A further 23 electrical, media and production arts students were trained in film lighting, in partnership with MBS Lighting

¹ This figure includes all the jobs for which evidence has been provided. The actual figure may be higher.

and the Wharf Studios. These outputs were in spite of the film industry strike that halted UK filming for nearly six months in 2023-24. The number of opportunities are expected to grow once Eastbrook Studios open in Summer 2024.

- 5.5 As well as programmes to secure community benefits from major local partners, the Council seeks to provide guidance and support to help local businesses to understand and respond to local social and environmental priorities and goals. In 2023-24, we have used money from the UK Shared Prosperity Fund to establish a range of business support programmes. This includes support for 25 local convenience stores to sell healthier and more sustainable food products; support for 15 care providers to improve staff recruitment, retention and engagement by giving them greater input and control over their working patterns; and mentoring and workshops available to all businesses in the borough promoting inclusive leadership and environmental sustainability, as well as wider support to help them innovate, grow and improve, delivered in partnership with the BEC.
- 5.6 Finally, we work with all the Council-owned companies to promote social impact through their business and supply chains:
- 5.6.1 As well as the employment and skills outcomes secured through Be First, outlined above, the Council's Social Value Coordinator and Section 106 monitoring officer have worked together to increase the wider social, economic and environmental benefits being secured from construction companies. Among Be First contractors: McLaren has donated PPE to job seekers and supported several events including Barking Mad about Christmas and Summer of festivals; Jerram Falkus have donated PPE to job seekers, soil and gardening items for allotments, volunteers for litter picking and funding for community events including the Women's Empowerment Awards; Wates has provided volunteers and toy donations; and Murphy's have supported local events and cleaned and improved community spaces and infrastructure including a subway and local care home. Among other providers, Bellway provided funding (£2,250) to two local VCSEs supporting work on domestic abuse survivors and food poverty. The Hill Group have made several donations, including £1,800 worth of festive gifts for students at Hunters Primary School Dagenham. Dalkia provided 4 volunteers for a full week, and 2 volunteers for 3 further days (26 days in total), split across various sites including country parks and food banks. Several volunteers from these companies also attended our volunteering days at Eastbrookend and Central Park.
- 5.6.2 B&D Energy has taken on two 3-year accountancy apprentices and are looking to recruit two further members of staff shortly. For these new roles they are hoping to employ residents, and believe this will contribute to a culture of seeing firsthand and owning the difference B&D Energy make in the local area.
- 5.6.3 BD group have established an internal Social Value committee with seven SV champions focused on achieving outcomes for the borough. This year, they have donated nearly 400 easter eggs for four hostels across the Borough and provided several community events for care home residents. They have sponsored a local u13s football for local young people and a

careers event for students at a local college, preparing them for the work of work world by speed-interviewing. As part of their role as the borough's school catering provider, they work closely with the Council to support children and their families to improve access to healthy food and have supported initiatives such as the community-led 'Come Cook With Us' recipe book and worked with B&D college to support a cooking competition. The winner was supported through a week's work experience placement at BD Group.

6. Consultation

- 6.1 This report was considered and reviewed by Senior Leadership Team during May 2024.

7. Financial Implications

Implications completed by: Sandra Pillinger, Finance Manager

- 7.1 Social value refers to improvements in the life of residents, communities and the environment that goes beyond economic exchanges. It is difficult to quantify social value, and although it is theoretically possible to calculate the Social Return on Investment this is not something that is feasible to undertake. All procurements over £100,000, excluding frameworks and waivers require a minimum social value weighting of 10%, as part of the evaluation criteria.
- 7.2 The Council's Social Value Policy continues to provide considerable local economic and indirect financial benefits, including cost savings for both the Council and the Borough's residents. Social value benefits are diverse and wide-ranging but generally take the form of workshops, employability training, work experience and volunteering placements, but may also include the supply of goods and equipment such as play equipment and foodbank donations.

8. Legal Implications

Implications completed by Lauren van Arendonk, Acting Principal Contracts and Procurement Lawyer.

- 8.1 The Council recognises the importance of social value within the Borough, for its improvements in the life of residents, communities and the environment that goes beyond economic exchanges. As a local authority, the Council is required to adhere to key legislation which deals with aspects of social value.
- 8.2 Under the Public Services (Social Value) Act 2012, commissioners of public services are to consider in any pre-procurement process, how they can secure wider social, economic and environmental benefits in its area.
- 8.3 Social value is promoted via various regulations in the Public Contracts Regulations 2015 ("PCR") Reg. 67(2) states that environmental and/or social aspects of a tender may be a factor that taken into account in the evaluation of tenders. Similarly, the Council is bound by the Modern Slavery Act 2015. Section 54 states that a commercial organisation must prepare a slavery and human trafficking statement for each financial year.

8.4 The social value policy has relevance to public procurement. It is embedded within the Council's Contract Rules and is also relevant to public contract law and the Council's adherence to legislation.

9. Corporate Procurement

Implications completed by: Euan Beales, Head of Procurement

9.1 Corporate Procurement have worked alongside stakeholders in all service areas to ensure social value is included in the procurements we are responsible for. We assist our stakeholders in recognising the benefit of social value and the impact it can, and does have, within the borough.

9.2 Corporate Procurement ensures social value reflects the various themes detailed in the Borough Manifesto and that supplier's tender responses include targets and demonstrates how those targets will be delivered within the borough.

10. Corporate Policy and Equality Impact

10.1 The Equality Impact Assessment was updated for the previous Social Value Impact Report (21/22) due to the changes to the Social Value Toolkit. There are no planned changes to the Social Value Toolkit in this report and therefore we have been advised we only needed to update the EIA to reflect this.

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

List of appendices:

Appendix A: Social Value Impact April 2023 to March 2024

**Social Value Commitments and Output from Suppliers
April 2023 to March 2024**

Commitments:

Supplier	Commitment	Themes
MIND - Mum's Matter (Original Programme) 12-month contract	Event: Sharing knowledge of working within this area with stakeholders such as social workers and relevant third sector and community groups.	Investment in local people.
Community Resources (on behalf of BD_Collective) - Distribution of funding to community locality leads to develop the locality model supporting residents during the cost-of-living crisis. 12-month contract	Community Resources will be asked to facilitate a Workshop at the end of the year, open to all VCSE organisations in the borough, to share learning and experience	Investment in local people.
Cambridge House & Independent health complaints advocacy service (IHCAS) - provision of an Integrated Statutory Advocacy Hub 2-year contract	3 x volunteering opportunities 2 x online employment skills workshops for 16 years+ 4 x online seminars for VCSEs 2 x online safer renting seminars	Investment in local people.
Race Equalities Foundation – Strengthening Families Strengthening Communities Programme 27-month contract	Training commitments – to train a number of residents and VCSE representative around their strengthening families and communities programme. Volume TBC but approx. 10 residents.	Investment in local people.
Meritec (Reed) – Resilience Contract for Welfare Services 1-year contract	Free training places for LBBBD staff on; money matters, universal credit.	Investment in local people.
Purdy - Electrical Testing Strategy - Phase 2b Contract length shortened by LBBBD	Advertise jobs via the job shop Support local residents with employability skills – Volume TBC approx. 2 people.	Investment in local people.
Premier Partners – Managed Training Provider 3-year contract	Provide work experience for residents interested in the delivery of learning x 20. Provide work experience and careers talks for pupils interested in the delivery of learning x 20.	Investment in local people.
NRT Group, Wiggett Group, Aaron Services ltd and Niblock Building Contractors – Phase 3 Domestic Electrical Testing Originally contracted for 3 year, reduced by LBBBD to 12-18 months	Wiggett: 1 apprenticeship. 3 WE placements. 1 pre-employment events for job seeker. 1 role offered to a local resident. 14 days of Volunteering. £1250 donation to LBBBD charity. Niblock 1 x construction workshop for Y13 students	Investment in local people. Investment in local economy. Investment in environment sustainability.

	<p>1 x year 11 workshop 'being a professional' all helped through Construction Youth Trust. Attendance at career event through BD SIP. 2 x work experience for 1 week each (16 years plus or older people looking to re-engage). LBBB supply chain commitment to spend locally. Recycle 80% of waste. Single use plastic elimination throughout contract.</p> <p>NRT Foodbank & local charity support – Volumes approx. £250 1 Work Experience placement.</p>	
Life Line - Empowering Parents Empowering Communities programme. Direct award	Attendance at LBBB lead Business engagement event.	Investment in local economy.
RCKa! Architects – Conversion of Padnall Hall, Chadwell Heath for use as a Youth Centre (Design Phase) 1 year contract	Launch event to be held for residents. 2 x design workshop for residents.	Investment in local people.
Ratcliffe & Burridge - Conversion works to form a new/improved Additional Resource Provision for 12 pupils with multiple & complex additional learning needs at Dorothy Barley Junior Less than 12-month contract.	Planting structure and outdoor play equipment for children in the region of £250.	Investment in local people.
Words First - Therapeutic Interventions in ARPs Direct award	Weekly online parenting workshops for 6-week programme. (counted as 6 workshops).	Investment in local people.
The Ben Kinsella Trust – Knife crime awareness and prevention programme. Direct award.	1x Community Open Day for residents to attend exhibition. 1x Open Evening for Teachers/Educators. 2x staff attendance at 2 least community outreach events to promote the exhibition and provide information on knife crime to residents.	Investment in local people.
Community Fibre, Hyperoptic and ITS – Wayleave Agreement for Fibre cables in B&D.	<p>Community Fibre: Free broadband for 2 community sites (Millicent Preston and King Edward) Digital ambassadors – train 8 volunteers locally</p> <p>Hyperoptic: £10k digital inclusion fund Free broadband connections for approx. 55 community sites 50% discount for broadband connection for 10% of vulnerable residents.</p> <p>ITS 10 Laptops & mifi devices.</p>	Investment in local people.
Vibrance -	1 x resident employed by Vibrance.	Investment in local people.

Direct Payment Support Service 2-year contract	48 x Residents employed as personal assistant, per month for 2-year contract (shown in figures as 2 FTE) 1 x Apprenticeships offered to LBBB resident. 3 x work experience placements. 4 x school events around careers or industry experience. 2 x paid or voluntary work experiences for residents who have additional barriers to employment. 2 x events/workshops to add additional benefit to LBBB residents. Use local supply chains and contractors to delivery % of onward spend. Undertake their going green action plan to audit their offices, share tips and knowledge with staff and residents.	Investment in local economy. Investment in environment sustainability.
Sparks2Life – Mentoring Service for children, young people at risk of serious youth violence and knife crime 3-year contract	Community Mentors for schools in the Borough. Volumes to be confirmed.	Investment in local people.
McDowalls – Right to Buy Contract 3-year contract	1 work experience placement 1 session of Interview prep / Mock interviews with residents 1 x community event support.	Investment in local people.
Re-Gen M&E Hunters Hall Primary School: Heating Mains Replacement 2-year contract	Recycle unused material to benefit the school.	Investment in local people. Investment in environment sustainability.
Re-Gen M&E Warren Junior School: Heating Mains Replacement 2-year contract	Recycle unused material to benefit the school.	Investment in local people. Investment in environment sustainability.
Re-Gen M&E Grafton Primary School: Heating Mains Replacement 2-year contract	Recycle unused material to benefit the school. Advertise all jobs locally.	Investment in local people. Investment in environment sustainability.
Re-Gen M&E Godwin Primary School: Heating Mains Replacement 2-year contract	Recycle unused material to benefit the school. Advertise all jobs locally.	Investment in local people. Investment in environment sustainability.
Ameresco Corporate Refit Programme	3 Mock Interviews for job seekers through the Job Shop 2 school engagement events (careers or industry focused)	Investment in local people.
Etec Professional Services for delivery of Decent Homes Works to 17 No. Low Rise blocks in Exeter Road, Salisbury Road, Church Street and Norton Road. 1 year contract.	1 x careers day to help residents with employability. 1 x Fun days for residents to raise money for local community projects. All vacancies will be advertised in LBBB job shop. Use of local supply chains and aim to source subcontractors from the local area.	Investment in local people. Investment in local economy. Investment in environment sustainability.

	<p>Plan to achieve 99% diversion from landfill by segregation of waste, recycling and car sharing schemes for their employees.</p> <p>1 x local school event to give talk/presentation about the dangers on construction sites.</p> <p>1 x secondary school student with work experience.</p>	
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Outputs:

Supplier	Outcomes	Themes
OCN - Supply of Furniture, Fixtures and Fittings for Early Years Educations Settings and Temporary Residential Accommodation for LBBB	Freezer brought and delivered (worth £600 plus VAT) to community food banks.	Investment in local people.
Adecco	CV and Interview techniques workshop held at All Saints School. The workshop involved 350 students, interviewed 25 students. 2 Adecco staff attended. Job fair attendance: 2 people Adecco staff attended. 1 hour workshop: 12 residents attended from young persons pathway programme (NEET under 24) 7 LinkedIn Learning license given out. 1 x 2-hour workshop: Employability training 9 residents attended. Half day workshop: 10 Young people's pathway residents attended. Webinar event - working in the public sector (42 residents booked on, 3 attended)	Investment in local people.
Agilisys - Cloud Support Contract and IT Database Administration (DBA) Management Service	£1k to Women support charity: We Rise £1k to Women's empowerment event.	Investment in local people.
Barclays - Provision of a Purchase Card Service and Ancillary Services	Attended 2 x Head teachers network call in Jan 24 to promote Barclays Digital wings programmes to schools.	Investment in local people.
Complete Weed Control - Weed control across LBBB	£1200 worth of Daffodil bulbs provided in Sept 23 for planting in LBBB.	Investment in environment sustainability.
Deluxe Care Ltd. - Independent Travel Training for children and young people with Special Educational Needs and/or disabilities	2 employment sessions held at Job centre plus, 3 interviews Dec23. 1 job fair and 1 careers fair attended. 4 bags of warm clothes taken to community food bank Dec23. Uniform purchased from business in Dagenham.	Investment in local people. Investment in local economy.
AID training – Strategy Report for the Provision of Health, Safety and Wellbeing Training	6 people undertaken online first aid course.	Investment in Local people.
Meritec (Reed) – Resilience Contract for Welfare Services	Free training places for LBBB staff on; money matters, universal credit. 5 Staff trained, who then trained further internal staff, 'train the trainer' scheme. In total approx. 50 staff trained.	Investment in local people.
Purdy - Electrical Testing Strategy - Phase 2b	Provide job shop with all suitable vacancies Residents undertook 1 week work experience. 2 residents undertook mock style interviews ahead of interviews with other companies.	Investment in local people.

<p>NRT Group, Wiggetts and Niblock Building Contractors – Phase 3 Domestic Electrical Testing</p>	<p>Niblock: 1 x construction workshop for Y13 students Jo Richardson School. CV Survey and Mock Interviews (approx. 20 students). 1 x year 11 workshop 'being a professional' through Construction Youth Trust at Jo Richardson School (approx. 20 students). Attended an Apprenticeship Fair at Barking Learning centre. 1 x interview with a potential candidate for the 1-week work placement. 1 x work week experience placement 2 people for 1 day volunteering (central park tree planting) 14 hours.</p> <p>NRT: £400 food bank donation (Trussell Trust) £1000 to Magic Taxi tour (Barking Society Social Club) 171 Panto Tickets given out through 10 different VCSEs/Frontline services to vulnerable residents. £3800 spend on Box Up programme in Dagenham Park school. 30 students for 39 weeks (1 academic year). 1 day volunteering (central park tree planting) 7 hours. 1 week work experience March 23.</p> <p>Wiggetts: 9 days volunteering (central park tree planting) 63hrs.</p>	<p>Investment in local people. Investment in environment sustainability.</p>
<p>RCKa! Architects – Conversion of Padnall Hall, Chadwell Heath for use as a Youth Centre (Design Phase)</p>	<p>Launch event (splash) held for 39 residents. 2 x youth workshop for c40 young people focused on design and benefit possible from Padnall Hall space. 2-day design course / work shop event for 18 young people, who received a certification of completion and at session 2 received a gift bag with resources and £30 love2shop voucher.</p>	<p>Investment in local people.</p>
<p>Mediorite – Creation of 3 short videos around community projects.</p>	<p><i>Under threshold contract</i> for SV however supplier provided the following: 4 x young people undertook 1 day work experience together. 1 young person undertook 2-day work experience. 1 young person undertook 1 day work experience Mediorite job for another client.</p>	<p>Investment in local people.</p>
<p>Ratcliffe & Burrige - Conversion works to form a new/improved Additional Resource Provision for 12 pupils with multiple & complex additional learning needs at Dorothy Barley Junior</p>	<p>Planting structure made from recycled pallet. Mud kitchen made from recycled pallet. Recycled sinks put into the ground to use as water play (includes 1 day of volunteering to construct).</p>	<p>Investment in local people. Investment in environment sustainability.</p>
<p>BD Collective / Community Resources – Distribution of funding to community locality leads to develop the locality model supporting</p>	<p>At the BD Collective's annual conference, learning from the Locality Model were shared with representatives from across the VCSE sector. Learning has also been shared at Adults and Youth networks, whose memberships include VCSE organisations.</p>	<p>Investment in local people.</p>

residents during the cost-of-living crisis.		
Community Fibre, Hyperoptic and ITS – Wayleave Agreement for Fibre cables in B&D.	<p>Community Fibre: Free broadband for 2 community sites (Millicent Preston and King Edward)</p> <p>Hyperoptic: 50% discount for broadband connection for 10% of vulnerable residents.</p> <p>ITS 10 Laptops, mifi devices, chargers, laptop badges for Adult college to loan out to students on Digital Skills for over 50s course.</p>	Investment in local people.
Kelwell -	<p>2 x Foodbank donations total £184, £112 of adventure island tickets for resident with anxiety and ADHD.</p> <p>Wheelchair and food voucher provided to elderly resident - value £120.</p>	Investment in local people.
Words First - Therapeutic Interventions in ARPs Direct award	Online parenting workshops for 6-week programme, delivered Feb-March 24. (counted as 6 workshops with up to 8 families attending each workshop).	Investment in local people.
Xerox – Print and Mail contract	<p>350 Community cookbooks printed to support the wider good food strategy.</p> <p>10 Volunteers litter picking, 20 bags of rubbish cleared from the streets (70 hours)</p>	Investment in local people. Investment in environment sustainability.
Vibrance - Direct Payment Support Service	<p>1 x resident employed by Vibrance.</p> <p>Office move to LBBB.</p> <p>Attendance at LBBB lead Business engagement event.</p>	Investment in local people. Investment in local economy.
Re-Gen M&E Hunters Hall Primary School: Heating Mains Replacement	Provide Paint and decorated 2 full classrooms. Replacing carpets in 2 classrooms. Pallets turned into planters and raised bed. (includes 1 day of volunteering to construct).	Investment in local people. Investment in environment sustainability.
Re-Gen M&E Warren Junior School: Heating Mains Replacement	Provide Paint and decorated 2 full classrooms. Pallets turned into planters and raised bed. (includes 1 day of volunteering to construct).	Investment in local people. Investment in environment sustainability.
Leeds Credit Union Credit Union service	<p>Volunteering at the Parent Support Advisors Forum and Pop up at Barking Station to advise on services. 2 x people for 1 day (14 hours).</p> <p>5 residents undertook Bill-payer pilot, incentive payments to residents. 4 care leavers & 1 wider resident.</p> <p>Forest School run at Eastbrookend part funded between May – August 23, worked with Cacoan, 120 additional members, £500 contribution from Leeds to cover the costs of 1 session for children in B&D.</p>	Investment in local people. Investment in environment sustainability.
Re-Gen M&E Grafton Primary School: Heating Mains Replacement	<p>Advertising Jobs locally (various)</p> <p>£60 Food Bank donation of vital long-life goods (Milk, Soup, Rice, Noodle etc)</p> <p>1 day of volunteering (7 hours)</p> <p>1 day volunteering (central park tree planting) 7 hours.</p>	Investment in local people.
Re-Gen M&E Godwin Primary School: Heating Mains Replacement	<p>Advertising Jobs locally (various)</p> <p>£60 Food Bank donation of vital long-life goods (Milk, Soup, Rice, Noodle etc)</p> <p>1 day of volunteering (7 hours)</p> <p>1 day volunteering (central park tree planting) 7 hours.</p>	Investment in local people.

Greenhams / Bunzl PPE contract	180 Fleeces given to residents via community food club network in Feb 24. 2 people for 1 day volunteering (central park tree planting) 7 hours.	Investment in local people. Investment in environment sustainability.
IPRS Physiotherapy	<i>Under threshold contract:</i> 1 day volunteering (central park tree planting) 7 hours.	Investment in environment sustainability.
MPD FM Ltd. Security Contract	Advertised several jobs with Council's Job Brokerage Team. First visit to Council's Job Brokerage Team, interviewed 6 number of people, 3 residents secured roles. Second visit to Council's Job Brokerage Team 7th March Interviewed 6 people for control room positions. 1 week work experience placement for care leavers. Attendance at LBBB lead Business engagement event.	Investment in local people.
Ameresco - Corporate Refit Programme	3 Mock Interviews held, 2 candidates have had follow up interviews as a result of the mock interviews. Jobs advertise locally.	Investment in local people.
Independent Living Agency Floating Support	4 volunteer roles: 2 of these volunteers are now employed by ILA for 25 per week. All 4 volunteers presented with confidence or ESOL issues and through the volunteering programme have developed and now perform various tasks such as run classes or support internal administration processes. Forward together group: (set up last year by ILA), continues to work with several clients. Focused on issues facing this cohort. The group have become the go to group for adult/commissioning services for new ways for sending out information to the community. Additional donations of time or money: <ul style="list-style-type: none"> • Continue to run a food bank in conjunction with Asda. • Gave out over 200 sweet packets to family in temporary accommodation. • Delivered 10 litter picking events (approx. 10 volunteering days). • Took 10 residents to a west ham united football game. • Donated over 30 items for household items. • Christmas day we took food to people living on their own. • Helped with over 20 trips to recycle centre to support residents dispose of items. • Donated funds to the Mayor's fund to support Domestic abuse survivors. • 2 laptops to local residents who had no access to computers. • Provided 3 volunteers to help plant trees in Millennium centre Eastbrook country park. • Held two parties with over 140 guests for Christmas and summer ball, all free to residents. 	Investment in local people. Investment in environment sustainability.
Brightway Family Contact Framework	Funding support for community growing space at Heath Community hub - £250.	Investment in local people. Investment in environment sustainability.
Moore Insight	1 week of work experience for a care leaver in B&D.	Investment in local people.

ERP replacement		
Sparks2Life – Mentoring Service for children, young people at risk of serious youth violence and knife crime 3-year contract	12 community mentors trained to work in the Borough.	Investment in local people.
Life Line - Empowering Parents Empowering Communities programme. Direct award	Attendance at LBBB lead Business engagement event.	Investment in local economy.

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CABINET**18 June 2024**

Title: Redevelopment of Trocoll House, Wakering Road, Barking - Proposed Amendments to Lease Agreement	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report with Exempt Appendix 1 (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972 as amended)	For Decision
Wards Affected: Northbury	Key Decision: Yes
Report Author: Rebecca Ellsmore, Strategic Head of Place and Development and Nigel Pickup, Strategic Asset Investment Advisor	Contact Details: Rebecca.ellsmore@lbbd.gov.uk Nigel.pickup@lbbd.gov.uk
Lead Commissioner: Rebecca Ellsmore, Strategic Head of Place and Development	
Accountable Executive Team Director: Jo Moore, Strategic Director of Resources	
Summary	
<p>By Minute 97 (16 March 2021), Cabinet agreed proposals relating to the entering into of an agreement with Railpen for a lease for 198 residential units and 650 sqm of commercial space at Trocoll House, adjacent to Barking Station. Due to redevelopment factors outside of their control, the original terms are no longer viable for Railpen, the funder, to proceed with the development.</p> <p>Railpen approached the Council with a request to increase the starting annual lease payment by approximately 21%. Officers modelled the impact of this increase and determined that, at this level, the scheme would present too great a risk to the Council's General Fund and could not be recommended to Cabinet for approval. In recognition of the key role this redevelopment scheme has to play in the regeneration of the Town Centre, all parties engaged in transparent negotiations to establish whether there was an increased starting lease payment that could be mutually acceptable.</p> <p>As a result of these discussions, Railpen have offered a compromise proposal that would involve a higher starting lease payment of approximately 15% alongside additional incentives/benefits for the Council. Officers responded to that offer seeking a further reduction to the revised lease payment level offer. However, Railpen provided visibility of their own viability modelling and advised that the circa 15% increase to the original lease payment was the lowest level that would allow them to proceed with the scheme.</p> <p>Based on the Council's metrics for investments under its Investment and Acquisition Strategy, Railpen's revised proposal still presents too greater level of risk to the Council's General Fund in the future for officers to make a clear recommendation for approval.</p> <p>However, officers note the following:</p>	

- The scheme is a key regeneration site and ensuring its delivery would bring new homes, commercial space and improved vibrancy to the Town Centre.
- The modelling contains a range of assumptions that are very difficult to reliably predict over a 50-year period. The financial performance of the scheme could improve or deteriorate significantly depending on many factors including inflationary/CPI levels, growth or decline of rental values and the ability of Reside (or another managing agent) to manage the scheme efficiently. Whilst many of these variables are outside of the direct control of the Council, it is noted that rental growth has outperformed the modelling that was undertaken when this scheme was initially approved in 2021. Whilst agreeing an increased starting lease payment would erode this benefit, reviewing the previous performance demonstrates the limitations of financial modelling and that deviations from the modelled assumptions can have both positive or negative consequences.
- There are mitigation options that could reduce the risk profile of the scheme. These include efficient levels of operating expenditure and a high-quality lettings and rent collection service that effectively control levels of voids and bad debt.

Full financial information, including detailed options analysis and financial modelling, is contained within Appendix 1 which is in the exempt section of the agenda as it relates to 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.

Whilst officers would typically make a clear recommendation to Cabinet, in this instance balancing the risk profile of the scheme with the implications attached to the existing agreement failing and the opportunity presented by ensuring delivery of the scheme, a clear direction from the Cabinet is required.

Recommendations

Cabinet is recommended to

- (i) Consider the terms of the revised offer from Railpen as detailed in the report and the financial information, including detailed options analysis and financial modelling, as set out at Appendix 1 to the report;
- (ii) Indicate a preferred way forward and delegate authority to the Strategic Director of Resources to progress that course of action; and
- (iii) Subject to Railpen accepting the terms of any revised offer made by the Council, to delegate authority to the Strategic Director of Resources, in consultation with the Cabinet Member for Finance, Growth and Core Services and the Head of Legal, to enter into all necessary and ancillary agreements to fully implement and effect the proposals.

Reason(s)

Delivery of the scheme offers clear regeneration benefits in line with the Council's priority of "Residents benefit from inclusive growth and regeneration". However, the revised proposals present a risk to the Council's General Fund Revenue Account.

1. Introduction and Background

- 1.1. In March 2021 Cabinet approved a series of recommendations which provided the necessary authority for LBBB to enter into an agreement for lease with Railpen to secure the delivery of 198 homes and 650 sqm of commercial floor space at Trocoll House, adjacent to Barking Rail station. The transaction was structured on the basis that upon practical completion of the scheme LBBB will take a head leasehold interest of the entire property for a term of 50 years. At the end of the 50-year period the freehold would transfer to the Council for £1.
- 1.2. The agreement for lease was entered into in January 2022 and Railpen appointed a contractor to construct the development. Unfortunately, this contractor entered into administration in July 2023 and Railpen have subsequently had to retender the scheme. As the revised tender price was significantly higher than the original price, Railpen approached LBBB to renegotiate the initial lease payment by LBBB.
- 1.3. The existing terms of the agreement for lease put all construction price risk with Railpen, with LBBB retaining only the letting risk. LBBB is therefore under no obligation to renegotiate these terms. However, Railpen have indicated that without an increased starting lease payment they are not able to proceed with the scheme. In this event LBBB has no contractual mechanism to oblige Railpen to construct the development and it is likely that the site would remain undeveloped in the short to medium term.
- 1.4. Clearly any increase to the initial lease payment decreases the ability of the Council to secure a rental income from tenants that is above the lease payment payable to Railpen and therefore the financial risk to the Council is increased. Should the lease payment payable to Railpen consistently outstrip the rent secured from letting the units (after operating costs are accounted for) this variance would represent a future pressure to the Council's General Fund budget. There are numerous variables and assumptions that are difficult to forecast but prudent modelling suggests that the higher starting lease payment requested by Railpen, which represented an approximately 21% increase on the originally agreed figure, is not financially viable for the Council.
- 1.5. In order to maintain progress on a key regeneration opportunity in the borough, officers have carefully considered the request from Railpen, the viability of the scheme and the potential cost and income scenarios that may arise over the lifetime of the lease. Whilst significant due diligence has been applied to this exercise it is impossible to predict with total certainty the future costs and incomes and Members should therefore be aware that in any scheme of this nature, the Council will have a fixed liability set against income which will always have an element of uncertainty attached.

2. Proposals and Issues

- 2.1. As a result of Railpen's original contractor entering administration, construction activity has not progressed on site and Railpen had to re-tender the build contract for the scheme to identify a replacement contractor. Substantial construction cost inflation in the intervening period, along with revisions to the scheme design to accommodate a 2nd staircase to comply with revised safety measures announced in

the Building Safety Act 2022 and updated Building Regulations, has resulted in a substantial increase in costs, inclusive of all build costs and related fees. Railpen have identified a new contractor and revised costs for the scheme have been subject to due diligence and review by LBBB/BeFirst to confirm their validity.

- 2.2. The contractor procured by Railpen to develop the site, HG Group, have tendered on the basis of a commencement of construction works in 2024. Without confirmation of the ability to proceed there is the risk that they withdraw from the project or seek to revise their price once the current tender process has expired.
- 2.3. Under the terms of the original Agreement to Lease, Railpen are responsible for the construction and all associated build costs. However, they have confirmed that, as a result of the increased build costs, the scheme is no longer viable for them and they cannot proceed with the development at the agreed initial lease payment. LBBB have no mechanism within the Agreement to Lease to oblige Railpen to complete the construction of the scheme and are therefore unable to contractually enforce performance. In the absence of a revised agreement with Railpen, the development would therefore not proceed at present.
- 2.4. Officers assessed Railpen's initial revised offer, which sought an increase to the starting annual lease payment of approximately 21%. The offer did not meet the metrics for investments under the Council's Investment and Acquisition Strategy and, as a result, Railpen were notified that the Council could not proceed on those terms. However, in recognition of the key role this redevelopment scheme has to play in the regeneration of the Town Centre and the commitment of all parties to find a solution, the parties engaged in transparent negotiations to establish whether there was an increased starting lease payment that could be mutually acceptable.
- 2.5. As a result of those discussions, Railpen offered a compromise proposal that would involve a higher starting lease payment of approximately 15% alongside additional incentives/benefits for the Council, which included acceptance of a lower return from their investment with a reduced investment hurdle rate and a capital payment to the Council on practical completion of the scheme. The Council responded to that offer seeking a further reduction to the revised lease payment level offer. However, Railpen shared their own viability modelling and advised that the circa 15% increase to the original lease payment was the lowest level that would allow them to proceed with the scheme.
- 2.6. Since the Agreement for Lease was entered into, the rental value of the private market units has benefitted from rental growth in the intervening period (i.e. the rental income LBBB would now achieve from the apartments has grown considerably between 2021 and 2024). Whilst this is the case, there has also been increases in projected costs for operating expenditure and life cycle costs to manage the completed scheme over the lease term.
- 2.7. In considering any revision to the initial lease payment to Railpen, the Council needs to consider a range of scenarios including reviewing the impact of changes to CPI forecasts to assess future lease liabilities and the impact of changes to current rental values, rental growth and operational costs from operating the building. The growth in rental values for leasing the residential units is more closely correlated to wage growth and not directly to CPI and hence changes in the value of each may vary. These forecast rental costs and incomes will determine the level of net rental

income derived from the residential units in the context of the current economic environment and assess changes from the original assumptions when entering the agreement for lease in 2021.

- 2.8. A detailed financial assessment of the revised Railpen offer, including detailed options analysis and financial modelling taking into account the factors referred to above, is contained within Appendix 1 in the exempt section of the agenda. Based upon LBBB cashflow assumptions the projected performance based upon an initial lease payment at Railpen's requested £2.5m level will result in a negative cashflow for LBBB and does not present a viable commercial proposition.
- 2.9. In order to identify a solution which enables LBBB to meet its regeneration and investment targets a lower initial lease payment will have to be agreed to enable the scheme to progress. A revised commencing lease payment will need to be at a mutually acceptable level between that contained in the existing agreement and Railpen's proposal of £2.5m to meet both parties' requirements. Railpen have indicated that they will consider a lower figure. However, any final figure will be subject to Railpen Board approval.
- 2.10. If the Council still wants to support the scheme to proceed as a key regeneration opportunity in Barking town centre, the principal assessment is over the risk a higher lease payment generates compared to the potential rental income surplus achieved. A summary of the options considered which do not expose LBBB to unacceptable financial risk along with the financial analysis and the sensitivity of these assumptions along with mitigation measures is contained in Appendix 1.

3. Options Appraisal

3.1. Option 1: Do Nothing - Maintain commencing lease payment as per existing agreement .

- 3.1.1 The Council is under no obligation to amend the commencing lease level payable to Railpen on completion of the scheme. However, Railpen have confirmed they will not proceed with the development without an adjustment. The scheme will therefore not be delivered at present without a material reduction in construction costs. In this scenario, c. £1.6m in capital costs already incurred by LBBB to progress the scheme would need to revert to revenue and would represent a pressure to the General Fund in 2024/25.

3.2. Option 2: Agree to Railpen proposal to increase lease payment, with a capital payment to the Council from Railpen to cover initial financial deficits.

- 3.2.1 Railpen initially proposed increasing the initial lease payment by approximately 21%. That offer has now been revised to an increase of approximately 15% with an additional capital payment on practical completion of the scheme to mitigate negative cashflows in early years. However, this offer continues to expose the Council to significantly higher lease payments over 50 years and cannot be recommended in the context of the metrics for investments under the Council's Investment and Acquisition Strategy.

3.3. Option 3: Abort the scheme.

3.3.1 The Council could withdraw from the scheme. However, the site is unlikely to be delivered in its present form without Council intervention. There will also be no control over its future delivery as the site is in private ownership. Furthermore, the potential for additional homes and any revenue potential to LBBB will be in considerable doubt. As with option 1, if LBBB withdraw from the agreement for lease, c. £1.6m of capital costs already incurred by LBBB in progressing the scheme to date would need to revert to revenue and would represent a pressure to the general fund in 2024/25.

3.4. Option 4: Propose a counter-offer to Railpen which further mitigates LBBB financial risks.

3.4.1 Railpen has advised that the proposed terms of its revised offer, which sets a higher starting lease payment of approximately 15% with the initial lease payment by the Council commencing 12 months after practical completion of the scheme, represents its best and final offer. However, in view of all the factors outlined in this report, the Council may consider it appropriate to make a counter-offer to Railpen which would mitigate the level of risk to an acceptable level in order to achieve the development of a major regeneration project in the heart of the Town Centre. Any such offer would need to be made and accepted within the timescale set by Railpen when it tendered for the redevelopment project, as the contractor's tender price would have an expiry date. If agreement could be reached without further undue delay, Railpen could appoint their contractor to enable delivery of the scheme in 2027.

4. Consultation

4.1. The revised proposals have been discussed in length at the Council's internal Investment Panel. Whilst the Panel has concerns about the increased risks that are set out in the body of the report, they understand the clear regeneration case to pursue the scheme.

5. Commissioning Implications

Implications completed by: Rebecca Ellsmore, Strategic Head of Place and Development

5.1. Delivery of this scheme is key to increasing the residential and commercial offer in Barking town centre. As a gateway site adjacent to Barking station, the proposals would not only improve the area aesthetically but would bring increased footfall into the town centre supporting local businesses and making best use of the excellent accessibility that the station brings.

5.2. Railpen have stated that they cannot continue at the current lease payment level set out in the agreement for lease. Whilst the proximity of the railway line and station provide great benefits in terms of accessibility it also makes construction of the scheme very complex. Should this agreement fail and Railpen put the site on the market it is unlikely that the Council would wish to take on a scheme with such a high level of complexity. The scheme may be of interest to another private sector partner but the Council may then lose the opportunity to participate in the scheme.

- 5.3. As the report notes, there is risk attached to proceeding with an increased lease payment. Optimising the operating costs will be key to managing these risks. B&D Reside, who would potentially take on the management responsibility for the site, are already on a transformation journey that aims to reduce operating costs in the coming years - this will benefit all schemes that are operated by Reside not just this one. At the point that this scheme is due to complete, Reside aim to have moved most of the operating costs into an in-house model and have stabilised their delivery. Whilst implementation of this strategy is not yet complete there is sufficient time to either deliver this transformation or to test whether an alternative provider is better placed to manage the operational risks on this scheme.

6. Commercial Implications

Implications completed by: Nigel Pickup, Strategic Asset Investment Advisor

- 6.1. Following previous Cabinet approval, the Council has entered into an existing legal agreement related to the site and delivery of the development. The commercial implications of the transaction will therefore remain as existing subject to any amendments required to the commencing lease payment and amending legal documentation to reflect the timing and revised delivery of the project.

7. Financial Implications

Implications completed by: Jahangir Mannan, Strategic Housing & Commercial Finance Advisor

- 7.1. The financial implications for this report are contained in Appendix 1 (exempt appendix).

8. Legal Implications

Implications completed by: Dr Paul Feild, Principal Governance Solicitor

- 8.1. This report relates to a regeneration opportunity for the Council to take a headlease in a multilevel housing development to be constructed at the Trocoll House, 101 Wakering Road, Barking, IG11 8PD site. The description of the arrangements is in the exempt Appendix 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.
- 8.2. It was previously agreed by the Cabinet in March 2021 on terms which as explained in the body of this report are no longer viable to the Developer due to change in circumstances principally the building inflation costs and the contractor Henry Construction has gone into liquidation. Furthermore, there has change in the building design to accommodate a second staircase. This was a precautionary measure as while the planning permission when granted did not require it, following recommendations post Grenfell Tower it is now a Building Regulation requirement for tall buildings over 30m and will be amended to 17m shortly. As the scheme provides for the Council to take ownership at the end of the lease. This change is in

the Council's interests otherwise it would be getting a lease for a building already out of date in terms of contemporary building design before practical completion.

- 8.3. The proposed development will be a 198 homes tower. The actual process will be that the construction will be commissioned by the Developer who has entered an Agreement for Lease with the Council. Completion of the Lease is set to take place ten working days after the issue of Practical Completion pursuant to the building contract. Then the Council will take a 50-year head lease of the building and will in turn be underlet to a Council Special Purpose Vehicle (a company owned by the Council and "SPV" for short) for an under lease term of 50 years from Practical Completion. The SPV will let the dwellings and the commercial lettings too. The Head Lease is apparently not to be assignable, though Railpen can sell their freehold. The Council will receive an underlease rent from the SPV designed to deliver a return after the headlease lease payment has been paid to the headlease holder. Essentially the scheme is in return for the lease the Council for a premium is guaranteeing an income for the freeholder for 50 years the price is taking the operational risk. The Council institutional lease payment is to be based on the Base Scheme and is payable irrespective of any changes the Council SPV may decide in terms of tenure of the residential units. At the end of the Head Lease duration the Council will have the option to acquire the freehold for a nominal sum (suggested £1). Prior to the demolition work there was at the site a Pub run by JD Wetherspoons. On completion it is to be re-instated for trading and that it will be under let from the proposed Head lease held by the Council.

Council's powers to enter the proposed arrangements

- 8.4. The Council has a variety of powers to enable it to enter into the proposed transaction. These are subject to the Council also complying with its fiduciary duties to its taxpayers/residents.
- 8.5. The actual powers which the Council relies on is to an extent governed by its purpose/intention in entering into the arrangements and whether any of the limitations or restrictions of those powers conflict with the proposals made by the fund. Entering the Lease with the Institutional Investor
- 8.6. Section 120 of the Local Government Act 1972 (section 120) gives the Council the power to acquire land (including a leasehold interest) for a purpose relating to any of its functions or pursuant to duties under any enactment (other purpose).
- 8.7. The Council in exercising section 120 may acquire land within or outside its area. The Trocoll site is of course in Barking.
- 8.8. This means that the Council is required to identify another function (power or duty) which it seeks to exercise/rely on. Two powers which may be available include the general power of competence under Section 1 Localism Act 2011 and its investment power under Section 12 of the Local Government Act 2003.

The general power

- 8.9. The general power is set out in section 1 of the Localism Act 2011 and permits the Council to do anything which an individual may do. The general power is subject to

several limitations which include that it cannot be used to circumvent any prohibition or restriction which exists in legislation which precedes the general power.

- 8.10. The general power is also subject to the limitation under section 4 of the Localism Act 2011, namely that if it is used for a commercial purpose then the Council must do that thing through a company or society registered or deemed to be registered.
- 8.11. Should the Council rely on the general power to directly enter the head lease (rather than using a Council-owned company to do so) the Council would have to satisfy itself that it was not acting predominantly for a commercial purpose. In doing so it would have to analyse whether the letting of the building (in terms of the arrangements) was commercial. As there is an element of risk in that it is a commercial arrangement for the purposes of generating an investment income ('profit rent'), the proposal has a badge of commercial activity about it and the utilisation of a corporate special purpose vehicle i.e., a limited liability company may be required for compliance. Nevertheless, the presence of affordable housing will have an impact of its overall commercial investment viability.
- 8.12. In this example it appears that the general competence power of section 1 of the Localism Act 2011 is available to be utilised to regenerate the locality by entering a leasing arrangement to provide housing.
- 8.13. As the scheme is designed to ensure that the lease is financially viable, then the Council's power to invest (Section 12, LGA 2003) may be exercised for any purpose relevant to its functions or for the purposes of the prudent management of its financial affairs. In exercising this power, the Council would rely on the second limb, namely that the proposals aid prudent financial management and to have regard to relevant statutory guidance. The financial implications section of this report considers how the proposals assist the prudent management of the Council finances.
- 8.14. The Ministry of Housing Communities and Local Government at the time (Now called Ministry of Levelling Up, Housing and Communities) issued statutory guidance under section 15 of the Local Government Act 2003 on local authority investments on 1 April 2018. In approving the proposals both officers and decision makes should have regard to relevant aspects of the Guidance.
- 8.15. Local Authorities are required to adopt an updated investment strategy as is required in that guidance. The Council's Investment Strategy contains provision for commercial investments. The report and accompanying financial reports (which are confidential and exempt) address how the proposals are aligned with the investment parameters for the commercial asset class.
- 8.16. The Guidance references 'non-financial assets' which includes certain property portfolios: 'non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property'.
- 8.17. There are specific requirements for non-financial investments, and property portfolios, set out in paragraphs 37 to 40 of the Guidance. The Guidance requires local authorities to consider whether the asset retains enough value to provide security of investment using the fair value model in International Accounting Standard 40: Investment Property as adapted by proper practices. In exercising the

section 12 Investment power it would need an evidential basis to support compliance with new statutory guidance on local authority investments on 1 April 2018. Relatively the actual investment sum by the Council is small being about setting up, the risk is wrapped in the obligation to pay the lease rent because the freeholder Railpen is taking the construction risk. It is crucial that the SPV and Opex perform at an efficient and effective level or there is a risk that the income received fails to cover the lease liability.

Power to grant a Lease to the Underleasee

- 8.18. The Council has a power to grant a leasehold interest in the property to the operator under section 123 of the Local Government Act 1972. The SPV would be so enabled in its company objects. The Council in making the underlease should ensure that it receives the best consideration which reasonably could be obtained. A valuation report confirming this should be obtained. By the same power it could grant an underlease to the Wetherspoons Pub business.

The Council's Fiduciary Duties

- 8.19. The Council's fiduciary duties could be briefly summarised as it is acting as a trustee of tax and public sector income on behalf of its residents' rate and taxpayers. The Council in effect holds money but does not own it; it spends money on behalf of its residents' business rate and council tax-payers. In a nutshell, the arrangement is that the Council takes the risk of tenant non-payment as it will guarantee an income to Railpen. Clearly under occupancy, rent arrears, nuisance tenants are risks as are the risks of being a landlord of a tall building.
- 8.20. The Cabinet in agreeing the recommendations should consider the risks and rewards of approving them and the proposed arrangements. In practice the Cabinet should consider whether the proposals are on market normative terms which a prudent investor on the open market would enter into, whether the Council will achieve an appropriate return for the risk it is taking and whether the risk and potential cost to it of entering into the arrangements can be appropriately mitigated these principles apply throughout the whole process to completion.

Procurement structuring

- 8.21. Advice should be obtained with regard to the impact of the Public Contract Rules 2015 as amended and the post Brexit level playing field emerging public contracts regime to ensure that any risk of procurement challenge is mitigated and minimised.

Subsidy Control Act 2022

- 8.22. Under the proposals the Council will be entering into the arrangements for investment finance purposes. The leasing and letting of the development are market activity and in agreeing final terms for both the Institutional Investor and operator leases, the Council should be satisfied they are Subsidy Control Act 2022 compliant. To do this the Council should ensure it acts as a market operator would, meaning the terms it agrees should be such that an operator or investor in the private sector would agree to those terms in the same or similar circumstances.

- 8.23. Because the original decision was made in March 2021 and documentation completed before the said Subsidy Control Act 2022 coming into effect, a check should be made that the chosen revised option is compliant.

Risk Management

- 8.24. Investment transactions of this nature carry a range of risks which are effectively detailed below. A number of risk factors, including planning, title investigations, commercial terms and construction, warrant early due diligence, with the aim of determining whether any of those risk factors have adverse implications on the transaction, including impact on future capital value and income yields. For example, if planning permissions regulating the development in terms of scale, nature/use class and restrictions do not materially align with the proposal pitched or valuation assumptions, the associated risks may impact on usage of the completed development and consequently income.
- 8.25. As the Council carries the risk of paying guaranteed rent (lease payments) under a headlease, it is imperative to carry out due diligence checks to appraise the risks. Furthermore, the current heads of terms require the Council /SPV to take responsibility for the upkeep of the building and the headlease will contain a full repairing and insuring covenant in respect of the whole property, subject to the repairing covenants in the occupational leases. This repairing covenant shall include the repair and maintenance of all the structure and common parts located at the development and to keep all plant, machinery and equipment located at the property (the "Plant") in good working order and to replace such Plant when beyond economic repair. LBBB will be required to insure the property itself or procure that this is done by an undertenant. Furthermore, LBBB will not benefit from either a rent suspension or option to terminate its lease if the property is damaged or destroyed by either an insured risk or uninsured risk. There will be a right to buy-out the Funder following such damage for a price equivalent to the gilt investment value of the income that is payable for the remainder of the term plus a spread of 20 base points. It cannot be overstressed that the Council should not take possession of the premises until it is completely satisfied that the building is snag-free and that the correct construction process and materials have been used and properly installed throughout.

Human Rights and Third-Party Interests

- 8.26. As there are no persons residing on the site, there do not appear to be any direct human rights implications, nevertheless the situation should be monitored and reviewed.
- 8.27. Third party interests need to be established. With construction of a tall building there is a risk regarding established easements, principally rights of light which needs to be fully understood. In addition, the proximity to a major rail transport hub will have its own unique characteristics in terms of construction safety including the issue of oversailing functioning railway lines and any interference in the operation of the rail network must be avoided.

Development / Land Risks and Considerations

- 8.28. Apart from the requirement to acquire an interest in the development at no more than the market value there will be the imperative to ensure that all land, development and environmental risks are identified and managed through.

Taxation

- 8.29. As a commercial enterprise the proposal will be subject to a variety of taxation issues including SDLT, VAT and Corporation taxes. Specialist advice will need to be procured to ensure the most tax efficient structure is identified before any binding commitment is entered into and that includes the various Council controlled entities.

Future Regulatory Issues

- 8.30. As currently structured the arrangement means that the Council / SPV will have overall responsibility for the building for the life of the head-lease (50 years). New legislation regulating tall building operators will place further obligations on landlords. Furthermore, additional legislation may follow post the completion of the Grenfell Public Inquiry Report. These obligations are inevitably going to have cost implications and forward anticipation of the risks and liabilities and costs of such measures do need to be factored into the evaluation model of this development and its viability. Having said that the Council as an operator of tall building housing ought to be well placed to apply its growing expertise to such challenges.

9. Other Implications

- 9.1. **Risk Management** – Appendix 1 sets out the mitigation options that are available to the Council.
- 9.2. **Contractual Issues** - Gowlings LLP, who worked on the existing Agreement for Lease for LBBB, would be instructed to draft the necessary amendments to the Agreement for Lease for the Council, the cost of which would be met by Railpen.
- 9.3. **Corporate Policy and Equality Impact** – An Equality Impact Assessment has been carried out for the proposal identifying neutral or positive impacts on different groups within the community.

Public Background Papers Used in the Preparation of the Report:

- Cabinet Report - 16th March 2021.
Redevelopment of Trocoll House, Wakering Road, Barking - Agreement for Long Headlease [Trocoll House Report \(lbbd.gov.uk\)](http://lbbd.gov.uk)

List of appendices:

Appendix 1 – Financial Information, including detailed options analysis and financial modelling (exempt document)

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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