

# London Borough of Barking and Dagenham

## Notice of Meeting

### THE EXECUTIVE

**Tuesday, 8 March 2005 - 7:00 pm**  
**Council Chamber, Civic Centre, Dagenham**

**Members:** Councillor C J Fairbrass (Chair); Councillor C Geddes (Deputy Chair); Councillor J L Alexander, Councillor G J Bramley, Councillor H J Collins, Councillor S Kallar, Councillor M A McCarthy, Councillor M E McKenzie, Councillor L A Smith and Councillor T G W Wade

**Declaration of Members Interest:** In accordance with Article 1, Paragraph 12 of the Constitution, Members are asked to declare any direct/indirect financial or other interest they may have in any matter which is to be considered at this meeting

25.02.05

Rob Whiteman  
Chief Executive

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### AGENDA

1. **Apologies for Absence**
2. **Minutes - To confirm as correct the minutes of the meeting held on 22 February 2005 (circulated separately)**

#### **Business Items**

*Public Items 3 to 5 and Private Items 15 to 19 are business items. The Chair will move that these be agreed without discussion, unless any Member asks to raise a specific point.*

*Any discussion of a Private Business Item will take place after the exclusion of the public and press.*

3. **London Thames Gateway Development Corporation: Proposed Planning Protocol and Service Level Agreement (Pages 1 - 22)**

4. **Acquisition Programme To Support Regeneration and Empty Homes Initiatives (Pages 23 - 27)**
5. **Regenerating the Local Economy Cross-Cutting Best Value Review: Third Quarterly Progress Report on Implementation of the Improvement Plan (Pages 29 - 44)**

#### **Discussion Items**

6. **Housing Futures: Stock Option Appraisal (Pages 45 - 61)**
7. **More Choice in Lettings (Pages 63 - 67)**
8. **Disposals at UnderValue: Corporate Procedure (Pages 69 - 73)**
9. **Any other public items which the Chair decides are urgent**
10. **To consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

#### **Private Business**

The public and press have a legal right to attend Council meetings such as the Executive, except where business is confidential or certain other sensitive information is to be discussed. The list below shows why items are in the private part of the agenda, with reference to the relevant legislation (the relevant paragraph of Part 1 of Schedule 12A of the Local Government Act 1972).

#### **Discussion Items**

11. **Capital Works Roofing Programme to Low Rise Dwellings - Appointment of Contractor (Pages 75 - 83)**

*Concerns a contractual matter (paragraphs 7, 8 and 9)*

12. **Progress Update on the Harts Lane and Whiting Avenue Estates Land Quality Inspection (Pages 85 - 89)**

*Concerns a contractual matter (paragraph 8)*

13. **New Dagenham Library and Customer First Centre (to follow)**

*Concerns a land acquisition matter (paragraph 9)*

14. **Redevelopment Options for Goresbrook Parade (to follow)**

*Concerns a land acquisition matter (paragraph 9)*

## **Business Items**

**15. Thames Accord Limited Review for 2003/04 (Pages 91 - 95)**

*Concerns the business affairs of a third party (paragraph 7)*

**16. Local Government Pension Scheme Regulations 1997 - Admission Agreement (Pages 97 - 99)**

*Concerns the business affairs of a third party (paragraph 7)*

**17. Contract for the Procurement and Management of Temporary Accommodation Within the Private Sector Leasing Scheme (Pages 101 - 105)**

*Concerns a contractual matter (paragraph 9)*

**18. Re-Tendering for the Banking Contract (Pages 107 - 109)**

*Concerns a contractual matter (paragraph 8)*

**19. City Learning Centre (CLC) Extension at Eastbrook School (Pages 111 - 113)**

*Concerns a contractual matter (paragraphs 8 and 9)*

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

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**THE EXECUTIVE****8 MARCH 2005****REPORT FROM THE DIRECTOR OF REGENERATION AND ENVIRONMENT**

<b>LONDON THAMES GATEWAY DEVELOPMENT CORPORATION: PROPOSED PLANNING PROTOCOL AND SERVICE LEVEL AGREEMENT</b>	<b>FOR DECISION</b>
<i>This issue is of a strategic nature and the decision is reserved to the Executive by the Scheme of Delegation.</i>	
<b>Summary</b>	
<p>The London Thames Gateway Development Corporation (the Urban Development Corporation) was established on 25 June 2004. The Local Government Planning and Land Act empowers the First Secretary of State to provide by Order for an Urban Development Corporation (UDC) to be the local planning authority for all or any part of its area. The Office of the Deputy Prime Minister (ODPM) has indicated that such an Order will be made in the Spring of 2005.</p>	
<p>This will mean that the London Borough of Barking and Dagenham will cease to be the Development Control Authority for certain specified types of development within the UDC boundary. However, Ministers have also indicated that they wish to see the UDC work closely with local planning authorities and the Greater London Authority (GLA) to ensure successful delivery. To this end, Officers have been negotiating with the ODPM, on behalf of the UDC, to agree a protocol which defines the categories of development to be subject to control by the UDC and a system by which planning applications for these types of development are processed by the Council's Planning staff.</p>	
<p>It is proposed that delivery of the Protocol will be subject to a Service Level Agreement (SLA) between the Council and the UDC. This report highlights the key issues contained in the Protocol and SLA and recommends acceptance of the two documents.</p>	
<p>A draft of the proposed Planning Protocol and Outline Service Level Agreement with the UDC is also attached as Appendices A and B for reference.</p>	
<b>Wards Affected</b> – Abbey, Gascoigne, Thames, River	
<b>Recommendation</b>	
<ol style="list-style-type: none"> <li>1) The Executive is recommended to agree to the proposed Planning Protocol as a means of establishing a working relationship with The London Thames Gateway Development Corporation (the Urban Development Corporation (UDC) ) on planning matters.</li> <li>2) The Executive is recommended to authorise the Director of Regeneration and Environment to conclude negotiations on the draft Service Level Agreement in line with the Charging Policy Commission. This should be fully funded by the by the UDC. The financial position at paragraph 7.1 should be noted</li> </ol>	

## Reason

To assist the Council achieve its Community Priorities of “*Regenerating the Local Economy*” and “*Improving Health Housing and Social Care*”.

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## 1. Background

- 1.1 The London Thames Gateway Development Corporation (the UDC) was established on 25 June 2004. The Local Government, Planning and Land Act (1980) enables a UDC to be a Local Planning Authority. It is expected that an Order bestowing that responsibility on the UDC will be laid before Parliament early this year. At the moment it is believed that the Planning Order will be laid before Parliament in February 2005, with the intention of the UDC taking on its new responsibilities in April 2005, once staff are in place. ODPM Ministers will need to be satisfied that suitable arrangements are in place for the UDC to undertake Development Control responsibilities successfully. Ministers have already indicated that they expect close working with partner authorities on planning matters. The UDC does not have statutory ‘plan-making powers’.
- 1.2 Ministers have also made it clear that they expect the UDC to concern itself primarily with the larger, ‘strategic’ planning applications, not to interfere with the Mayor of London’s powers, and not to exclude boroughs from the planning process.
- 1.3 The intention is, therefore, that the Planning Order will provide for the UDC to be responsible only for certain sizes and types of planning application. Furthermore, it is not currently the intention that the UDC would take on responsibility for the areas covered by the recently approved outline Planning Permissions for the Olympics and Stratford City.
- 1.4 Discussions have been progressing with the UDC for some months now, and general agreement is emerging on roles and responsibilities. Fundamental to this is establishing the thresholds above which planning applications will be determined by the UDC and the specific arrangements for how those cases will be handled.

## 2. The Planning Protocol

- 2.1 Officers from five of the London boroughs within the UDC boundary and ODPM have drawn up a draft ‘Planning Protocol’, which sets out the proposed manner in which the Development Control powers could be undertaken in the Corporation’s area. It is influenced by several key factors including;
  - the intention to harness skills and resources available to the area;
  - limited size of the Corporation’s staffing complement;
  - continuing development of borough capacity;
  - avoiding replication of existing tested consultative systems;
  - the UDC’s focus on larger schemes;

- non interference with the Mayor of London's powers;

- 2.2 The Protocol therefore sets out, in 'non-contractual' terms how this would work in practice.
- 2.3 The intention is that, subject to the Executive's agreement, the Protocol will form the basis of a Service Level Agreement, or contract, between the UDC and partner authorities. That agreement will set out specific performance standards for the boroughs and the UDC for each relevant step of the application process and other elements of the planning service covered by the agreement.
- 2.4 'Heads of Terms' for such an agreement are currently being drawn up in consultation with the UDC and other London boroughs, and this work will be accelerated once the principles set out in the draft Protocol have been endorsed by the UDC Board and constituent planning authorities.
- 2.5 It is very likely that there will need to be a range of detailed adjustments as specific elements of the protocol are embodied in the agreement. Indeed, it is unlikely that the SLA will be fully agreed until satisfactorily negotiated with the UDC's Director of Planning. The Executive is asked to delegate authority to the Director of Regeneration and Environment to agree the final wording of the SLA.

### **3. The Proposed Thresholds**

- 3.1 The Planning Protocol proposes that the UDC will assume responsibility for determining planning applications, within its boundary, for the following types of development.
- Provision of more than 50 houses, flats, or houses and flats ("dwellings").
  - Provision of any development that occupies more than one hectare.
  - Development (other than development solely for dwellings) or change of use with a total floor space of more than 2,500 square metres.
  - Mining operations.
  - Waste development installations.
  - Electricity generating installations above 0.5 kw.
  - Developments to provide an aircraft runway, a heliport (including a floating heliport or a helipad on a building), [an air passenger terminal at an airport], a railway station, a tramway, an underground, surface or elevated railway or cable car, a bus or coach station, a crossing over or under the River Thames, a passenger pier on the River Thames.
  - The loss of 20 dwellings, irrespective of whether any proposed new development would entail the provision of new dwellings.
  - Development which is likely to prejudice the use as a playing field of more than one hectare of land which is used as a playing field, or has at any time in the

last five years before the making of the application been used as a playing field.

- Development on land allocated as Green Belt or Metropolitan Open Land in the development plan which would involve the construction of a building with a floor space of more than 500 square metres or a material change in the use of such a building.
- Development for a use, other than residential use, which includes the provision of more than 50 car parking spaces in connection with that use.

3.2 Where a proposed development forms part of a more substantial scheme, consideration of whether the thresholds above have been exceeded will take into account other development on the same land or adjoining land where;

- an application for planning permission has been made but not finally determined; and / or
- where planning permission has been granted within the last five years; and / or where the development has been substantially completed within the previous five years.

#### **4. Process**

4.1 Details of the proposed process by which Council Officers handle planning applications on behalf of the UDC are contained in the draft Protocol (Appendix A). In summary, however, the application will be received and registered by the Council. Processing of the application will be the same as for Council applications, except that a high level of co-operation and discussion will be required between Council Officers, the GLA and the UDC. Ultimately, a report will be prepared by the Council's Head of Planning and Transportation for submission to and agreement by the UDC's Director of Planning. The application will then be submitted to the UDC's Planning Board or dealt with under suitable delegated powers.

4.2 It is to be hoped that, by close co-operation, there will not be a disagreement between the Council and the UDC over planning recommendations. However, in the event of a dispute, the UDC will have pre-eminence.

#### **5. Consultation with Other Agencies**

5.1 Consultation with neighbours and Statutory Undertakers will be undertaken by the Council in the normal manner, as will consultation with Ward Councillors. The UDC does not intend, however, for the Council itself to be a consultee. In effect there will be no referral to the Council's Development Control Board for a formal view on applications. It must be recognised that, in this respect, Planning Officers are being asked to act first as agents for the UDC and second as Council Officers. However, it is suggested that the report of the Head of Planning and Transportation could be referred to and agreed by the Lead Member for Regeneration in discussion with the Chair of the Development Control Board.



## **6. Legal Implications**

6.1 The draft protocol and SLA have been reviewed by the law firm of Denton Wilde Sapte. They advise that there are a number of issues which follow from the proposed arrangements and the Council should be aware of the implications. A note of these is given below:

### **6.1.2 Loss of Control**

For the next five or ten years the Council will lose the power to decide planning applications which fall within the Development Corporation's remit. This will be the case even though it will be the Borough's own staff that will be processing the applications. Although this might at times be frustrating for the Council, it must be appreciated from the outset that this is the case and Councillors should fully understand this.

### **6.1.3 Type of Applications**

Some of the classes of planning applications which will now fall to be decided by the Development Corporation within its area are for kinds of development which might be potentially politically sensitive locally, e.g. installations for treating, keeping, processing or disposing of refuse or waste materials. Electricity generating installations are also included, as are developments involving transport infrastructure.

### **6.1.4 Council's Own Development**

Where the Council itself brings forward a development proposal which falls within the Development Corporation's area and remit the decision on the application will not now be made by the Council. Officers are not aware that there are any such applications in prospect.

### **6.1.5 Staff Issues and Officers' Liability**

The SLA requires that each Council set up a dedicated team of officers to work on Development Corporation development control work, supported by legal advice from the Borough's Head of Legal Services. Management of that team will be by the individual Council. All of these officers will remain in the employment of the individual Borough and there will be no transfer of staff under the TUPE legislation.

LBBB staff members processing applications for the Development Corporation will still be performing a local authority function; they will be employed by LBBB and will be fulfilling the role of the local authority under the SLA. As such, they should be able to benefit from the usual indemnities for local authority officers, even though they are involved in processing planning applications for the Development Corporation.

The draft SLA requires that staff engaged in the provision of advice or services to the Development Corporation shall in so doing "give priority to the interests" of the Development Corporation. This would not be proper since it would put employees at odds with the Borough. As this is really meant to be a statement about

resources, it would be better that the word "interests" be replaced by "work".

#### **6.1.6 Cooperation with other Boroughs**

The Protocol does not deal with ensuring that there is uniformity of approach across the Development Corporation's area or a consistent level of service under the six boroughs' SLAs. It would seem sensible to have an arrangement for regular (perhaps six-monthly or quarterly) meetings involving all the relevant boroughs

### **7. Financial Implications**

- 7.1 The emergence of the UDC and potential working arrangements have been known for some time. As such, proposals for handling planning applications on behalf of the UDC were included in the restructure incorporated in the Best Value review of Regeneration. Assumptions were made that three additional posts would be required and these were incorporated into the restructure. It was also assumed that these posts would be funded to an estimated value of £50,000, at least in the short-term, by the UDC. Negotiations have yet to commence on this subject, however, early indications are that the UDC will be unwilling to fund additional posts. If the Council is still committed to support the UDC in this way and we are unable to get the UDC to fully fund the posts, any shortfall will need to be funded from other Council resources which may include Planning Delivery Grant so preventing those funds being used for other purposes. Planning Delivery Grant, has been extended for the next four years.

### **8 Conclusion**

- 8.1 The UDC was established on 25 June 2004. The Local Government Planning and Land Act empowers the First Secretary of State to provide by Order for a UDC to be the local planning authority for all or any part of its area. ODPM have indicated that such an Order will be made in the Spring of 2005. This will mean that the London Borough of Barking and Dagenham will cease to be the Development Control Authority for certain specified types of development within the UDC boundary.
- 8.2 However, Ministers have also indicated that they wish to see the UDC work closely with Local Planning Authorities and the GLA to ensure successful delivery. To this end, Officers have been negotiating with the ODPM, on behalf of the UDC, to agree a Protocol which defines the categories of development to be subject to control by the UDC and a system by which planning applications for these types of development are processed by Council Planning staff.
- 8.3 It is proposed that delivery of the protocol will be subject to a service level agreement (SLA) between the Council and the UDC. The draft planning protocol and SLA are included in Appendices A and B. It is recommended that the Executive agree to the terms outlined in the protocol and SLA, recognising the key issues raised in this report.

**9 Consultation**

Lead Members

The following Lead Members have been advised on the proposals

Leader's Portfolio, Councillor Fairbrass

Regeneration, Councillor Kallar

The following officer has also been consulted and has agreed the report.

David Waller, Interim Head of Finance, DRE

**Background Papers;** None

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**London Thames Gateway Development Corporation and London Boroughs**

***Draft Planning Protocol in respect of provision of planning services to Thames Gateway London Development Corporation.***

[NB Subject to legal advice and comment/agreement by ODPM]

**1. Introduction**

The London Thames Gateway Development Corporation ("the Corporation") was established on 25 June 2004, following Parliamentary approval of the London Thames Gateway Development Corporation (Area and Constitution) Order.

The Local Government, Planning and Land Act empowers the First Secretary of State to provide by Order for a UDC to be the local planning authority for the whole or any part of its area (s.149).

The Office of the Deputy Prime Minister has indicated that Ministers intend to make such an Order in respect of the Corporation, subject to their being content that robust arrangements are in place for the exercise by the Corporation of its planning powers. Ministers have also indicated that they expect the Corporation to work closely with Boroughs within its area and with the Greater London Authority to ensure their successful delivery.

This protocol sets out how Corporation planning powers will be exercised, and the respective roles of the Corporation, the Boroughs and the GLA in facilitating this.

[It has been considered and adopted by the Corporation Board, the Planning Committees of LB Barking and Dagenham, [LB Waltham Forest,] LB Hackney, LB Havering, LB Newham, LB Tower Hamlets and the office of the Mayor of London.]

**2. Powers and Objectives**

The statutory objective and powers of a UDC are set out in section 136 of the Local Government, Planning and Land Act 1980. A UDC's objective is to secure the regeneration of its area. This is to be achieved in particular through:

- Bringing land and buildings into effective use;
- Encouraging the development of existing and new industry and commerce;
- Creating an attractive environment; and

- Ensuring that housing and social facilities are available to encourage people to live and work in the area.

For the purpose of achieving the regeneration of its area, a UDC may:

- Acquire, hold, manage, reclaim and dispose of land and other property;
- Carry out building and other operations;
- Seek to ensure the provision of water, electricity, gas, sewerage and other services;
- Carry on any business or undertaking for the purposes of regenerating its area; and
- Generally do anything necessary or expedient for this purpose, or for purposes incidental to those purposes.

The Local Government, Planning and Land Act empowers the First Secretary of State to provide by Order for a UDC to be the local planning authority for the whole or any part of its area (s.149). The legislation also empowers the First Secretary of State to confine the scope of the Order to specified purposes of Part III of the Town and Country Planning Act (control over development), and to certain kinds of development.

Ministers have confirmed that they intend to provide by Order for the Corporation to be the local planning authority for its area (excluding Olympics and Stratford City developments as currently constituted) but only for applications relevant to its purpose - defined as large-scale and strategic developments only. [Section 7 of this document sets out the levels at which these thresholds are likely to be set.]

The Planning and Compulsory Purchase Act 2004 enables Urban Development Corporation Boards to formally delegate planning decisions to committees, sub-committees and officers. Under the previous legislation, UDC Boards are responsible for all planning decisions. The proposed change will bring UDCs into line with other local planning authorities.

The legislation is not prescriptive about the number of committees or sub-committees that a UDC can establish. Nor does it set out at what level the delegations have to be made. It does, however, empower UDC Boards to co-opt non-Board members onto the committees and sub-committees - subject to receiving approval from the First Secretary of State. The legislation is not prescriptive about the grounds for co-opting outsiders onto the committee. In its submission to the Secretary of State, the Board would need to explain why the co-optees involvement would improve decision-making.

### 3. The Mayor's Powers

Under the Town and Country Planning (Mayor of London) Order, the Mayor of London has the power to direct refusal of applications of strategic importance. These powers will not be directly affected by the UDC proposals. The threshold for defining an application as strategic is likely to be set at a lower level for the Corporation than for the Mayor, as what is strategic in the context of London may differ in scale from what is strategic at the more local level at which the Corporation will operate.

### 4. The Protocol

The justification for the transfer of development control powers in respect of strategic applications is to facilitate the co-ordination of land assembly and infrastructure provision with development agreements and statutory planning processes, within the designated UDC area. This transfer of powers is not intended to exclude Boroughs from the planning process: it is intended that the Corporation should work in close partnership with the Boroughs, Mayor and GLA in the exercise of all its powers and functions.

The manner of working in this partnership arrangement in respect of Corporation planning powers is set out in this **Protocol**, for which there is an emerging consensus. [which has been considered and agreed by the Corporation Board, the Planning Committees of LB Barking and Dagenham, [LB Waltham Forest,] LB Hackney, LB Havering, LB Newham, LB Tower Hamlets and the office of the Mayor of London].

The specific responsibilities of parties will be set out in **Service Level Agreements[Contracts]** between the Corporation and partner authorities.[example to be attached].

Subject to the agreement of Ministers, where necessary the provisions of this protocol will be reflected in the **Planning Order** granting the Corporation its planning powers.

### 5. Plan Making Powers

Applications for planning permission in the designated area will be determined in conformity with UDPs (or successor documents) whose preparation and maintenance will remain the responsibility of Borough Councils in line with S54a of the Planning Act. UDPs (and successor documents) have to be in general conformity with the London Plan. The Borough Councils, the Corporation and the GLA will jointly consider whether there is a need to promote any amendments to UDPs (and successor documents) within the Corporation's

designated area to reflect the provisions of the Corporation's Strategic Regeneration Framework.

The Corporation will be consulted on all proposed amendments to UDPs/LDFs; and revisions to LDFs/UDPs will have regard to the provisions of the Corporations Strategic Regeneration Framework(s).

Sub Regional Planning Guidance will be Supplementary Planning Guidance to the London Plan. A draft of Sub Regional Planning Guidance for East London is expected in [November 2004]. It will be a material planning consideration to be taken into account in determining planning applications and in drafting UDPs and successor documents.

Additional Supplementary Planning Guidance may be prepared jointly by the Corporation, the GLA and the Borough(s) for designated areas within the UDC boundary, for the approval of the Mayor and/or Borough Councils following consultation.

Where any party wishes to promote development which is not in accordance with the UDP (or successor documents) or the London Plan, this will be treated as a departure. Within the spirit of this protocol, there will be full consultation between the Corporation, the GLA and the Borough(s) on the material planning considerations relevant to departure proposals.

## **6. Development Control**

Responsibility for determining strategic applications in the designated area will pass to the Corporation. Responsibility for all other applications will remain with the Boroughs.

The thresholds at which a development is considered strategic will be established in the Planning Order. Proposed thresholds are set out at section 7 of this protocol.

Outline arrangements for the consideration of strategic applications are set out at section 8 of this protocol. A service level agreement/contract will be established between the Corporation and each existing local planning authority.

The Corporation will be informed of all applications received by the Boroughs in the designated area. Generally it is expected that most applications will continue to be determined by Boroughs. The boroughs will identify any significant applications below the thresholds upon which the Corporation is likely to wish to make observations.



## 7. Thresholds: Strategic Applications

The detailed definition of "large-scale and strategic" has been derived from the Town and Country Planning (Mayor of London) Order 2000. For the purposes of this draft, the thresholds at which Mayoral powers come into operation are **shown in bold**. These are generally higher than those proposed for the Corporation, reflecting the sub-regional level at which the Corporation is operating.

- Provision of more than [**500/50**] houses, flats, or houses and flats ("dwellings");
- Provision of any development that occupies more than [**10/1**] hectares;
- Development (other than development solely for dwellings) or change of use with a total floorspace of more than [**15,000/2,500**] square metres;
- Development more than [**30/25**] metres high;
- Mining operations.
- Waste development installations.
- Electricity generating installations above [ kw] tba
- Developments to provide an aircraft runway, a heliport (including a floating heliport or a helipad on a building), [an air passenger terminal at an airport], a railway station, a tramway, an underground, surface or elevated railway or cable car, a bus or coach station, a crossing over or under the River Thames, a passenger pier on the River Thames.
- The loss of [**200/20**] dwellings, irrespective of whether any proposed new development would entail the provision of new dwellings;
- Development which is likely to prejudice the use as a playing field of more than [**2/ 1**] hectares of land which is used as a playing field, or has at any time in the last five years before the making of the application been used as a playing field;
- Development on land allocated as Green Belt or [Metropolitan Open Land] in the development plan which would involve the construction of a building with a floorspace of more than [**1000/500**] square metres or a material change in the use of such a building;
- Development for a use, other than residential use, which includes the provision of more than [**200/50**] car parking spaces in connection with that use.

Where a proposed development forms part of a more substantial scheme, consideration of whether the thresholds above have been exceeded will take into account other development on the same land or adjoining land where:

- an application for planning permission has been made but not finally determined; and/or
- where planning permission has been granted within the last five years; and/or

- where the development has been substantially completed within the previous five years.

## **8. Process**

The process for handling planning applications in the UDC area is based on principles of partnership working between the local authorities and the Corporation. There is consequently shared responsibility for delivery of the planning service and it will be in all parties interests to achieve an effective operation of that service. Specific responsibilities will be set out in Service Level Agreements[contracts]; nevertheless this protocol anticipates good flow of information between partners over and above any contractual obligations.

### Pre-Application Discussions

In the case of major or strategically significant developments, (whether or not they fall within the thresholds set out in the Planning Order) the Corporation, the Borough Council or Councils and the GLA will notify each other immediately of all approaches received for prospective developments. The Corporation, the Borough(s), and the GLA will work closely together and with developers in pre application discussions and public consultation so that by the time of submission of an application the principal issues are well known. By then their general conformity or otherwise with statutory plans will be understood. A decision will be taken as to whether an application will be determined by the Borough(s) or the Corporation. In cases where the final decision is to be taken by the UDC this will be made clear to developers, and guidance given to them will reflect the UDC Board's position.

### Procedure on Receipt of All Planning Applications in the Designated Area

Applicants will make applications to the Council; i.e., all applications will be made through the Council.

The Corporation will be notified of all planning applications.

Responsibility for maintaining the planning register will remain with the Council.

Public consultation will be carried out by the Council acting in consultation with the Corporation's Director of Planning in accordance with a detailed protocol to be drawn up (based on established Borough practice, but taking into account Corporation policy on public consultation).

A weekly meeting will be held involving the Corporation and planners from each relevant Borough to track progress of applications, scrutinise new applications and confirm those applications which the Corporation will determine. The GLA will be invited to these weekly meetings.

Cases for decision by the Borough will then be progressed in the usual way, including delegation to officers where appropriate. Cases for decision by the Corporation will be progressed as set out below.

#### Procedure for Planning Applications to be decided by the Corporation

For categories of application to be decided by the Corporation the statutory responsibility for taking decisions passes to the Corporation. The Corporation will contract (SLA) with each Council so that the Council will process the application in the following manner:

1. Applicants will be notified that their application will be determined by the Corporation
2. Negotiations with developers will be carried out through a partnership of the Corporation, the GLA, and the Council or Councils concerned.
3. A single report prepared by the Borough's Head of Planning and containing a recommendation will go to the Corporation's Director of Planning. The Borough's Head of Planning should consult the Corporation Director of Planning on the proposed timing and content of the report.
4. The Director of Planning will consider the report and its recommendation. Where he/she is content with the report and recommendation, he/she will put the report to the Corporation Board.
5. Where the Director of Planning is not content with the recommendation, he/she may append a further report to the case before presenting it to the Corporation Board. The report should note the dissenting views of the Borough Head of Planning.

[The spirit of this protocol is that the parties should use their best endeavours to reach agreement as to timing and recommendation so that disagreement would be expected to be rare.]

[Where the Borough Planning Committee has a view this will be reported to the Board as a consultee.]

6. If the application is above the thresholds for reference to the Mayor of London, then the Borough would notify the Mayor in accordance with the Town and Country Planning (Mayor of London) Order 2000. The Borough would also advise that the application had been transferred to the Corporation. If the Mayor wished to use his powers to direct refusal for applications transferred to the Corporation, he would do so in accordance with his normal procedure.

7. Planning permission will be issued by the Corporation, and entered [by the Borough - see above] on the Planning Register(s). Notification of the decision to relevant third parties will be carried out by the Borough in accordance with their usual practice.
8. Decisions will be taken in conformity with relevant development plans, including the London Plan and UDP's (or successor documents). The Sub Regional Development Framework, relevant supplementary planning guidance [and the Corporation's Strategic Regeneration Framework] will be material planning considerations to be taken into account.

#### Legal Agreements

Legal agreements will be drawn up between the applicant and the Corporation in consultation with the Borough and the GLA. The views of the Borough and the GLA will be given full consideration, regarding the matters which ought to be included in legal agreements, including physical, economic, environmental and community requirements. The Corporation will however be ultimately responsible for the content of legal agreements.

#### Appeals

Appeals against a decision of the Corporation will be administered by the Corporation's Head of Planning in partnership with relevant case officer(s) in the Borough(s). Responsibility for handling the appeal will lie with the Corporation.

#### Fees

Planning fees will in all areas be payable to the Borough.

#### Enforcement

Enforcement responsibilities, including the enforcement of planning agreements, remains the responsibility of the Boroughs.

#### Listed Buildings/Conservation Areas

Advice to be provided by Boroughs. Thresholds to apply.

#### Consultation

Consultation on planning all applications will be the Borough Councils responsibility. The relevant local authority's Statement of Community Involvement (SCI) will apply to the area covered by the Corporation unless specified otherwise by the Secretary of State. The Corporation is not required to produce anything equivalent to an SCI. However the Corporation does have to produce a

Code of Consultation with the relevant local authority when exercising planning powers; this is integral to this protocol and the SLA.

## IT

**[to be discussed: compatibility of existing systems/new UDC systems, E-govt.]**

### Costs of the Service

Boroughs will retain planning fees.

### Performance/PS1/2 Returns

Completed by boroughs as at present. As part of the protocol provision will be made in the SLA for performance standards to be met by the Boroughs and the Corporation in the exercise of their joint powers, particularly in respect of the timescales of the decision-making process. The GLA will be invited to enter into a similar protocol in relation to the exercise of the Mayor's planning powers.

### Evaluation

A process for joint evaluation of the process will be prepared requiring regular review and report to the Secretary of State.

### Sub-committee(s)

[UDC Board will wish to consider establishing a Planning Committee to consider planning applications, as provided for in the Planning and Compulsory Purchase Act. It may wish to consider in due course whether it would be appropriate to invite Borough members to sit on the Committee as co-optees for the purposes of decisions relevant to their areas.]



**OUTLINE SERVICE LEVEL AGREEMENT IN RESPECT OF PROVISION OF PLANNING SERVICE TO LONDON THAMES GATEWAY DEVELOPMENT CORPORATION**

**KEY ELEMENTS**

1. INTRODUCTION

It has been agreed that the Local Authorities (LA) will provide services to the London Thames Gateway Development Corporation (UDC) to enable it to perform its statutory function as local planning authority for its designated area.

In the main this will entail the administration of development control procedures for major applications, including planning enforcement where necessary.

Major applications are those specified in the Planning Functions Order.

This document sets out the arrangements by which the LA will provide, on an agency basis, a planning service to the UDC. The agreement should be reviewed at the end of the UDC's first year of operation.

2. SERVICES TO BE PROVIDED

The Local Authority will provide services on behalf of the UDC in relation to the full range of planning activities as specified in the Town and Country Planning Acts and specified in the London Thames Gateway Development Corporation (Planning Functions) Order 2005.

This will include:

- (i) Processing of planning applications (including other applications such as for approval of reserved matters, discharge of conditions, listed building consent advertisement consent, hazardous substances consent, etc.);
- (ii) Provision of professional planning and legal advice on development control matters;
- (iii) Processing of planning and enforcement appeals;
- (iv) Enforcement of planning legislation;
- (v) Monitoring of performance levels and service delivery;
- (vi) Provision of advice on planning policy/legislative issues, including input to the preparation of urban design studies, development

frameworks and briefs, tree preservation orders and reports on conservation/listed building matters.

### 3. ORGANISATION

The Local Authority will provide a dedicated team of officers (all to be suitable qualified and experienced) to work on UDC development control work, and line management responsibility for its work will rest with the LA. The Group will also be supported in relation to legal advice and services by LA's Head of Legal Services.

Planning Registers, together with other relevant planning documents, will be held at the local authority and be available for inspection in the usual way.

A weekly list of applications received in the UDC area will be produced and supplied to the Corporation.

An LA officer (a member of the dedicated team or the Head of Planning) will attend a weekly liaison meeting with UDC.

Staff engaged in the provision of advice or services to the UDC in accordance with this Agreement shall in so doing give priority to the interests of the UDC.

On particular matters there may be conflict between the respective interests or views of the UDC and local authority, so that it will be inappropriate for the LA to provide services to the UDC on such a matter. In such a case the UDC reserves the right to obtain advice or services other than from the LA, and the LA reserves the right not to provide advice or services to the UDC.

### 4. PROCESS

In conjunction with UDC officers, LA will provide professional planning advice to developers and members of the public on the whole range of planning issues as they arise within the UDC area. This will include pre-application discussions with persons considering development and negotiations in respect of submitted planning applications, where amendments are required to accord with DC policies and objectives.

For applications that fall to the UDC for determination, LA will, on behalf of the UDC, validate, register and acknowledge the receipt of all planning applications submitted within the UDC area.

In respect of all applications submitted LA will undertake all the necessary consultation in accordance with the relevant legislative requirements and the policies and practices adopted by the LA and UDC.

LA will provide reports on all applications (*see threshold clause...*) for planning consent (and other related applications) and breaches of planning control, in a format to be agreed with the UDC.



LA will prepare and despatch a decision notice on UDC headed paper and signed by the UDC in respect of all planning and other applications.

The LA Head of Planning will be available to attend meetings of the UDC Board to present reports on planning matters and to provide professional planning advice

## APPEALS

LA will, on behalf of the UDC, administer all appeals against planning decisions and other development control action authorised by the UDC.

Where it is agreed that an appeal should proceed on the basis of either written representations or an informal hearing, LA will, in consultation with UDC officers, prepare and submit/present a statement on behalf of the UDC.

Where an appeal is to be determined by means of a public local inquiry, LA will consult with the UDC as to how the Corporation's case could most appropriately be presented.

## ENFORCEMENT

LA will provide a planning inspection/enforcement service to the UDC. Development activity within the area (including condition compliance) will be monitored and any breaches of planning control, either observed directly or reported by way of complaint, will be investigated and pursued as appropriate.

## PERFORMANCE

LA will undertake to carry out all planning functions for which it is responsible on behalf of the UDC expeditiously, efficiently and effectively.

Performance measures will include:

- a minimum of W%/X% applications determined within the eight-week/thirteen week period.
- All applications to be registered, validated, acknowledged and consultation letters despatched within Y working days of receipt;
- All enquiries from developers/members of the public to be replied to within Z working days;
- All decision notices to be despatched within one working day of the Board's decision;

- All appeals to be dealt with in accordance with the deadline set by the ODPM;
- All complaints regarding breaches of planning control to be investigated and replied to within 21 working days;
- Legislative changes to be reported to the DC Board within 21 working days of notification; comments on consultation papers as required.

Quarterly reports on all these performance measures to the Board.

**THE EXECUTIVE****8 MARCH 2005****REPORT OF THE DIRECTOR OF HOUSING AND HEALTH**

<b>ACQUISITION PROGRAMME TO SUPPORT REGENERATION AND EMPTY HOMES INITIATIVES</b>	<b>FOR DECISION</b>
<p><i>This report concerns the acquisition of property, which is a matter for the Executive to determine.</i></p>	
<p><b>Summary</b></p>	
<p>Authority is needed to purchase land and buildings when either there is no other way of improving it or bringing it back into use, if it is necessary for site assembly and/or the site represents a development opportunity for affordable housing or some other use which benefits the community. Most, if not all voluntary purchases will be by RSL's but part funded by the Council in return for 100% nomination rights.</p>	
<p><b>Recommendations</b></p>	
<p>The Executive is recommended to agree that:</p>	
<p>Subject to (a) consultation with the Director of Finance and the Solicitor to the Council and Monitoring Officer and with the approval of the Lead Member for Housing, Health and Adult Care, and (b) a maximum of 10 properties per year being financed from existing budgets, that the Director of Housing and Health, or his nominated officer, be authorised to</p>	
<ul style="list-style-type: none"> <li>(i) proceed with the identification, negotiation and purchase of properties for acquisition; and</li> <li>(ii) if appropriate, to delegate the negotiation and purchase of properties to recognised partner RSL's.</li> </ul>	
<p><b>Reasons</b></p>	
<p>To assist the Council to achieve its Community Priorities of <i>"Improving Health, Housing and Social Care"</i>, <i>"Making Barking and Dagenham Cleaner, Greener and Safer"</i>, <i>"Raising General Pride in the Borough"</i> and <i>"Regenerating the Local Economy"</i>. The proposal will also support funding the future and Community First aims.</p>	
<p><b>Financial implications</b></p>	
<ul style="list-style-type: none"> <li>• Acquisitions will be paid for from the existing capital programme for private sector housing which is currently limited to a total of £1.6m per year for the next three years. This means that the theoretical maximum number of purchases can not exceed 10 properties.</li> <li>• The financial implications of each purchase will be decided on their merits on the basis that the Council will not face additional revenue costs in subsequent years.</li> <li>• Any purchase is a purely discretionary function and this programme need not conflict with other demands on the Capital budget for private sector housing.</li> </ul>	

<b>Contact Officer:</b> Martin Davies	Project Manager – Private Sector	Tel: 020 8227 5079 Fax: 020 8227 5799 Minicom: 0208 227 5755 E-mail: <a href="mailto:martin.davies@lbbd.gov.uk">martin.davies@lbbd.gov.uk</a>
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## 1. Background

- 1.1 The Private Sector Housing Strategy was originally approved by the Executive on 15<sup>th</sup> April 2003 (Minute 396). Amendments were approved on 7<sup>th</sup> October 2003 (Minute 140). The financial assistance element was approved by the Executive on 26<sup>th</sup> October 2004 (Minute 168).
- 1.2 The strategy states that for vacant properties *“The Council will seek to work with owners, offering a wide range of assistance ... Where co-operation is unsuccessful, the Council will, in appropriate cases, use its legal powers. These include enforced sale under the Law of Property Act 1925 and Compulsory Purchase.”*
- 1.3 The Private Sector Housing Strategy also states that *“In appropriate cases of persistent and serious breaches of the law, the Council will consider the compulsory purchase of dwellings and their sale to other suitable landlords, including registered social landlords.”*
- 1.4 Barking and Dagenham is fortunate in having very few long term vacant private sector flats and houses. Some of them have been brought back into use by working with the owners. In 16 cases temporary social housing grant from the Housing Corporation was used as an inducement.
- 1.5 The first batch of properties has yet to be confirmed.
- 1.6 The regeneration work in the Home Improvement Zones (currently Broad Street and Fanshawe Avenue) often involves trying to improve difficult properties with complex problems which owners (if they can be identified) are unwilling or unable to resolve. Purchase of such properties may well be necessary in order both to resolve the problems and to make other improvements in the area possible and/or sustainable.
- 1.7 Across the borough there are numerous difficult sites which cause nuisance to neighbours and are the focus for various types of anti social behaviour. In some cases the most sustainable solution is to purchase the site as part of an improvement plan.
- 1.8 Where the purchase or development is by an RSL then the Council will receive 100% nomination rights. The Council will not pay 100% of the total costs, there will always be a contribution by the RSL which will be negotiated in each case along with rent levels.

## **2. Compulsory Purchase**

2.1 If the owner is unwilling or unable to cooperate then in appropriate cases the matter will be reported to the Executive with a recommendation that the property concerned be the subject of a compulsory purchase order. This is a complex procedure and will be done in consultation with the Solicitor to the Council.

2.2 Appendix 1 describes when compulsory purchase will be recommended.

## **3. Use of the Property after Purchase**

3.1 Most purchases will in fact be by RSL's using Council funding. In these cases the properties will be used for residential purposes with 100% nomination rights going to the Council. All of the targeted empty properties are two and three bedroom family houses.

## **4. Safeguards**

4.1 Buying property always entails a degree of risk. We will reduce the risk by:

- Only purchasing property when there is no realistic alternative.
- Wherever possible, using another agency to purchase the property
- Consulting with valuers and other experts to ensure we have the best price and the best information.
- Consulting with members and neighbours to ensure that we have the support of the community.
- Having a detailed and costed plan in place prior to purchase.
- Avoiding future revenue implications and consulting the Director of Finance where this is a possibility.
- Only purchasing when we are certain that the result will be a worthwhile, long term and sustainable improvement.

## **5. Financial Implications**

5.1 All purchases will be from the £1.6m which is currently allocated to private sector housing.

5.2 In cases where the property is to be used by an RSL it is most likely that the Council's costs will be treated as a grant in return for 100% nomination rights. The RSLs will be expected to use the Housing Corporation's financial appraisal model to work out the grant requirement. As such the RSL will be expected to contribute an element of private finance to meet the difference between the percentage of approved grant and total scheme costs. The Council will require details of the financial appraisal and supporting documentation such as valuation reports and works costs. The Council will also require any interest accrued on its contribution to be ring-fenced so that it can be used again in the Borough.

- 5.3 In the interests of ensuring that the rent levels are affordable the Council has the option to increase its contribution to bring the rent levels down. However, in any event the rents proposed by the RSL will not exceed Housing Corporation target rents.
- 5.4 There maybe cases where the purchase may be of a valuable development site. In these cases negotiations beforehand will determine whether or not any money should be paid back to the Council.

## **6. Consultation**

- 6.1 The following were consulted:

Finance Manager – Housing and Health Department  
Head of Asset Management and Development  
Head of Regeneration

### **The following Background Papers were used in preparation of the above report:**

- Private Sector Housing Strategy
- Executive Report - 15 April 2003 (Minute 396)
- Executive Report - 7 October 2003 (Minute 140)
- Executive Report - 26 October 2004 (Minute 168)

**WHEN COMPULSORY PURCHASE WILL BE RECOMMENDED**

1. A property will only be recommended for compulsory purchase in the following circumstances.
  - 1.1. When it is substantially prejudicial to the health or safety of occupants, visitors or neighbours, and/or
  - 1.2. When it is substantially detrimental to the local amenity, and/or
  - 1.3. It presents a development opportunity which will benefit the community and
  - 1.4. There is no realistic expectation that the situation will be improved on a long term basis, or the development be undertaken by the current owner, and
  - 1.5. It is not possible to agree a voluntary sale with the owner.
  - 1.6. There is community support for compulsory purchase.
  
2. If the above criteria are met then the following tests have to be applied:-
  - 2.1. Is there a plan in place regarding the long term future of the property?
  - 2.2. Are the necessary resources available?
  - 2.3. Are the necessary partnerships in place?
  - 2.4. If there are long term revenue implications for the Council are there resources available?

The tests described in paragraph 2 will be answered in consultation with appropriate agencies including the Director of Finance, the head of Planning, the head of Regeneration and the Housing Corporation.

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**THE EXECUTIVE****8 MARCH 2005****REPORT FROM THE DIRECTOR OF REGENERATION AND ENVIRONMENT**

<b>BEST VALUE REVIEW OF REGENERATION: INSPECTION REPORT AND 3<sup>RD</sup> QUARTERLY PROGRESS REPORT ON IMPLEMENTATION OF THE IMPROVEMENT PLAN</b>		<b>FOR DECISION</b>
<p><i>This report is for the Executive as it deals with issues of a strategic nature.</i></p> <p><b>Summary</b> The Audit Commission carried out a final Inspection of the Best Value Review of Regeneration in October 2004. The Inspectors formally notified the Council of their findings on 3<sup>rd</sup> February, assessing the service as “good” (two stars) with “promising” prospects for improvement. This is one of the Council’s best BVR ratings and one of the best assessments achieved by any regeneration service in the country. The Inspection report also made further recommendations to strengthen the service. These are summarised below and will be incorporated into the Improvement Plan reporting cycle</p> <p>A significant factor in the Inspectors’ positive assessment was the robust and comprehensive BVR Improvement Plan agreed by the Executive in February 2004. The third quarterly report on implementation of the Improvement Plan is attached as Appendix A.</p> <p><b>Recommendation</b> The Executive is asked to agree the key recommendations of the Inspection Report that the Council:</p> <ul style="list-style-type: none"> <li>• Review how capital finance can be used to lever in other funding to support regeneration;</li> <li>• Progress the Local Development Scheme to ensure the adoption of a planning framework that will enable key sites to be developed in line with regeneration objectives; and</li> <li>• Encourage and support Members to champion regeneration within and outside the borough.</li> </ul> <p><b>Reason</b> Implementation of the Improvement Plan is critical to the Community Priority of Regenerating the Local Economy.</p> <p><b>Wards Affected</b> Borough wide.</p>		
Contact Officer: Jeremy Grint	Head of Regeneration Implementation	Tel: 020 8227 2443 Fax: 020 8227 5326 E-mail: <a href="mailto:jeremy.grint@lbbd.gov.uk">jeremy.grint@lbbd.gov.uk</a>

## **1. Background**

- 1.1 The Council received an agreed copy of the Audit Commission's Inspection Report on the Best Value Review of Regeneration on 3rd February. The Inspectors assessed the service as "good" (two stars) with "promising" prospects for improvement. This is one of the Council's best ratings for a Best Value Review. Although comparatively few cross-cutting reviews of this kind have been conducted to date, it is also one of the best assessments achieved by any regeneration service in the UK.
- 1.2 The report contains a number of positive conclusions. It commends the Council on its clear sense of direction, improvements in cross-departmental working and on our regeneration strategy's "fit" with the Government's policies for the Thames Gateway. It notes that our programmes and projects are generally targeted on areas of greatest need. It finds that the Council's regeneration service is self-aware and able to learn from its own experience and best practice elsewhere, underpinning the assessment that we have "promising" prospects for improvement. Crucially, the Inspectors comment favourably on the enthusiasm and commitment of the Council's own regeneration staff and the endorsement by key external delivery agencies of the Council as a partner. We have arranged a reception to celebrate our success and thank staff and partners for their efforts.
- 1.3 The Inspection Report makes further recommendations for continuing improvement in regeneration services. The priorities are making more use of capital finance to lever in external resources, putting the planning framework in place to support development of sites in line with regeneration objectives, and supporting Members to champion regeneration more effectively. Other recommendations include the development of key indicators in the Balanced Scorecard over the next 3-5 years, improvements to our programme management systems, and honing our use of research to target project delivery on those in greatest need. The Inspectors' recommendations will be incorporated into the Improvement Plan and reported to the Executive through the quarterly reporting cycle.
- 1.4 The Inspection Report confirms the strength of the Improvement Plan adopted by the Executive in February 2004 and the significant progress made in implementing it. The third quarterly report on implementation is attached. It shows that the greater part of the actions identified in the Improvement Plan have now been achieved, or are well underway. Regeneration officers are currently developing new systems for programme and performance management, which we expect to have in place by the summer of 2005. At this point it may prove to be the case that the administrative burden of maintaining a separate reporting line for the Improvement Plan outweighs any service improvement or performance management advantages. In that case we will revert to the Executive to recommend a streamlining of monitoring systems, perhaps through mainstreaming the remaining Improvement Plan reporting requirements into the Balanced Scorecard process.

## **2. Financial Implications**

- 2.1 This is a progress report on the implementation of the agreed Improvement Plan. There are no financial risks or implications for the Council. Finance Department is content with the report.

## **3. Consultation**

- 3.1 The report was compiled from contributions by officers in: Regeneration and Environment; Education, Arts and Libraries; Corporate Strategy; Social Services; and Housing and Health. It was discussed by the Regeneration Programme Management Board on 14<sup>th</sup> February and by the Regeneration Board (TMT and the Lead Member for Regeneration) on 22<sup>nd</sup> February 2005.

## **Background Papers**

- Regeneration Best Value Improvement Plan
- Audit Commission Inspection Report, December 2004
- Regeneration Best Value Improvement Plan: Progress Report February 2004

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**REGENERATION BEST VALUE IMPROVEMENT PLAN: PROGRESS REPORT JUNE 2004**

<b>SECTION 1 – ACHIEVING STEP CHANGE IN REGENERATION</b>		<b>Update</b>
<b>Target</b>	<b>Action</b>	
1	<p>Improving Project Delivery</p> <p>1.1 Restructure the internal regeneration function to give a single division responsible for regeneration implementation</p> <p>1.2 The establishment of the Regeneration Board to commission, monitor and evaluate all regeneration projects</p> <p>1.3 The re-organisation to include a strengthened capacity for project management in line with the Council's improved approach to asset management, including CPMO project management standards</p> <p>1.4 Ensure improved planning performance and lobby for better legislation</p>	<p>Achieved. Following consultation with staff and Unions, the Executive agreed the restructuring of regeneration activities in October 2003. The new structure, which created unified Divisions for Regeneration Implementation and Strategic Planning and Transport, came into effect in November 2003. The new posts were advertised in March 2004 and largely filled by August 2004. Three remaining vacancies are currently under advertisement.</p> <p>Achieved. The Regeneration Board held its inaugural meeting on 25<sup>th</sup> November 2003. Under its terms of reference it is responsible for all strategic policy issues relating to regeneration and for monitoring the implementation of regeneration programmes. Assisted by the Urbancanda consultancy, the Board reviewed its modus operandi in April and September 2004.</p> <p>Underway. A dedicated team has been created within Regeneration Implementation Division to work on this issue. The Division computerised its project monitoring information in the first quarter of 2004. The Division is currently working with consultants BPP and SQW to agree new project management and monitoring arrangements, consistent with the Council's CPMO systems. These will enable us to manage linkages between projects as well as monitoring spend and providing project management capacity. The new systems will be rolled out during March-June 2005 for BTC projects, but will apply to all regeneration projects in due course. The Divisional Training Plan makes project management training its key priority.</p> <p>Achieved. The Division has completed the review of staffing structures to ensure the delivery of change in planning, secured increased delegation in Development Control, introduced two-weekly Development Control Board meetings and is in touch with GoL to review UDP processes to reflect emerging LDF frameworks.</p> <p>Work is ongoing to amend the UDP review process to reflect emerging LDF frameworks and to review administrative processes in DC to enable prompt delivery of decisions to meet the new Pls. The Division also has work in progress to gain ISO 9000 accreditation in DC to support service delivery and to reinforce management and monitoring systems to provide early warning of potential slippage in performance.</p> <p>The Division will submit to the Executive to enable CPO powers to be used in support of regeneration activities and also intends to increase levels of survey work to support statutory plans and policies.</p>

2	Creating a tighter focus on priorities	2.1	The community strategy will be redrafted – incorporating the Regeneration Strategy and Neighbourhood Renewal Strategy	<p>Achieved. The new Community Strategy, "Building Communities Transforming Lives" was launched in April 2004 and incorporated the regeneration and Neighbourhood Renewal Strategies. It is supported by a comprehensive handbook and a performance management framework (PMF). The PMF includes and is consistent with the BVR Implementation Plan and the Balanced Scorecard for Regeneration Implementation. The work of the partnership has achieved an green/amber rating from GOL for 2003/4 and they were particularly impressed by:</p> <ul style="list-style-type: none"> <li>• Engagement of key partners as well as community representatives</li> <li>• The use of Super Output areas and the neighbourhood focus</li> <li>• A performance management framework embedded in the work of the strategic partnership that is aligned with the community strategy</li> </ul>
3	Creating a Shared Story or Vision for Regeneration	3.1	To create ownership within the Council on a shared vision for Regeneration in Barking and Dagenham	<p>Achieved. Two workshops for staff, facilitated by Urbancanda, were used to help develop a comprehensive vision for regeneration in Barking and Dagenham. The draft Vision was discussed by the Regeneration Board in April 2004 and further work was requested. The Vision was agreed by the Executive on 14 September 2004.</p> <p>The Regeneration Board agreed in January 2005 to carry out further work on "sense of place" in Barking and Dagenham, to feed into the UDC's development of a vision statement for London Thames Gateway. Our work will be taken through the LSP framework and submitted to the Executive in May 2005.</p>
4	Making the Most of Funding Opportunities	4.1	Establish a more effective approach to funding opportunities that meet our strategic needs	<p>Achieved. A European Funding Officer has been appointed and a Funding Strategy and Action Plan developed.</p>
		4.2	Enhance capacity for funding from the private sector, in particular from S106 of the Town and Country Planning Act 1990	<p>Underway. "Prospectus mapping" of spatial and land use needs is underway and should be completed by October 2004. Officers are having separate discussions with English Partnerships regarding alternative ways of achieving "Section 106 type" requirements spread out over the lifetime of the development project. We will submit a report to the Regeneration Board in March 2005 on priorities for use of S106 monies.</p>
5	Increasing External Profile and Influence	5.1	Enable Members to engage with external partners more frequently	<p>Achieved. A briefing programme for Members is being developed as part of the Balanced Scorecard 2005-06. Arrangements are already in place to provide coordinated briefing for the Lead Member for Regeneration. Members are also briefed through the Corporate Monitoring Group.</p>
		5.2	Understand emerging relevant Government policy initiatives and raise issues with Local MPs	<p>Achieved. Officers submitted to the Regeneration Board/Executive during 2004-05 on relevant Government policy initiatives including the ODP/HMT business incentive scheme and the Government's proposals for the London Thames Gateway UDC. There has been regular liaison with MPs and the GLA Member over transport</p>

			issues in particular. Achieved. This work is coordinated through the Regeneration Board, which discusses "key messages" and shares information about contacts with key decision makers. Briefing is supplied for major meetings with key partners. Underway. Major project plans contain consultation programmes and stakeholder analyses. Influencing and marketing will be coordinated for Barking Town Centre through a comprehensive Marketing and Communications Plan. Invitations to tender for this work have been issued. A media liaison group has been established for Barking Riverside. LBBB is part of ODPM's Thames Gateway Marketing Forum. Achieved. Consultation with local people on a project basis is good and we completed major consultations around the Interim Planning Guidance and Equal Opportunities Impact Assessment for Barking Town Centre. We are developing protocols and gathering best practice examples for regeneration project managers to use in engaging the community around project delivery. As part of the LDF process, we will be preparing a Statement of Community Involvement that will help coordinate the Council's consultation on planning and regeneration issues. Community consultation and capacity building is also a key issue in our discussions with the incoming UDC. We are discussing with partners a restructuring of the Barking Town Centre Partnership to broaden the representation of the community and voluntary groups and make their role more effective. The work plan of the Neighbourhood Management Coordinator for Abbey Gascoigne and Thames has been restructured to put more emphasis on community consultation and engagement.
	5.3	Require a broader range of senior officers to engage more pro-actively with external partners and others around the Regeneration Agenda	
	5.4	Create an influencing plan at the start of all major projects and monitor through the Regeneration Board	
6.	6.1	Getting closer to primary stakeholders	Improve consultation and participation for local residents We have judged it more useful in the short term to deal with businesses at an operational level where their practical concerns can be more easily addressed, then to attempt to establish a large forum of this kind. Our contacts with business on an issue and area basis are now improving. Meetings with employers in the Dagenham Dock area are now being supplemented with meetings covering Thames Road. Estate associations are gradually being established. The LBBB Business Partnership (dealing with regulation) is now an established fact. We believe it may be more useful to build credibility with local businesses by developing area forums than seek to establish a single Business Forum for the borough, at least in the short term. Underway. The Regeneration Board agreed an Influencing Strategy for regeneration activities in April 2004.
	6.2	Establish a bi-annual Business Forum	
	6.3	Develop and implement a Regeneration Communications Strategy	

			<p>Activities include:</p> <ul style="list-style-type: none"> <li>• 4,000 copies of a regeneration brochure have been circulated to libraries, Council offices, adult learning facilities and the voluntary sector.</li> <li>• The regeneration website has been remodeled and updated</li> <li>• 2,000 copies of a promotional video and digital information kit have been circulated.</li> <li>• The Council has exhibited its regeneration service at the Cityscape Exhibition, Thames Gateway Forum and Sustainable Communities Summit.</li> <li>• Local newspapers now carry regular positive stories on regeneration and we are discussing the possibility of a regular slot for regeneration news.</li> <li>• We are organizing a major marketing event for Barking Town Centre on March 21<sup>st</sup>.</li> <li>• Ministerial visits are planned for March and December, at the beginning and completion of work on the Barking Lifelong Learning Centre.</li> <li>• The first stage study for the Barking Town Centre Marketing and Communications Plan has been tendered</li> <li>• A full time PR/media post for regeneration is currently under advertisement.</li> </ul>
		6.4	<p>Organise a community regeneration convention</p> <p>Underway. We have significantly strengthened our relationship with community umbrella organisations during this period, including with EMPA and CVS. We are about to start preliminary discussions with partners on a Community Regeneration Convention.</p> <p>We are discussing how to restructure the Barking Town Centre Stakeholder Partnership to enhance community engagement in regeneration.</p>
7.	Improving information and knowledge	7.1	<p>Ensure effective access to funding, influence and information through supporting professional development and developing a best practice programme</p> <p>Underway. Training in CPO legislation and procurement processes undertaken by project officers. Group Managers have completed the Leadership Academy. Training priorities for the next financial year currently being developed as part of the annual Divisional Training Plan. Officers attending external events and conferences as appropriate to their area of responsibility.</p>
		7.2	<p>Enhance the use of e-government capacity, with an explicit objective of creating a virtual development and investment one stop shop</p> <p>Researching content and structure of developers' portal as part of regeneration website. We are discussing how best to provide business referral services with the Customer First team.</p>
8.	Balancing Social and Physical Regeneration	8.1	<p>Further develop the strategic partnerships in place with the Primary Care Trust (PCT) and the Strategic Health Authority in relation to reducing ill health and increasing life expectancy within the borough via economic inclusion measures</p> <p>Underway. A Regeneration Manager has been recruited in Social Services and is part of the Director of Regeneration and Environment's strategic programme management meeting. This group also includes the PCT. A social regeneration programme has been drafted and submitted to the Regeneration Board. The Regeneration Manager is a member of the Health Partnership Board convened by the director of Public Health that is developing</p>



				<p>a Balanced Scorecard for Health Inequalities. This will include targets related to economic inclusion.</p> <p>Underway. Work is underway with partners to agree the statistical basis for the facilities needed, including convening a population "summit" with partners if necessary.</p> <p>Work under the SHA to localise the outcomes from the TGLP healthcare assessment will ensure that the need for facilities is recognised and incorporated into major projects. In addition specific proposals being developed for Barking Town Centre and Barking Riverside.</p>
		8.2	<p>Ensure that social and community facilities are included in major regeneration projects as a prerequisite for them commencing</p>	
<b>SECTION 2 – EDUCATION</b>				
9.	Improve the levels of qualifications of residents	9.1	<p>Analyse patterns of recruitment and consult on participation, provision, retention and achievement. Continually benchmark data against national best practice. Identify and fill gaps in existing provision.</p>	<p>Completed. Mapping of all training opportunities within the borough has been completed using NRF funding, and these have since been further refined in terms of categorisation. This includes an assessment of barriers to learning - including the provision and location of childcare / crèche facilities, and the appropriateness of public transport routes.</p> <p>Underway. Data from this research is now being integrated into the council's GIS systems. This will allow for detailed mapping and modelling to be undertaken, and assessments of the effectiveness of current learning provision when matched against key census and other data. These include unemployment, ethnicity and qualifications by ward and super output areas. Subsequently, any gaps in provision will then be identified.</p> <p>Underway. The restructuring of the lifelong learning division has created improved systems for the collection and interpretation of data from learning providers in the key areas of recruitment, provision, retention and achievement, and to allow for benchmarking these data against national best practices. These systems will integrate with the Borough's metadata list; the LSC's Strategic Area Review process, and the Thames Gateway survey of employers and residents.</p>
		9.2	<p>Identify opportunities with residents and employers to link employees informal/recreational learning into routes leading to accredited qualifications</p>	<p>Completed. The restructuring of the lifelong learning division has created an officer post with responsibility for widening participation to higher education for young people and adults.</p> <p>Completed. The production of a directory listing courses and qualifications in the borough has been completed, and is in the process of circulation to key partners providing adult learning opportunities in the public and voluntary sectors.</p> <p>Completed. The Jobnet project (job brokerage) now has a dedicated base in the borough, co-located with Barking College and the University of East London advice shop in Vicarage Fields, Barking. This will be used to promote local provision.</p>

<p>Underway. NRF funding is being used support a range of community-based events in Abbey and Gascoigne wards (the two wards with the highest unemployment), with funding available to overcome the barriers to learning and employment that cannot be met from other funders. This will be delivered in partnership with Jobcentre Plus, who have dedicated funds targeted at these wards, and the East Thames Information, Advice &amp; Guidance network.</p> <p>Links to the hardest to reach groups/communities are being undertaken through the borough's Voluntary Sector Training Providers Network and the Welfare to Work for Disabled People Steering Group. Additional funding is being sought through collaborative bidding to the European Social Fund to enable these activities to be extended.</p> <p>Ongoing. The Adult College has recruited additional staff with the brief to identify and engage learners in the hard-to-reach groups.</p> <p>Barking and Dagenham Training Services are approved providers for the LSC's 'Profit from Learning' initiative in the care sector. This supports employees to secure Level 2 qualifications.</p>			
<p>Underway. Endorsement has now been received from the NRF steering (Social Cohesion) group to fund the development and production of resources to improve marketing and information strategies. The design of these materials is dependent in part upon the completion of GIS mapping in 9.1.</p> <p>The council maintains its strong regional lead in promoting learning within the workplace through its 'Growth Through Learning', and 'Get On At Work' programmes. These promote literacy, language and numeracy opportunities within the Skills for Life agenda. Learning Champions (training managers and supervisors and HR staff) have been recruited recently to work collaboratively with Union Learning Representatives. The key outcomes from these projects will be made available to other key employers within the borough. The local authority has been invited to present the key findings of this programme to the Princess Royal in May 05 as an example of effective practice.</p>	<p>Increase access to and marketing of learning opportunities throughout the borough</p>	<p>9.3</p>	
<p>Underway. A recent restructuring of the lifelong learning division has created a business and workforce development task group, supported by officers from the regeneration implementation division.</p> <p>A secondment within the lifelong learning division will speed the progress of this priority – effective from April 05</p>	<p>Ensure employers link employees' informal/recreational learning into routes leading to accredited qualifications and encourage advanced learning opportunities in further and higher education</p>	<p>9.4</p>	
<p>Underway. The restructuring of the lifelong learning division has created an officer post with responsibility for widening participation to higher education for young people and adults. Completed Text and web-based resources produced for young people through the borough's Aim Higher (promoting access to</p>	<p>Ensure the barriers such as finance, childcare and access to HE are minimised</p>	<p>9.5</p>	

				<p>university) programme have been revised to reflect the needs of adults. Equally, the existing links with key partners in local universities (UEL, Queen Mary, London Metropolitan, Anglia Polytechnic and Essex) have been enhanced to facilitate access to degree courses for priority groups of residents.</p> <p>Progression to higher education by young people up to the age of 19 has increased by 68% in the period 2001 – 2004.</p> <p>A careers fair focusing upon the career opportunities in the health and social care sectors will be held in March 05.</p> <p>Underway. The lifelong learning division's business and workforce development group is developing a range of strategies to facilitate local businesses to understand what their training needs are, and in brokering support to achieve these.</p> <p>Underway Web based careers education and guidance resources are being introduced to improve the range of quality and range of information available to young people as they make key choices about subjects, qualifications and progression opportunities to work, training or FE / HE. Training for schools and other providers commences in March 05</p> <p>The Gateway to Health and Social Care project (LDA funded) in partnership with the council is providing effective outreach capacity for adults and young people.</p>
		9.6	To improve training and guidance services	<p>Underway - dependent upon the completion of electronic mapping and analyses within 9.1</p> <p>Completed. Joint work/bids have been taken forward through the 'Better Education and Learning for All' LSP Sub-Group. In the current round of ESF, funding has been awarded to develop vocational pathways in the cultural and creative industries; to improve the employability skills of young people, and to reduce the numbers not entering education, employment and training (NEET). (B&amp;D currently the highest figure in London East.)</p> <p>Discussions are underway with key local employers inform the configuration of the curriculum at the Barking Lifelong Learning Centre, due to open in January 2006. Marketing of the learning offers from end of March 05</p> <p>Staffing re-structuring within lifelong learning division underway. This will allow the EBP to encompass a wider remit associated with workforce development priorities of SMEs. This will be supported by a secondment from the division from May 05</p> <p>Underway. The URS survey of employment land use in Barking and Dagenham has been produced and shared with partners. We are discussing with partners how this relates to workforce development needs. The work on businesses has been used to</p>
		9.7	Identifying and filling gaps in learning provision for adults	
10.	Increase the average income in B&D households	10.1	Widen the scope and work of the Education Business Partnership	
		10.2	Map the key features of the local workforce and businesses, and in consultation with key business support agencies	

					inform land use and employer needs. Ongoing statistical information researched on Access for Jobs, etc. Underway. The Gascoigne project for community champions is underway, with machines installed and training underway.
11.	Reduce the digital divide to ensure local people have access to ICT resources	11.1	To ensure training is available when ICT access projects are provided in existing and new accommodation		The Testbed project in 3 secondary schools and their partner primaries is producing significant additional opportunities to contribute to provision for family learning within the borough. Underway. The Adult Basic Skills Initiative is acting as an independent broker to liaise between Test Bed schools and providers. Borough software has been installed at Ripple Junior. At Manor Infants - ESOL and literacy developments.
		11.2	Implement the home and community learning strand of the TestBed programme to access 5000+ homes in the borough and link to 'Wiring up the Gascoigne' project		We are working with Barking College content workshop to make ABSI literacy and numeracy materials interactive and available to all Test Bed schools.
<b>SECTION 3 – JOBS AND ECONOMY</b>					
12.	To implement the Economic Development Strategy	12.1	Develop and agree action plan with milestones and targets		Underway. A reporting matrix has been developed and we undertook a first monitoring exercise on implementation of the EDS alongside the BYR report. Most actions within the EDS are underway, but there are some exceptions that will require attention and possibly further project planning by the new Group Manager for Economic Development due to be in post 1 <sup>st</sup> November.
		12.2	To improve relationships with business and investors to attract and retain businesses that offer employment opportunities		Underway. Work is underway in a number of forms: <ul style="list-style-type: none"> <li>- the LBBD Business Partnership has been established to deal with regulation issues;</li> <li>- the Protocol between LBBD and Gateway to London is currently being reviewed; Revisited – 1<sup>st</sup> meeting held on 11 February</li> <li>- we intend to open tenders for the Small Business Service in Autumn this year</li> <li>- a Procurement event was held in April 2004; and monies secured for larger events combined with diagnostic service for companies (with BL4L); selling to the council data base on stream within 6 months (Nov 04)</li> <li>- Business directory will be established in March.</li> </ul>
		12.3	Increase the amount of business floor space		Underway, but some milestones delayed. The Creekmouth study has been delayed. Planning permission granted for new employment development in Dagenham Dock.
		12.4	Open up opportunities within construction industries at all levels for local people		Underway. With partners we are preparing a bid for ESF funding in the Autumn of 2004.  We are seeking to persuade the LDA to support the use of the Fords EDAP facility in South Dagenham for construction training. If so, both Barking and Havering Colleges are keen to participate.  The Economic Development Team will be providing input into the Council's use of s106 agreements to deliver the Economic

				<p>Development Strategy. Use of these in relation to construction will be dependent on establishing the training side through local facilities.</p> <p>ERDF funding was secured to help develop the ability of local businesses to compete for regeneration construction contracts. An initial event was held at CEME in December 2004 and was attended by 150 businesses. A second event is being held at Barking Town Hall in February 2005.</p> <p>Good progress with the regeneration of Dagenham Dock as a focus for London's environmental technology businesses. We secured additional ODPM funding to acquire a larger ETRCL site in November 2004. We are working now to establish partnership working arrangements. Work is expected to start on site in 2005.</p> <p>Progress towards creating a Sustainable Industrial Park at Dagenham Dock has included formal confirmation of funding for the infrastructure upgrading essential for development together with new funding for needed electricity supply. Detailed negotiations are underway with the preferred developer for the ETRCL and a new Business Plan is being commissioned.</p> <p>Underway. A social enterprise champion has been appointed and capacity building project plan agreed. A promotional event was held in January 2004.</p> <p>Active discussions to establish a social enterprise to take out-sourced work from an automotive parts manufacture are underway.</p> <p>Underway. A manufacturers' action day and one business breakfast has been held. A new business association has been formed in River Road and the potential for a Thames Road Forum is under exploration. The Council has published a Business Support Directory and a BME business take-up survey is being carried out. The Dagenham Dock Occupiers' Forum has failed to elect an independent Chair. We have yet to establish a programme of visits by Members to estate associations or a training programme for the Chamber of Commerce.</p> <p>Two sessions of an Asian Businesspersons' Forum have been held.</p> <p>Feasibility work underway to look at the possibility of a Business Improvement District.</p>
			12.5	Developing new sectors e.g. environment technology, construction, etc.
			12.6	Develop six social enterprises
			12.7	Get closer to business stakeholders
<b>SECTION 4 – TRANSPORT</b>				
13.	Improving existing transport infrastructure in the borough and region	13.1	Establish a Strategic Transport Group	
<p>Achieved. We have agreed the structure and job descriptions for a Strategic Transport Group and appointed a Group Leader.</p>				

			Develop and agree a Transport Strategy		Underway. The Council continues to lobby proactively on both the East London Transit and the DLR extension.  The project plan to agree the Local Implementation Plan for the borough has been agreed by the Regeneration Board and consultation is about to begin.
14.	13.2		Secure improvements to Barking Station by 2006		Underway. The first milestone – identification of areas for improvement – has been met.
	14.1	Ensure commitment to Major Public Transport Infrastructure relating to regeneration area	Ensure that major regeneration areas have good public transport links		Underway. We are working with developers and Transport for London in our planning processes to ensure that regeneration areas are developed in conjunction with necessary transport links.  We secured ODPM funding in November to construct a new Interchange at Dagenham Dock, which will link C2C, DLR, ELT and local bus services for the Dagenham Dock Sustainable Business Park, the new community at South Dagenham and the existing population in Dagenham.
	14.2		Encourage/lobby the completion of the first phase of the East London Transit by November 2006		Underway. Working with MPs and the LA Member, the Council has lobbied strongly for an early introduction of the East London Transit and to strengthen the quality of its design. Presentations were organised for officers in March 2004 and for the Assembly in May 2004. Requested GLA member/lobby TfL (September) and the Mayor regarding completion date of ELT. Also requested EP lobby TfL regarding ELT completion.
	14.3		Lobby and accelerate the decision for the DLR extension to Dagenham Dock by 2009		This issue has featured prominently in our dealings with TfL over the last year. Our GLA Member and MPs have participated in lobbying.
	14.4		Undertake a feasibility study and Business Plan for new station at Renwick Road to serve Barking Reach		Underway. We have agreed with partners the brief for a feasibility study. This is about to undergo CPMO appraisal and will then be advertised. An OJEC notice will be issued in July/August.
	14.5				Underway. A joint EP/LBBD study of affordable housing provision across the whole of LBBD has been commissioned, with results due in July/August.  There is ongoing dialogue with the GLA about levels of affordable housing in these areas. This will be informed by the above study and the production of a housing regeneration strategy for BTC currently in draft form.
	15.	<b>SECTION 5 – HOUSING</b>			Underway.
	15.1	Ensure that all housing regeneration areas and larger sites have a genuine mix of housing types and tenures	Confirm with partners the tenure and type of dwellings that the Council will be seeking from Barking Reach/South Dagenham/Barking Town Centre and land disposal areas		Underway. Fordham Research was appointed to conduct this survey in March 2004. Fieldwork began in June with focus groups organised for June and July. Final report completed February 2005. Report to Executive will include holistic view of housing need with findings of BBP Regeneration Barking Housing Study.
	15.2		Incorporate affordable housing approach in forthcoming Local Development Framework		
	15.3		Undertake a housing needs survey		

			15.4	Monitor through the housing corporation PI compliance with the UDP/LDF and new developments compliance with the development briefs	GLA have established London-wide development monitoring system which strategic planning is feeding into.
16.	Ensure that sustainable communities are created		16.1	Define sustainable communities for LBBB in context of Egan review on the key criteria that make up sustainable communities	Underway. Reported to Regeneration Board in August. Revisions to balanced scorecard process are picking up themes.
			16.2	Develop and implement programme of Home Improvement Zones targeting vulnerable home owners, offering assistance to ensure decent homes in the private sector	Underway. The Youth Offending Team is now working in the first Zone, with £5000 put towards alley gating, ground works and tree planting. 100% of homes have been offered advice, 102 dwellings accessed surveyed and detailed advice given. 102 dwellings have been referred to the warm zone. . Second HIZ area changed to Neighbourhood Renewal Assessment (NRA) – tendered and consultant appointed. Draft of Interim Report Produced. <ul style="list-style-type: none"> <li>• The first HIZ (The Rylands) was completed in September 2004. We are now working in two other areas.</li> <li>• <b>Fanshawe Avenue</b> - Consultants have been appointed and will complete their assessment by the end of March. Fanshawe Avenue is an important gateway area. The old private sector housing in Tanner Street is surrounded by new build which is part of the Barking town centre regeneration.</li> <li>• <b>Broad Street, Dagenham</b> - consultants have been appointed to carry out a "health check" on the viability of the shops followed by option development and supplementary planning guidance. A lot of work has also been done on crime and ASB. The Digby Gardens social housing site will start soon.</li> </ul>
			16.3	Identify transport and social infrastructure and ensure it is linked to development phasing	Underway, with delays to some milestones. The work is being progressed within the context of the Thames Gateway Development and Investment Framework. Meetings held with various agencies where draft prospectus used to inform the discussion eg, TfL, UDC, ODPM.
			16.4	Undertake 'Housing Futures Appraisal' for all existing Council owned estates	Underway. The areas of synergy with the regeneration programme have been identified as the Gascoigne, Lintons, London Rd./North St. and Thames View Estates and project plans are being drawn up within the regeneration programme. PCR associates have been appointed as ITA; NBA appointed for stock condition survey. The Stock Option consultant Beha Williams Norman was appointed in March 2004. A Housing Futures forum is in place involving stakeholders. Housing and Regeneration officers are holding internal meetings to define links and project plans. 100% survey of all tenants with 20% return. Review of baseline position and milestone achieved. Report to Executive on 8 <sup>th</sup> March 2005 to report baseline figure and recommend mix and match options
17.	Ensure LBBB facilitates/encourages new housing development		17.1	Establish LBBB as key location for house builders in the Thames Gateway	Underway. We are continuing to promote opportunities to housebuilders, with the brief for the Tanner Street Triangle about to be issued. The Charlecote Road development has won four housing design awards. We intend to start work on a promotional

18.	All new affordable homes to accommodate space for learning for provide ICT connections	18.1	Develop appropriate policies on space for learning in new affordable dwellings	<p>strategy over the summer.</p> <p>The Government has decided that the UDC will take over planning powers. However, the UDC is likely to want to use local authority planning staff to carry out its planning functions and Housing and Planning will liaise to devise protocols that will protect the borough's interests in this respect.</p> <p>Underway. We have explained our policy to our partner RSLs and the policy is set out in the Barking Town Centre Interim Planning Guidance. The Balanced Scorecard for Housing Strategy sets a target of 50 homes in 2004/5. The Charlecoate Road project, the first to reflect this policy, has been completed and won 2 major design awards. Spaces for learning to be incorporated in 36 properties in CBW redevelopment.</p> <p>Underway. The Housing Strategy Balanced Scorecard sets a target for affordable homes to be broadband enabled whenever possible.</p>
		18.2	Develop appropriate policies on ICT connections for new affordable dwellings	
<b>SECTION 6 – DISTINCT ENVIRONMENT</b>				
19.	Embed a design culture in the Borough	19.1	Appoint Design Champion through recruitment programme	Achieved. An internal candidate took up post in January 2004.
		19.2	Develop a Design Programme that sets a framework for championing a design culture within the Borough	Achieved. The Regeneration Board agreed a Design Framework for the borough in March 2004, with implementation activities due to begin in the third quarter of the year. A Design Steering Group will develop the programme for 2005-06.
		19.3	Adoption of a Public Realm Strategy that sets out a long-term development framework.	Underway. £2m in ODPM sustainable Communities Fund money was secured in January 2004. The 'Barking Code' (a pallet of quality materials to be used to enhance the public realm within Barking Town Centre) and concept designs for four pilot projects agreed by the Executive in October.
20.	Improve the quality and diversity of the Borough's Parks and Green Spaces	20.1	Identification of a Borough-wide development framework that supports a sustainable programme of iconic developments	A project manager is now in place and the first pilot project outside The Broadway is nearing completion.
		20.2	Appointment of a Project Manager for the delivery of the Parks and Green Spaces Strategy	Underway. The framework will form part of the Urban Design Framework Plan and Public Realm Strategies for the borough (see above).
		20.3	Implement Parks and Green Spaces Strategy	Achieved. The Project Manager took up post end May 2004.
				Phase 1 feasibility funding secured and programme adopted. By end of qtr 3 performance to milestone targets is 59% and year end performance to targets is expected to achieve 65%. Steering Group now meets as a programme panel on a quarterly basis to review performance. From 2005-06 onwards monitoring of the Parks & Green Spaces is included in the Leisure & Community Services Division Balanced Scorecard.



**THE EXECUTIVE****8 MARCH 2005****REPORT OF THE DIRECTOR OF HOUSING & HEALTH**

<b>HOUSING FUTURES: STOCK OPTION APPRAISAL</b>		<b>FOR DECISION</b>
<p><i>This report concerns the future of the Council's housing stock and the regeneration of a number of flatted estates.</i></p>		
<p><b><u>Summary</u></b></p> <p>This report sets out the background to the Government's target and standard for achieving decent homes for all council and social housing. The report highlights the review of the stock option baseline position and suggests the recommended way forward.</p>		
<p><b><u>Recommendations</u></b></p> <p>The Executive is asked to:</p> <p>a) Agree that Model 3 set out in para. 5.12. as the route on which further analysis is undertaken including:</p> <ul style="list-style-type: none"> <li>▪ Feasibility studies on Borrowing and Private Finance Initiative.</li> <li>▪ A further 100% survey of tenants to confirm their support for the direction the Council is taking</li> <li>▪ Undertake detailed consultation with High Rise tenants</li> <li>▪ Undertake further staff briefings in April 2005</li> <li>▪ Present findings to the Housing Futures Forum in May 2005</li> <li>▪ Identifying ways in which Model 3 can become affordable</li> <li>▪ Review the viability of tenant aspirations</li> </ul>		
<p><b><u>Reasons</u></b></p> <p>The proposed model 3 will best deliver the decent homes target, tenants' aspirations and will aid delivery of the regeneration of the borough.</p>		
Contact: David Woods	Job title Director of Housing & Health	(Tel:) 0208 227 5700 (Fax:) (Minicom:) Email: <a href="mailto:david.woods@lbbd.gov.uk">david.woods@lbbd.gov.uk</a>

**1. Background****1.1 National Context**

As part of the Government's desire to link increased spending on better outcomes, a target was established to ensure that all social housing meets set standards of decency – the Decent Homes Standard (DHS). In Barking & Dagenham the development of this strategy has been branded 'Housing Futures'.

## 1.2 Barking & Dagenham Context

### 1.2.1 Mix'n'Match Solution

The result of the review of the baseline position presented to Members in July 2004 resulted in Members agreeing to a 'Mix'n'Match' solution for delivering the DHS and the wider objective of housing regeneration. This report recommends a way forward which meets with this criteria and if accepted will have significant consequences for the future management and maintenance of the Council's housing stock

### 1.2.2 Best Value

Housing Futures was set up to review the investment options established by the Government and to lever in the 'Challenge' and 'Compete' element of the review of the Landlord Services. The outcome of the Housing Inspectorate's review of Landlord Services in October 2004, graded the service '1\* with promising prospects'. In order for the division to demonstrate that it can meet tenants expectations for delivering management services in the future, they have set a target for achieving a 2\* rating by September 2005

## 2. Producing the Baseline Figure and Engaging with Stakeholders

2.1 The process has closely followed the Office for the Deputy Prime Minister guidance on Stock Option Appraisal and both the Community Housing Task Force and GOL have been involved at all stages.

2.2 Members agreed the recruitment of Beha Williams Norman Limited to act as the Council's advisors in carrying out the stock option appraisal.

2.3 An existing contract was extended in order that they carry out a 100% external survey on all high rise (over five floors) stock and 20% internal survey of stock condition.

2.4 PPCR were recruited jointly with tenants to act as the Independent Tenants' Advisor and in October 2004 a 100% Tenants' Aspirations Survey was commissioned by the Council and 20% of tenants responded. The summary of the results of this survey is attached as Appendix A. Notable highlights of this survey includes:

- 91% said that it was important for the Council to manage and maintain their homes
- 79% said it was important that their home was owned by the Council
- Top home improvements for tenants in houses and low rise is new kitchens and bathrooms
- Top home improvements for high rise tenants is security and improved communal areas

2.5 Other factors to consider when determining the baseline figure are the affects of rent restructuring as well as the wider regeneration of the borough. Members have agreed that identifying housing regeneration areas is part of the strategy for meeting the Decent Homes Standard. These schemes are being worked on and proposals will be presented to Members at the appropriate times. Housing Renewals Areas current under consideration include:

- The Gascoigne
- The Lintons
- London Road / North Street
- Cadiz Court
- Eastern End Thames View
- Marks Gate - Padnall Court / Reynolds Court

2.6 In terms of consultation and involvement of key stakeholders, Members and Tenants agreed to a framework of consultation and involvement and this was also approved and signed off ODPM in October 2004. Key groups involved in the day to day steering of the project include:

- Housing Futures Forum – the commission set up to investigate the options and recommended the proposed solution.
- The Housing Futures Residents' Forum – chaired and led by tenants representing the six community housing partnerships.
- Staff Forum – represented by a full range of staff and unions

### **3. Decent Homes Standard**

3.1 A decent home meets the following four criteria

- i. It meets the current minimum standard for housing
- ii. It is in a reasonable state of repair
- iii. It has reasonably modern facilities and services, has a minimum of four out of six of the following criterion:
  - Kitchen 20 years old or less
  - Kitchen with adequate space and layout
  - Bathroom 30 years old or less
  - Appropriately located bathroom and WC
  - Adequate noise insulation; and
  - Adequate size and layout of common entrance areas for blocks of flats
- iv. It provides a reasonable degree of thermal comfort

3.2 The Decent Homes Standard is very basic and does not take into consideration many of the aspirations that tenants said they wanted for their homes and environment. Appendix B outlines what tenants would get under the Council's Housing Futures Standard, which replaces the Council's Decent Homes Plus Standard which was produced with tenant and Member support in 2001.

3.3 To achieve sign off by GOL our Housing Futures plan must show how the Council proposes to meet the DHS by 2010, and the extent to which Tenants Aspirations will be met through the plan. This is in addition to showing that the ODPM guidance has been followed.

### **4. Progress to Date**

4.1 In July 2004, officers presented the baseline figure to a Pre-Assembly meeting and the Housing Futures Forum, which took into consideration the outcome of the stock condition survey. The result was a financial shortfall of around £25million. Since that time officers have undertaken a great deal of investigatory work to find out what

the tenants' aspirations were and their costs, and the impact of housing regeneration.

4.2 The existing Community Housing Partnership structure forms the basis of stakeholder involvement and consultation. The options appraisal process places a requirement on the Council to produce, along with its stakeholders, a strategy for ongoing involvement and communication.

4.3 Tenants (which includes leaseholders)  
The Tenant Empowerment Strategy was produced in alignment with the Tenant Participation Compact 2004. The Housing Futures Residents' Forum (HFRF), chaired by an elected CHP Board tenant, has been meeting on a fortnightly basis in order to be kept abreast of project progress and ensure continuous involvement. The HFRF informed the development and final version of the tenants' aspiration survey and played a key role in the link between the project and the CHP Boards. The HFRF are also fully represented on the Housing Futures Forum (HFF), as is the Independent Tenants' Advisor (ITA) where they have been able to benefit from capacity building seminars, have been included in decisions regarding the project direction and provided the HFF with useful feedback on their own investigations around the options and estate walkabouts. Tenants have had ongoing access to free advice from the ITA's free telephone advice service.

4.4 Members  
Members are represented on the high level Housing Futures Forum (HFF) by the Executive lead members for Regeneration and Housing, Health and Adult Care. Scrutiny recommended a further Member to sit on the HFF. The HFF is chaired by the Director of Housing & Health. Members have also been informed, consulted and involved in the project through use of Member Matters, Pre-Assembly, Executive reports and ward member meetings.

4.5 Staff  
The purpose of the Staff Forum is to enable continuous consultation with Housing & Health and Housing Benefits staff. It is made up of a cross section of all Landlord Services staff at all levels, with a representative range of minority staff by gender, ethnicity and disability. It is chaired by the Head of Human Resources. All of the trade unions are also represented on the Staff Forum. As with tenants and Members, staff, under the guidance of the Council's advisors and senior housing officers, have had presentations on the stock option appraisal process, the Council's financial position and have been involved in the production of the staff aspirations survey. A significant number of staff briefings and seminars have been held (and highly attended) throughout the project and Staff Forum members attended the borough wide bus tour to gain insight into the range of stock and related issues. A freephone telephone line is available for all staff to discuss Housing Futures.

4.6 Wider stakeholder group  
Involvement of the wider stakeholder group was identified and agreed at a report submitted to Executive in September 2004, which outlined the general process of involvement and communication. Articles have been submitted in the Citizen magazine which targets a much broader stakeholder group. In addition, a presentation was given to the Barking and Dagenham Partnership in the summer of

2004, which outlined the Housing Futures project and how it linked to the wider community issues in the Borough.

#### 4.7 Summary of Tenants' Aspiration Survey Views about the Homes

4.7.1 The majority of tenants say that their homes are well maintained (56%) and well managed (58%). The top three priorities for the home is that their homes are properly repaired and maintained (96%), rents are kept affordable (95%) and that their home is managed and maintained by the Council (91%).

4.7.2 There were very different home improvement priorities by high rise tenants compared to other tenants. Their top three priorities are improvements in security and communal areas followed by a shower over a bath. Tenants living in houses, bungalows and low rise blocks said that they want new kitchens and bathrooms and shower over bath.

4.7.3 Many other aspirations were requested that are not covered by the Decent Homes Standard. For example, 98% of tenants feel that dealing with anti social behaviour is their number one priority. Dealing with parking on estates and graffiti removal are other aspirational areas.

### 5. Cost of meeting Decent Homes and the Implications

5.1 Paragraph 3 of this report clearly outlines what the Council must be able to deliver by 2010 in order to achieve sign off from the Government Office for London. However, this has been made more complex by the differences in housing repairs required to different stock e.g. high rise flats compared with houses, and the degree to which the Council is able to respond to the tenants' aspirations.

5.2 In the light of the changing picture from the development of the base case through to the addition to Tenants Aspirations and the application of the various options for achieving a Housing Futures plan three representative models have been produced. These are set out in the following paragraphs. In each case the following three important assumptions have been taken into account. These were not included in the original model for the development of a base case:

- First is that 50% of right to buy receipts are re-invested in housing throughout the lifetime of the plan. This is:

2008/09		2012/13	£13.9m
2013/14		2017/18	£15.1m
2018/19		2022/23	£18.2m
2023/24		2027/28	£20.1m
2028/29		2032/33	£21.0m
2033/34			£ 4.5m

If capital receipts are used for housing purposes, they would not be available for other services like schools, social services, cleaner greener safer, regeneration.

- £1.6m of the Community Housing Partnership annual budget for liveability is used to deliver Decent Homes Plus.
- 75% of leaseholder costs are recovered when they fall due.

5.3 Model 1 explains the revised base case position for delivering the core standard. At this stage no allowance has been made for any stock losses due to regeneration schemes with exception of the Lintons. Model 2 explains the position with the cost of tenants aspirations added to the base case. In this instance all kitchens and bathrooms would be renewed when they fall due and door security will be provided. Roofs and electrical rewiring will be replaced when necessary etc.

5.4 Model 3 is an attempt to show the effect which 6 regeneration schemes would have together with the refurbishment of 20 remaining high rise blocks through a PFI programme.

The significance of each of these models is briefing explained below.

#### 5.5 Model 1

Members will see from the attached chart that the revised base position shows the Housing Revenue Account to be in balance for the life of Housing Futures i.e. a minimum of 25 years up to 2030 and that the Council can meet the capital cost of decent homes with a surplus of £12.8m.

If Members agree that the assumptions which underpin this model are reasonable then it is clear that the Council will have no case for applying for Arms Length Management Organisation (ALMO) status other than in exceptional circumstances. ALMO funding is intended to deliver the Decent Homes Standard with an allowance of 5% to cover Tenants Aspirations. It can be shown from this model that the Council will have no deficit in meeting the Decent Home Standard and therefore that an ALMO application could not be substantiated. Advice from the Office of the Deputy Prime Minister is that an ALMO application could only be made in these circumstances if meeting the Decent Homes Standard would use so much of that Council's capital resources that they were unable to meet other statutory obligations in areas such as Education, Social Care, Leisure etc. The assumptions and summarised financial analysis for Model 1 is attached as Appendix C.

#### 5.6 Model 2

Shows that when the cost of Tenants' Aspirations are added to the base model that the capital shortfall becomes some £68.6m i.e. an additional cost of about £81.4m over the base case. The Housing Revenue Account remains in balance at 2010 but goes into deficit by around 2031. See Appendix D.

5.7 Given that Tenants' Aspirations cannot be met within the Council's resources, making reasonable assumptions as set out in Model 2, we have to consider the alternatives of Large Scale Voluntary Transfer, Private Finance Initiative and Prudential borrowing.

5.8 Large scale voluntary transfer would deliver the scale of improvements needed by tenants, but from the Tenants Aspirations Survey and the contribution made by the Tenants' Forum to Housing Futures it is clear that a very large majority of tenants believe it to be important that the Council remains their landlord. In these

circumstances it would seem inappropriate to rely on Large Scale Voluntary Transfer as a major plank of our Housing Futures policy. As such we will be forgoing the investment opportunity that Large Scale Voluntary Transfer gives.

5.9 Private Finance Initiative – the Private Finance Initiative would allow the Council to transfer appropriate risk to the private sector and receive PFI credits from the Government to help pay for improvements. PFI can deliver the sort of improvements which tenants have asked for. The greatest risk for the Council in refurbishing and maintaining the housing stock relates to high rise. This is partly because of the construction of high rise flats, the multiplicity of services within the buildings, their poor physical condition and the cost of carrying out major works which often include scaffolding etc. Private Finance is likely to be most successful when linked to regeneration or new build schemes such as the estate regeneration schemes which the Council has identified as being a priority over the next few years. The majority of Private Finance Initiatives (PFI) have resulted in the management of the stock being responsibility of the PFI consortium, although our preference would be to retain the management.

5.10 Prudential borrowing – this is a relatively new power which allows the Council to borrow provided that it can afford to repay the loan over a reasonable period. Borrowing to carry out work to low risk such as houses and low rise flats could play an important part in a mix and match solution as envisaged by the Council. The council has been debt free and does not currently exercise its powers to undertake supported borrowing.

#### 5.11 Model 3

This model proposes a way forward in principle for meeting the DHS and all six elements of modern facilities, tenants' aspirations and our housing regeneration objectives for the borough. It fits with the vision of a Mix'n'Match solution that takes into consideration the scale of urgency behind the need to modernise our high rise stock as well as meet the differing needs of our other tenants. It identifies the role and extent to which a mix of self financing, developer investment and government investment through the Private Finance Initiative can play in the process of meeting the Tenants' Aspirations and revitalization of the Council's stock and communities. However, this still leaves a shortfall of £28.4 million as at 2010. The availability of other resources will need to be identified to bridge this gap, including the possibility of borrowing, with the implications identified above.

It should also be noted that by 2033/34 the shortfall is £121m. Any borrowing to fund HRA capital would have an impact on the General Fund, as the General Fund acts as the "banker", and this will need to be fully assessed. It should also be noted that in Model 3 (appendix E) that the HRA has an annual deficit of approaching £4m, this is before any cost of borrowing. Consideration will need to be given as to how the revenue account can be brought into surplus over the 30 year period. It should be noted that this option would not be funded based on the current assumptions.

The assumptions and summarised financial analysis for Model 3 is attached as Appendix E.

5.12 Set out in table 1 is an analysis of the Tenants Aspirations and the applicability of each of the stock options for meeting these.

**Table 1. Tenants' Aspirations and the Options Balanced Scorecard**

MODEL	Investment Option	Self Finance	Developer	PFI *	Stock Transfer	ALMO **
	Investment deliverables					
<b>1 Must Do</b>	Hit Basic Decency Standard (4 out of 6 modern facilities)	✓	Not appropriate	Not appropriate	✓	Not appropriate
<b>2 Meets Some but not all Aspirations</b>	As above and New Kitchens and Bathrooms (all modern facilities) and Tenants Aspirations e.g. improved security	✓ Consider Loan from year 07/08	Not appropriate	✓	✓	Possible if essential services affected
<b>3 Meets all aspirations</b>	As above and regenerate 6 housing renewal areas, High Rise PFI solution	✗	✓	✓	✗ doesn't meet tenants' aspiration that LBBd own stock	✗
	Score	2	1	2	2	1

\* LBBd management of stock may not be considered as part of the bid

\*\* Subject to Landlord Services reaching 2\* status

## 6. Implications of the Recommended Options

### 6.1 Legal

It is clear that a major undertaking will have to be made to ensure clarity of land ownership and understanding the financial complexities behind the proposed options. This will be needed in order to present a robust recommendation to Members in late May / early June 2005.

### 6.2 Human Resources

The impact on staff will result in the need for the production of a Change Management Strategy which will investigate staff training and development requirements as well as what the staffing implications would be for each of the models. This matter will be undertaken jointly with staff and the Unions in the Staff Forum.

### 6.3 Service Delivery

The selected model will need to demonstrate in what ways it will improve on the quality of the service being delivered and value for money. The Housing Futures project is working very closely with all key stakeholders including Thames Accord, who will be affected by the chosen model. Front line staff will continue to be invited to Staff Briefings in order to be kept involved with progress of the project and to be able to deal with any basic enquiries from tenants.



#### 6.4 Performance Management

As a result of the Best Value Inspection October 2004, Landlord Services has committed itself to achieving a 2 \* rating in the review due in September 2005. This will establish that the Landlord Services can deliver the tenants' aspirations for management of the stock. In addition, Landlord Services would need to position itself as an attractive partner for a PFI consortium. The 2 \* rating would aid in providing Landlord Service with the necessary competitive advantage.

#### 6.5 Financial

The combination of options produces a variety of financial challenges for the Council. Each model produces a different financial outcome which justifies the model selected. Discussions will take place in the next two months with external and internal financial experts to ensure that the financial modelling for each model stands up to scrutiny and conforms to Accounting requirements.

#### 6.6 Tenants and Leaseholders

The suggested way forward, Model 3, has been given full support by tenant representatives who attended the Housing Futures Forum on 9 February 2005. The options presented to tenants included the following justification:

- Stock Transfer does not have tenant support as shown by the Tenants' Aspirations Survey. Tenants agreed at the meeting that this option should be rejected.
- ALMO could not be justified because the Council can meet the DHS out of its own finances. However, this option should be parked with the proviso that if use of the Council's own finances has a detrimental affect on our ability to deliver other essential services, then this option would need to be revisited as per Model 2. It was agreed therefore to hold in abeyance this option.
- All members of the Housing Futures Residents Forum supported Model 3, the Mix'n'Match solution, as the preferred way forward.

It is proposed that a further 100% survey is undertaken to ensure that all tenants have the opportunity to give their views on the way forward. A survey designed specifically for tenants living in high rise accommodation which will see if we have arrived at the right solution for that stock i.e. PFI will be carried out.

### 7. Conclusion

- 7.1 The outcome of the 2004/05 Housing Stock Option Appraisal indicates that the Council can meet the core standard i.e. the requirement for Decent Homes plus other essential landlord maintenance from within its own resources. The Council cannot though meet the cost of Tenants' Aspirations in addition to the Decent Homes Standard. This means that the Council has to consider one of the other options for funding the difference i.e. Arms Length Management Organisation (ALMO), Large Scale Voluntary Transfer (LSVT), Private Finance Initiative (PFI) or Prudential borrowing.

As the Council can meet the Decent Homes Standard from within its own resources it would be unlikely to achieve ALMO status unless meeting the Decent Homes Standard would put such a drain on the Council's capital resources that it was unable to meet its other obligations in areas such as Education, Social Care, Leisure etc. In addition ALMO funding provides only 5% above the cost of Decent

Homes Standard and the cost of meeting Tenants Aspirations in this Borough is approximately £80m in addition to Decent Homes cost of £165m – a sum which would not be covered by ALMO funding.

7.2 It is proposed that Stock Transfer not be pursued because the findings of the Tenants' Aspirations Survey showed that there was very little support for Council stock to be 'managed and owned' by anyone else.

7.3 Consultation with the Housing Futures Forum produced a unanimous view that model 3 is the way forward.

7.4 It is recommended that we go forward on the following basis:

- regenerate the 6 housing renewal areas:
  - The Gascoigne
  - The Lintons
  - London Road / North Street
  - Cadiz Court
  - Eastern End Thames View
  - Marks Gate - Padnall Court / Reynolds Court
- Retain the stock with the option to undertake Prudential Borrowing to be considered
- Pursue PFI as a high rise stock solution
- Revisit ALMO if the affect of borrowing would have a detrimental affect on other essential services

7.5 Outcomes for Model 3:

- Meets the Decent Homes, Tenants Aspirations, and Housing Renewal standards
- Addresses localism and is a neighbourhood solution
- High Rise - targets the most difficult stock and maximises transfer of highest risk
- Fits with the Council's Regeneration programme and Community priorities
- Maximisation of investment opportunities through a mix of financial solutions with scope for review

## **8. Next Steps**

8.1 Pending the outcome of this report, officers will complete Phase II of the project plan by:

- Surveying 100% of all tenants to test their opinion on the proposed way forward
- Undertake further consultation with high rise tenants
- Undertake further staff briefings informing them of the proposed way forward
- Present final findings to Housing Futures Forum in May
- Return to Members in May/early June for final decision
- Prepare sign off with the Government Office for London by June 2005

8.2 The following were consulted:

- Director of Finance,
- Solicitor to the Council,
- Housing Futures Forum

Summary of Tenants' Aspirations Survey Results

Data Capture Set	Element	Element Standard		Rank	Affected Budgets		Tenants Choice Affected?	Housing Option			
		DH	IS		Mgmt	Maint.		Stock Transfer	ALMO	PFI	Retain/ Own finances
Views about home				Level of Satisfaction							
	Home well maintained by LBBD	Y	Y			Y	Y		Y		Y
	Home well managed by LBBD	Y	Y			Y	Y		Y		Y
	Standard of heating	Y		1			Y		Y		Y
	Standard of windows	Y		2			Y		Y		Y
	Standard of caretaking		Y	3		Y			Y		Y
	Standard of kitchen	Y		4			Y		Y		Y
	Standard of bathroom	Y		5			Y		Y		Y
Priorities for the Home				Level of Importance							
	Rent kept affordable			95		Y	Y		Y		Y
	Properly repaired & maintained	Y	Y	96		Y	Y		Y		Y
	Managed & Maintained by LBBD	Y	Y	91		Y	Y		Y		Y
	Legal rights, protection of tenancy			89		Y	Y		Y		Y
	Owned by the Council			79					Y		Y
	Modernised & improved in 5 yrs	Y	Y	85		Y	Y		Y		Y
	Modernised & improved in 10 yrs	Y	Y	77		Y	Y		Y		Y
	Outside painted regularly		Y	71			Y		Y		Y
Home Improvements				Level of Want							
	New Kitchen		Y	69		Y	Y		Y		Y

New Bathroom		Y	68	2		Y		Y		Y		Y
Shower over bath		Y	67	3		Y		Y		Y		Y
Security improvements		Y	63	4		Y	Y	Y		Y		Y
Communal area improvements		Y	61	5		Y	Y	Y		Y		Y
Rewiring	Y		46	6		Y		Y		Y		Y
Roofs and external walls	Y	Y	36	7		Y		Y		Y		Y
Lift Renewals	Y		19	9		Y		Y		Y		Y
Double glazing & new w/frames	Y	Y	13	8		Y		Y		Y		Y
Central heating	Y		10	10		Y		Y		Y		Y
<b>Home Improvements Sub Group Variations</b>			<b>High Rise</b>									
Security improvements		Y	84	1		Y	Y	Y		Y		Y
Communal area improvements		Y	79	2		Y	Y	Y		Y		Y
Shower over bath		Y	79	3		Y		Y		Y		Y
Lift Renewals		Y	73	4		Y		Y		Y		Y
New Kitchen		Y	77	5		Y		Y		Y		Y
New Bathroom		Y	77	6		Y		Y		Y		Y
Double glazing & new w/frames	Y	Y	64	7		Y		Y		Y		Y
Central heating	Y		38	8		Y		Y		Y		Y
<b>Service and Facilities</b>			<b>level of Importance</b>									
Outside lighting		Y	80	1		Y		Y		Y		Y
Security		Y	71	2		Y	Y	Y		Y		Y
Maintaining the gardens		Y	61	3		Y		Y		Y		Y
Help with Housing Benefits		Y	59	4		Y	Y	Y		Y		Y
Shower facilities		Y	57	5		Y		Y		Y		Y
Social alarm call system		Y	47	6		Y	Y	Y		Y		Y
Social facilities/activities		Y	44	7		Y	Y	Y		Y		Y
Level of cover from wardens		Y	35	8		Y	Y	Y		Y		Y
Communal facilities		Y	19	9		Y	Y	Y		Y		Y

Leaseholders Issues											level of Importance	
											96	
Council Property repairs & Maint.	Y			Y	Y	Y	Y	Y			Y	Y
Terms of lease is protected									Y		Y	Y
Service charge reflected in service				Y	Y					Y	Y	Y
Informed of when repairs to be done				Y	Y					Y	Y	Y
Current level of service improved				Y	Y					Y	Y	Y
Current level of service maintained	Y			Y	Y					Y	Y	Y
Council retains freehold				Y	Y					Y	Y	Y
Views about Area											Level of Importance	
											98	
Anti-social behaviour dealt with	Y			Y						Y	Y	Y
Open spaces well maintained	Y			Y	Y						Y	Y
Communal areas well maintained	Y			Y	Y						Y	Y
Graffiti is removed quickly	Y			Y						Y	Y	Y
Parking on estates is improved	Y			Y	Y						Y	Y
Parking on estates is controlled	Y			Y	Y						Y	Y
Priorities for the Housing Service											Level of Importance	
											96	
Higher standard of repairs	Y					Y					Y	Y
Providing more affordable homes to rent								Y			Y	Y
Having more of say in how the service is run	Y					Y					Y	Y
Higher standard of caretaking	Y					Y					Y	Y

**The Housing Futures Standard**

- Similar to the Council's 2001 Decent Homes Plus Standard
- What tenants get now plus:
  - Re-roofing
  - Central heating
  - Double glazed windows
  - New kitchen
  - New bathroom//shower over bath
  - Improved security – e.g. concierge to every tower block, improved lighting, CCTV, Door Entry Systems
  - Lift renewals
  - Modernised & improved homes in 5 – 10 years
  - Improved standards of caretaking
  - Improved response to dealing with anti-social behaviour
  - Improved & controlled parking on estates

**Model 1 Assumptions & Summarised Analysis**

Assumptions:

- No regeneration schemes (except The Lintons)
- No kitchens & bathrooms
- No aspirations works
- Central support costs Y1 £250K, Y2 £500K, Y3 750K, Y4+ £1million
- Cyclical Repairs Y1 – 4 £1million Y5+ £0
- Leaseholder recovery 75%
- Right to Buy useable capital receipts Y5+ 50%
- CHPs £750K

Model 1		LB BARKING & DAGENHAM			HRA PROJECTIONS			£'000		£'000
Yr	Net Rent	Other Income	Sup & Maint Expend	Response Repairs	Other Costs	RCCO	Surplus / (Deficit)	HRA Balance	Major Repairs	Cumm Shortfall
1	2004.05	63,919	4,119	(21,895)	(18,678)	(1,000)	196	2,256	(20,476)	8,601
2	2005.06	64,398	4,655	(22,313)	(21,109)	0	708	2,964	(19,794)	23,866
3	2006.07	65,788	5,189	(23,271)	(21,391)	0	469	3,433	(18,958)	25,661
4	2007.08	68,642	5,738	(24,331)	(21,768)	0	1,252	4,685	(22,024)	24,292
5	2008.09	69,404	6,297	(25,020)	(21,145)	0	711	5,396	(19,403)	21,540
6	2009.10	71,131	6,876	(25,474)	(20,520)	0	1,093	6,489	(23,592)	14,865
7	2010.11	72,936	7,470	(25,855)	(20,418)	0	1,000	7,489	(18,997)	12,785
21	2024.25	90,998	10,342	(31,953)	(25,348)	0	1,526	24,675	(13,869)	80,739
22	2025.26	92,335	10,600	(32,452)	(25,735)	0	1,727	26,402	(14,023)	87,095
23	2026.27	93,669	10,865	(32,960)	(26,123)	0	1,846	28,248	(14,176)	93,598
24	2027.28	94,999	11,137	(33,477)	(26,509)	0	1,961	30,209	(14,329)	100,251
25	2028.29	98,145	11,415	(34,004)	(26,894)	0	3,892	34,101	(14,480)	107,056
26	2029.30	97,734	11,646	(34,542)	(27,303)	0	1,756	35,857	(35,605)	92,536
27	2030.31	99,228	11,937	(35,090)	(27,737)	0	1,120	36,978	(35,973)	77,938
28	2031.32	100,723	12,236	(35,649)	(28,171)	0	381	37,359	(36,338)	63,298
29	2032.33	102,218	12,542	(36,217)	(28,606)	0	(369)	36,990	(36,698)	48,621
30	2033.34	103,713	12,855	(36,797)	(29,040)	0	(1,132)	35,858	(37,054)	33,915

**Model 2 Assumptions & Summarised Analysis**

Assumptions:

- No regeneration schemes (except The Lintons)
- Kitchens & bathrooms renewed
- Tenants' aspirations carried out e.g. security
- Central support costs Y1 £250K, Y2 £500K, Y3 750K, Y4+ £1million
- Cyclical Repairs Y1 – 4 £1million Y5+ £0
- Leaseholder recovery 75%
- Right to Buy useable capital receipts Y5+ 50%
- CHPs £750K

Yr	LB BARKING & DAGENHAM				HRA PROJECTIONS				£'000	
	Net Rent	Other Income	Sup & Maint Expend	Response Repairs	Other Costs	RCCO	Surplus / (Deficit)	HRA Balance	Major Repairs	Cumm Shortfall
1 2004.05	63,919	4,119	(21,895)	(18,678)	(26,421)	(1,000)	44	2,104	(29,561)	(1,484)
2 2005.06	64,398	4,655	(22,313)	(21,109)	(25,508)	0	124	2,228	(33,504)	(1,484)
3 2006.07	65,788	5,189	(23,271)	(21,391)	(26,814)	0	(500)	1,728	(32,833)	(11,009)
4 2007.08	68,642	5,738	(24,331)	(21,768)	(28,097)	0	185	1,912	(37,909)	(28,264)
5 2008.09	69,404	6,297	(25,020)	(21,145)	(29,851)	0	(316)	1,596	(28,145)	(39,758)
6 2009.10	71,131	6,876	(25,474)	(20,520)	(31,801)	0	213	1,809	(33,621)	(56,463)
7 2010.11	72,936	7,470	(25,855)	(20,418)	(33,873)	0	260	2,069	(29,001)	(68,546)
21 2024.25	90,998	10,342	(31,953)	(25,348)	(44,428)	0	(389)	1,741	(15,657)	(64,605)
22 2025.26	92,335	10,600	(32,452)	(25,735)	(45,008)	0	(260)	1,480	(15,829)	(60,054)
23 2026.27	93,669	10,865	(32,960)	(26,123)	(45,665)	0	(214)	1,267	(16,000)	(55,375)
24 2027.28	94,999	11,137	(33,477)	(26,509)	(46,322)	0	(172)	1,095	(16,170)	(50,563)
25 2028.29	98,145	11,415	(34,004)	(26,894)	(46,977)	0	1,685	2,780	(16,338)	(45,616)
26 2029.30	97,734	11,646	(34,542)	(27,303)	(48,050)	0	(515)	2,265	(36,982)	(61,513)
27 2030.31	99,228	11,937	(35,090)	(27,737)	(49,545)	0	(1,207)	1,058	(37,362)	(77,501)
28 2031.32	100,723	12,236	(35,649)	(28,171)	(51,140)	0	(2,001)	(943)	(37,738)	(93,541)
29 2032.33	102,218	12,542	(36,217)	(28,606)	(52,484)	0	(2,547)	(3,490)	(38,109)	(109,629)
30 2033.34	103,713	12,855	(36,797)	(29,040)	(53,513)	0	(2,782)	(6,273)	(38,475)	(125,757)



**Model 3 Assumptions & Summarised Analysis**

Assumptions:

- Regeneration schemes – 6 Housing Renewal Areas
- High Rise PFI investment
- Kitchens & bathrooms renewed
- Tenants' aspirations carried out e.g. security
- Central support costs Y1 £250K, Y2 £500K, Y3 750K, Y3+ £750K
- Cyclical Repairs revenue £0 from Y2 (capitalised)
- Leaseholder recovery 75%
- Right to Buy useable capital receipts Y5+ 50%
- CHPs £750K

Model 3		LB BARKING & DAGENHAM				HRA PROJECTIONS				£'000	
Yr	Net Rent	Other Income	Sup & Maint Expend	HRA Response Repairs	Other Costs	RCCO	Surplus / (Deficit)	HRA Balance	Major Repairs	Cumulative Shortfall	
1	2004.05	63,919	4,119	(21,895)	(19,018)	(26,355)	(1,000)	1,829	(24,185)	4,891	
2	2005.06	64,398	4,655	(22,313)	(19,484)	(25,275)	0	3,812	(30,678)	9,273	
3	2006.07	65,061	5,170	(23,039)	(19,541)	(26,448)	0	5,015	(23,394)	6,632	
4	2007.08	66,994	5,039	(22,108)	(18,197)	(30,352)	0	6,390	(29,309)	(2,957)	
5	2008.09	67,739	5,491	(22,509)	(18,525)	(31,951)	0	6,636	(20,399)	(7,901)	
6	2009.10	69,427	5,961	(22,916)	(18,864)	(33,629)	0	6,614	(25,570)	(17,922)	
7	2010.11	63,738	5,479	(20,578)	(16,471)	(33,252)	0	5,530	(24,819)	(28,401)	
21	2024.25	78,386	7,476	(25,354)	(19,733)	(43,010)	0	(8,020)	(15,014)	(46,085)	
22	2025.26	79,391	7,663	(25,745)	(19,958)	(43,650)	0	(10,320)	(15,141)	(44,967)	
23	2026.27	80,385	7,854	(26,142)	(20,179)	(44,345)	0	(12,746)	(15,265)	(43,767)	
24	2027.28	81,366	8,051	(26,546)	(20,394)	(45,037)	0	(15,307)	(15,386)	(42,483)	
25	2028.29	83,899	8,252	(26,958)	(20,603)	(45,727)	0	(16,444)	(15,503)	(41,112)	
26	2029.30	83,371	8,404	(27,379)	(20,829)	(46,637)	0	(19,514)	(32,655)	(57,183)	
27	2030.31	84,482	8,614	(27,807)	(21,074)	(47,574)	0	(22,873)	(32,899)	(73,312)	
28	2031.32	85,583	8,830	(28,244)	(21,315)	(48,406)	0	(26,425)	(33,135)	(89,463)	
29	2032.33	86,674	9,050	(28,688)	(21,550)	(49,242)	0	(30,180)	(33,363)	(105,628)	
30	2033.34	87,753	9,277	(29,141)	(21,779)	(50,079)	0	(34,149)	(33,580)	(121,798)	

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**THE EXECUTIVE****8 MARCH 2005****REPORT OF THE DIRECTOR OF HOUSING & HEALTH**

<b>MORE CHOICE IN LETTINGS</b>	<b>FOR DECISION</b>	
<i>This report concerns policy issues affecting the Council and its rehousing services.</i>		
<b>Summary</b>		
<p>The Executive received reports on 9 November and 21 December 2004 in respect of More Choice in Lettings (MCIL) and agreed to adopt a new allocations policy, practice and procedures with effect from 1 April 2005. This is the final report prior to implementation, which covers miscellaneous items and minor amendments to complete the transition from a points system to more choice to empower housing applicants.</p>		
<b>Recommendation</b>		
The Executive is asked to agree		
<ol style="list-style-type: none"> <li>1. An annual review of the More Choice in Lettings Register.</li> <li>2. An amendment to the Key Worker Policy to ensure the scheme is open to employees resident in the Borough, as well as non-residents.</li> <li>3. The policy gives the Council the right to make direct offers to More Choice in Lettings applicants to whom there is an ongoing duty under homelessness legislation.</li> <li>4. To retain the existing criteria for assessing the size of accommodation an applicant can bid for, as indicated in para 5.</li> <li>5. To include in the MCIL policy that the Council does not operate blanket policies as set out in para 6.</li> <li>6. That the Council reserves the right to limit bids on certain properties that require sensitive letting, and support sustainable communities.</li> </ol>		
<b>Reason</b>		
<p>The proposals will bring about the realisation of the More Choice in Lettings policy in accordance with best practice, compliance with legislation and best address local housing needs and circumstances.</p>		
<b>Contact:</b> Anne Baldock	Project Leader Homelessness and Rehousing	Tel: 020 8227 5186/2210 Fax: 0208 227 5595 Minicom : 020 8227 5755 Email: <a href="mailto:anne.baldock@lbbd.gov.uk">anne.baldock@lbbd.gov.uk</a>

## **1. Background**

- 1.1 The Executive on 9 November and 21 December 2004 agreed the new allocations policy 'More Choice in Lettings' and associated allocations procedures (Minutes 180 and 234 respectively). The scheme to be implemented on 1 April 2005 replaces a complex points system and complies with the amendments to Part VI of the Housing Act 1996, introduced by the Homelessness Act 2002.
- 1.2 This final report prior to implementation of the new allocations procedure addresses several miscellaneous issues and minor amendments. Appendix A attached contains the proposed final criteria.

## **2. Review of the More Choice in Lettings Register**

- 2.1 It is proposed that a review of each application is carried out annually on the anniversary of the application. This will keep the data accurate and valid and is good practice. This procedure needs to be published as part of the Council's policy.

## **3. Key Worker Policy for Council Employees**

- 3.1 The procedure agreed on the 21 December 2004 in respect of key workers included the criterion that employees not be resident in the Borough. This should be removed, as it would disadvantage key workers resident in the Borough.

## **4. Reserve the Right to Make Direct Offers**

- 4.1 Homeless applicants to whom the Council has an ongoing duty (from Part VII Housing Act 1996 as amended by the Homeless Act 2002) may receive a direct offer of council accommodation, if they have failed to make a bid for a suitable property within one year of the duty arising.
- 4.2 The decision as to whether a direct offer will be made will take account of the availability and location of vacant properties advertised throughout the period and any extenuating factors which have resulted in the applicant failing to bid.
- 4.3 In the event that the Council determine that the applicant has chosen not to bid for suitable property, preferring to remain in the accommodation provided under the legislation, a direct offer may be made. If this offer is rejected but deemed to be suitable, the Council may discharge its duty under the Act.

## **5. Criteria for Assessing the Size of Accommodation an Applicant Can Bid For**

- 5.1 The criteria for assessing the size of accommodation an applicant can bid for that was included in the report agreed by the Executive on 9 November 2004 was an earlier version inadvertently included.
- 5.2 It is recommended that the existing size criteria, with the following two minor amendments, be retained (see Appendix A):

- (a) Subject to availability the Council may make a direct offer of high rise property above the 5<sup>th</sup> floor to applicants with access to children which may be larger than their assessed need.
- (b) Assessments for households including pregnant women will take account of the unborn child when assessing bedroom size.

## **6. Amendments to criteria supporting the policy**

- 6.1 The policy agreed by the Executive on 9 November 2004 included a qualification in relation to Local Connection which stated “The applicant has family connections of special circumstances that require him/her to live locally”, and will be taken into account. This wording was inadvertently omitted from the appendix to that report.
- 6.2 In respect of ‘Property ownership and profits’, the wording of this section is to be changed to any applicants who are owner occupiers or have more than £50,000 in assets may have their priority reduced if they successfully bid for accommodation, and have alternative housing solutions available to them. This includes applications from elderly owner occupiers and supersedes the policy.
- 6.3 In order to be compliant with legislation the Council must not adopt a blanket policy. The policy should therefore include a statement that where an applicant does not meet the criteria a case assessment will be carried out and due consideration will be given in extenuating circumstances. Such decisions should be made with delegated authority by the Head of Service.

## **7. Limit bids on certain properties to ensure sensitive letting**

- 7.1 In certain circumstances, in the role of landlord the Council will need to ensure a sensitive letting is made to a particular type of property. This may for example refer to age or gender of an applicant. In order to effectively manage the stock and sustain communities, the Council reserve this right within More Choice in Lettings Allocations Policy.

## **8. Conclusion**

- 8.1 Due to the scale and scope of the project of managing the transition from a complex points system to More Choice in Lettings, it has proved necessary to report to the Executive in stages as work has progressed.
- 8.2 Subject to the approval of the report’s recommendations a single allocations document will be published incorporating all the policy and procedures agreed in respect of More Choice Lettings. This will be circulated to Members and an abridged version will be available for the public.

### **The following Background Papers were used in the preparation of this report: -**

More Choice in Lettings Executive Reports: 9 November 2004 and 21 December 2004.

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**TABLE OF BEDROOM ELIGIBILITY**

SINGLE APPLICANT	BEDSIT
SINGLE APPLICANT/COUPLE WITHOUT CHILDREN	1 BEDROOM
PREGNANT WOMEN (EXPECTING FIRST CHILD) CHILDLESS COUPLES RELEASING LARGER HOUSE PARENT/S WITH ONE CHILD PARENT/S WITH TWO CHILDREN (SAME SEX) TWO ADULTS (IE; SIBLINGS)	2 BEDROOMS
PARENT/S WITH TWO CHILDREN OF DIFFERENT SEX PARENT/S WITH TWO CHILDREN PLUS PREGNANT PARENT/S WITH THREE CHILDREN  PARENT/S AND FOUR CHILDREN  (DUE TO THE SCARCITY OF FOUR BEDROOM PROPERTY PARENT/S WITH FIVE CHILDREN OR MORE WILL ALSO RECEIVE CONSIDERATION FOR LARGER 3 BEDROOM PROPERTY WITHIN THE PERMITTED NUMBER)	3 BEDROOMS  3 BEDROOM PARLOUR
PARENT/S AND 5 - 6 CHILDREN  PARENT/S AND 5-7 CHILDREN	4 BEDROOMS  4 BEDROOM PARLOUR
PARENT/S AND 7 OR MORE CHILDREN	5 BEDROOM +

OTHER RELATIVES MAY BE INCLUDED ON AN APPLICATION SUBJECT TO THEIR RELATIONSHIP WITH THE APPLICANT AND IN ACCORDANCE WITH RECOGNISED FAMILY MEMBERS. FULL DETAILS ARE AVAILABLE IN THE ALLOCATIONS POLICY

PROPERTY LARGER THAN ASSESSED NEED LOCATED IN HIGH RISE ABOVE THE 5<sup>TH</sup> FLOOR MAY BE ALLOCATED BY **DIRECT OFFER** TO APPLICANTS WITH ACCESS TO CHILDREN.

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**THE EXECUTIVE****8 MARCH 2005****REPORT OF THE DIRECTOR OF REGENERATION AND ENVIRONMENT**

<b>DISPOSALS AT UNDERVALUE: CORPORATE PROCEDURE</b>	<b>FOR DECISION</b>	
<p><i>This concerns the setting of a policy and the decision is reserved to the Executive by the Scheme of Delegation.</i></p> <p><b>Summary</b></p> <p>This report describes the legal framework for the disposal of assets and describes how net capital receipts are identified, sets out options for dealing with them and sets out a mechanism for accepting benefits, as opposed to a capital receipt, for the disposal of assets.</p> <p><b>Recommendation</b></p> <p>The Executive is recommended to agree:</p> <ol style="list-style-type: none"> <li>1. That the general rule is that capital receipts should be accepted on disposal of assets;</li> <li>2. Where there is a proposal to forego part or all of a capital receipt the sponsor shall provide the justification for adopting its course and the proposal should be subject to an appraisal challenge. This is in line with the previous approval by the Executive in support of Regeneration for Barking Town Centre and Thames View Estate. The appraisal challenge will include a financial assessment of the impact of disposing of the asset on both the existing Capital Programme and the Council's Medium Term Financial Strategy; AND</li> <li>3. That the decision to accept capital receipts or alternative benefits be referred to the Executive.</li> </ol> <p><b>Reason</b></p> <p>To assist the Council in achieving its Community Priorities of <i>"Regenerating the Local Economy"</i> and <i>"Improving Health, Housing and Social Care"</i></p>		
<p><b>Contact:</b> Colin Beaver</p>	<p>Head of Property Services and Facilities Management</p>	<p>Tel: 020 8227 3336 Fax: 020 8227 3223 Minicom: 020 8227 3034 E-mail <a href="mailto:colin.beever@lbbd.gov.uk">colin.beever@lbbd.gov.uk</a></p>

## **1. Background**

- 1.1 Local Authorities were given power to dispose of property assets in any manner they wish but are required to obtain best consideration (Section.123 Local Government Act 1972). Any disposal at less than best consideration requires the approval of the Secretary of State.
- 1.2 The exception of this authority is the disposal of property on leases for less than seven years.
- 1.3 In 1998 a General Disposal Consent was introduced which enabled the disposal of assets at undervalue in certain limited circumstances e.g. disposal to a Charity.
- 1.4 Government policy is that Local Authorities should dispose of surplus land and property wherever possible. Although the legislation provides for disposal at best consideration, the Government recognises that there may be circumstances where Local Authorities consider it appropriate to dispose of land at undervalue.
- 1.5 This report only deals with Section123 consents to dispose of property assets at less than best consideration. Other specific consents / processes may be required for disposal of property assets held for particular purposes (e.g. schools, allotments, public open space, charitable land etc) or disposals at less than best consideration for particular purposes (e.g. for privately let housing accommodation).

## **2. Current Position**

- 2.1 The General Disposal Consent (England) 2003 came into force on 1 September 2003 and permits Local Authorities to dispose of land and property assets at less than best consideration without obtaining the specific approval of the Secretary of State up to a limit of £2 million undervalue. A disposal for a peppercorn in exchange for economic, environmental and social benefits e.g. housing nomination rights, public realm works outside the scope of Section 106 (Planning Gain) etc is a disposal at undervalue, these will be subject to the appraisal process set out in paragraphs 5.1 to 5.4 below, should Executive approve this report.
- 2.2 The revised General Disposal Consent grants Local Authorities the ability to dispose of property assets at up to £2 million undervalue per transaction where the disposing Authority considers the disposal will contribute to the achievement or promotion or improvement of the economic, social or environmental well being of the whole or part of the area or all or any persons residing in the area.
- 2.3 There are two possible outcomes of disposal at undervalue:
  - a) the Council can take a reduced capital receipt of up to £2 million in order to obtain economic, social or environmental benefits;
  - or,
  - b) forego the capital receipt where the best consideration is less than £2 million.

- 2.4 In order to determine the level of undervalue, formal valuations will be required of the best consideration and the level of undervalue, taking account of the specific benefits the Council is obtaining.

Legal advice should be obtained about whether the proposal falls within the terms of the General Disposal Consent.

- 2.5 The Consent and Office of the Deputy Prime Minister (OPDM) Guidance on the well being powers state that Authorities should have regard to their Community Strategy and, whilst a proposal need not necessarily be specifically referred to in the Strategy, the Government would expect Authorities to consider the matter very carefully before using the power in a way which may be counter to the aims and objectives in its Community Strategy.
- 2.6 Authorities must be able to demonstrate that they have acted reasonably in agreeing undervalue transactions. It is unlikely that aggrieved unsuccessful or potential purchasers (or indeed local residents) will accept the decision in all cases. A fundamental issue will be authority's ability to demonstrate reasonableness having regard to applicable policies.

### **3. Balanced Scorecard Context**

- 3.1 The receipts generated from the disposals of assets provide substantial sums (at 30 November 2004 the total Disposal Programme identifies potential capital receipts of £85 million to be obtained by 31 March 2007). The receipts will support the delivery of many of the Council's aims and objectives. The Disposal Programme, with one exception, assumes all assets are sold at market value. The exception is Digby Gardens; which is being sold at undervalue in order to retain 100% of the nomination rights. (Executive Minute 75, 3 August 2004 approved this disposal.)
- 3.2 One of the key priorities is to ensure sound financial management. A critical element of this is to obtain best value from the disposal of the Council's surplus assets in order to sustain the delivery of key services. Consequently, where any sale at undervalue is recommended it would be necessary to demonstrate that the outcome will be at least as beneficial as the opportunities forgone by agreeing a reduced receipt.
- 3.3 In LBBDD sales of land and property at undervalue have only taken place in exceptional circumstances and it is not envisaged that the change in legislation will alter this. However, it is proposed that clear guidelines are prepared which sets out the information requirement for the consideration of such requests in the future.

### **4. State Aid**

All disposals need to comply with the European Commissions State Aid Rules. When disposing of land at less than best consideration, Authorities are providing a subsidy to the owner, developer and / or occupier of the land. Where this occurs, Authorities must ensure that the nature and amount of the subsidy complies with the State Aid Rules. Failure to do so means the Aid is unlawful.

## 5. Proposals

- 5.1 It is recommended that sales at less than best consideration be approved by the Executive. It is recommended that any proposals to sell at undervalue (whether or not the Secretary of State's consent may be required) should be considered initially by the Corporate Asset Management Group as an appraisal panel. The recommendations and reasons will be reported to the Executive when seeking the necessary consent for disposal of a particular property at undervalue.
- 5.2 The proposals submitted to the Corporate Asset Management Group should be supported by the following information:-
- (i) A valuation report undertaken by a valuer who is a member of the RICS setting out the restricted and unrestricted values of the property.
  - (ii) A proposal by the sponsor of the capital value of the proposal to the Council and those benefits of the proposal which are capable of monetary assessment (e.g. operational savings, income generation, leveraging in additional financial resources etc) together with an assessment with supporting evidence of the value of non- monetary benefits (crime reduction, health improvements, social benefits to the community).
  - (iii) A statement from the Sponsor showing how the disposal at Undervalue will contribute to agreed Council and Community Priorities and will not adversely affect other priorities and a clear statement showing where and how the scheme fits within service priorities (as they may be required to cover the shortfall of the receipt from their own capital funds).
  - (iv) a clear statement from the Sponsor that the benefits can not be achieved unless the scheme proceeds at undervalue and confirm that no alternative means of funding is available.
  - (v) Any views expressed by the Local Area Community Forum.
  - (vi) Confirmation from the Head of Legal Services that the proposal falls within the terms of the revised General Disposal Consent.
  - (vii) A financial assessment of the impact of disposing of the asset on both the existing Capital Programme and the Council's Medium Term Financial Strategy.
- 5.3 The Sponsor following consultation with the Corporate Asset Management Group would firstly refer the matter to the Regeneration Board and subsequently the Executive for a decision.

- 5.4 The Corporate Asset Management Group need to be aware of the implications of the Council obtaining Section 106 Agreement benefits, via terms in a contract to dispose, should the Council decide to use this option. The benefits will need to be identified and quantified, possible during the appraisal by the Corporate Asset Management Group.

## **6. Consultation**

### **Lead Members:**

The following have been advised of the proposals:

Leaders Portfolio (Community Plan and Vision), Councillor Fairbrass.  
Deputy Leader's Portfolio (Property Services), Councillor Geddes.  
Regeneration, Councillor Kallar.

The following have seen a copy of this report and have raised no objections:

### **Corporate Strategy**

Muhammad Saleem, Solicitor to the Council and Monitoring Officer  
Jennie Duffy, Head of Customer First

### **Regeneration and Environment**

Jeremy Grint, Head of Regeneration Implementation  
Jim Mack, Head of Asset Management and Development

### **Finance**

Lee Russell, Head of Capital Finance  
David Waller, Interim Head of Finance (DRE)  
Laura Williams

### **Social Services**

Andy Bere

### **Housing and Health**

Ken Jones

### **DEAL**

Mike Freeman

Regeneration Board, 25 January 2005.

## **Background Papers**

- Executive Minute 75, 3 August 2004 re: Land Disposal Sites: Land Valuation for Site at Digby Gardens
- Executive Minute 53, 20 July 2004 re: Council Land and Asset Disposals - Funding New Affordable Housing and Regeneration Initiatives.

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